TERADYNE

Corporate Social Responsibility Report

2024

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A Message from our CEO

Gregory Smith
President & CEO, Teradyne Inc.

Our company's core values of "Honesty and Integrity, A Company Without Doors, and Customers Count On Us," are the cornerstones of our culture. These core values guide our perspectives, our priorities, and our decisions.

Environmental sustainability is critically important to our customers and to us. Reducing power consumption, conservation of clean water, reducing pollution, and transitioning to sustainable materials are important to the technology industry broadly and to semiconductor manufacturing in particular. Sustainability is key to our collective future and has become increasingly important commercially as our customers work to deliver on their own sustainability targets. Our SoC testers provide customers with the flexibility to scale capacity for different types of semiconductors used for a variety of applications, allowing them to optimize utilization and eliminating the need for excess system purchases. Because the life of a system may be decades, they are also designed to be backward and forward compatible with technology generations, lengthening their useful life, helping to reduce electronic materials waste.

From the cell phone in your hand, the car that you drive to the servers that are the backbone of the internet, it's likely we have tested critical components of the systems that we all rely on daily. Across our test business, we are committed to engineering our solutions with a goal of limiting power consumption, helping our customers achieve their targets.

Our robotics business is headquartered in Odense, Denmark where we are a founding member of the Odense Climate Partnership. This community of companies and organizations is striving to make Odense climate neutral by 2030. Our collaborative robots (cobots) and autonomous mobile robots (AMRs) enable companies and economies to grow despite persistent labor shortages. Importantly, our software driven robots enable industrial workers to transition from dangerous and repetitive tasks to higher value, more fulfilling roles while supporting cleaner and more efficient manufacturing.

Within Teradyne, we are focused on training and skills development for our employees as we make a concerted effort to attract and retain diverse talent. Our Employee Resource Groups help to foster a greater sense of belonging while a considerable portion of charitable giving supports STEM-related education and project-based learning to introduce students of diverse backgrounds to Teradyne.

These are just a few examples of what's in our updated CSR report. Please read on for all the details. We recognize that ESG activities are an integral part of the growth, innovation, and value creation that drives Teradyne, and we appreciate your interest in our efforts.

Teradyne's Commitment to ESG

Teradyne actively works to improve the operating performance of all parts of our company.

We are reducing our impact on the environment, positively contributing to the communities in which we operate, and conducting our business in an honest, ethical manner.

Teradyne and the RBA

Teradyne is an affiliate member of the RBA

Our responsible sourcing program requires our suppliers to adhere to environmental and social responsibility principles and guidelines consistent with those outlined by the Responsible Business Alliance.

Through the RBA Portal, any RBA member can request a Trading Relationship with Teradyne and access our RBA reports/data directly.

Responsible Business Alliance

Advancing Sustainability Globally

ENVIRONMENTAL

Teradyne reports green house gas emissions and sets long term environmental targets in accordance with global standards

Environmental Impact Reporting: Teradyne began reporting our emissions to the CDP in 2005 and we adhere to the recommendations and guidelines outlined by the CDP.

Climate Risk/Opportunity Disclosures/Reporting: Teradyne annually assesses climate-related business risks/opportunities. Maps disclosures to SASB, TCFD, and the Global Reporting Initiative Standards.

Sustainability in the Semiconductor Supply Chain: Teradyne is an active member of the SCC and shares the vision to support industry-wide collaboration, Scope 1, 2, and 3 reporting transparency, and setting near and long-term decarbonization targets to reach net zero emissions by 2050.

Targets for Emissions Reduction: Teradyne has submitted a letter of commitment to the SBTi with science-based emissions reduction targets aligned with the SBTi guidelines and methods.

We Measure & Report our Environmental Impact

MWh Energy Consumed
75,708

MWh Renewable Energy Generated
1,054

Scope 1 & 2 tonnes CO_2 equivalent
33,065

Water Consumed (m^3)
124,322

Waste Recycled
74%

Recycled (tonnes)
1,215

2023 Metrics at Our Three Largest Locations

	North Reading	Cebu	Costa Rica
Energy Consumed (MWh)	14,145	12,316	4,312
Renewable Energy (MWh)	784		
Scope 1 & 2 Co_2 equivalent (tonnes)	5,622	11,359	456
Recycled (tonnes)	81.2	110	8.4

Scope 1
Direct GHG emissions:

3,928 tonnes CO_2 equivalent

Scope 2
Energy indirect GHG emissions:

29,601 tonnes CO_2 equivalent

Scope 3 (includes 3.1, 3.3, 3.5-3.7)
Other indirect GHG emissions:

267,773 tonnes CO_2 equivalent

See Full Report — Our CDP Submittal

We Have Set Clear Targets to Reduce our Impact on the Environment

Environment Critical Few	UN Sustainable Development Goal Alignment	Goal	2023 Status	2030 Target
Scope 1 and 2	7 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION	Scope 1 and 2 Emissions Reduction	Signed zero-emission VPPA to offset 40% of TER total emissions; VPPA online beginning 2026	42% reduction
Scope 3	7 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION	Scope 3 Emissions Reduction	We have submitted our letter of intent to set SBTi not the actual targets. Those are due at the end of 2024	25% reduction Pending review by SBTi
Solid Waste Landfill	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Operations Waste Reduction	Launched initiative to establish diversion of operations/facility waste from landfills: reuse/recycle programs and incineration with heat recovery.	>60% of TER operations/facilities waste diverted from landfill
Sustainable Products	6 CLEAN WATER AND SANITATION	Introduce Sustainable Coolants in 2025	Target introduction of water-based coolants in 2025	Elimination of PFAS coolants in next-generation testers

We Follow Local and Global Standards Guide our Efforts to Positively Impact the Communities in which we Operate

United Nations Sustainable Development Goals

Teradyne supports the United Nations Sustainable Development Goals (Reference pages 12-13 of CSR)

- End Poverty, Gender Equality, Quality Education, Clean Water & Sanitation, Affordable and Clean Energy, Decent Work and Economic Growth, Industry, Innovation & Infrastructure, Reduced Inequalities, Responsible Consumption & Production, Climate Action, Peace, Justice & Strong Institutions

Support Our Employees

- **Employee Resource Groups –** Our ERGs improve the sense of belonging and inclusion of our colleagues.
- **Mentorship Circles –** Our mentorship program provides the opportunity for employees to meet in small groups with company leaders to discuss career development topics.

Community Support

Our active philanthropy program supports the communities in which we operate

- Financial support and in some cases active employee engagement to support STEM Education at the middle school, high school and collegiate level
- Scholarships to UNCF students to support people of color in higher education
- Diversity Investments include: Women's Leader Initiative, NAACP L&E Fund, Resilient Coders
- Teradyne Gives provides match donations up to $1,000 per year per employee to support non-profit organizations focused on improving health, wellness, education, our environment, and disaster relief

SUSTAINABLE DEVELOPMENT GOALS

Teradyne is Committed to Conducting Business with Honesty & Integrity

Operational Excellence & Corporate Governance

Ethical Governance Policies

Business Continuity

Compliance & Risk Management

Human Rights

Data Security & Privacy

Product Security

Teradyne was named one of the

“2023 Top-Rated ESG Companies”

by Sustainalytics

Teradyne was noted as a

“2023 VETS Indexes Recognized Employer”

by Vets Indexes

Teradyne was listed in

“America’s Most Responsible Companies 2023”

by Newsweek

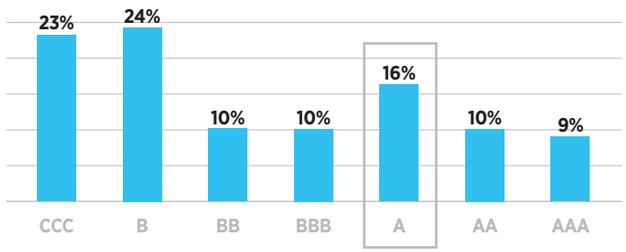
Teradyne was included on

“USA Today’s 2023 List of Climate Leaders”

by USA Today

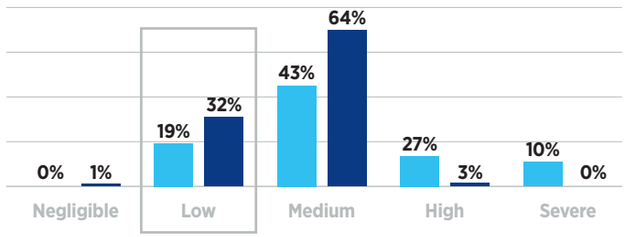
2023 ESG Dashboard

ESG Rating Distribution



*MSCI ESG Rating (Max/Best-AAA)

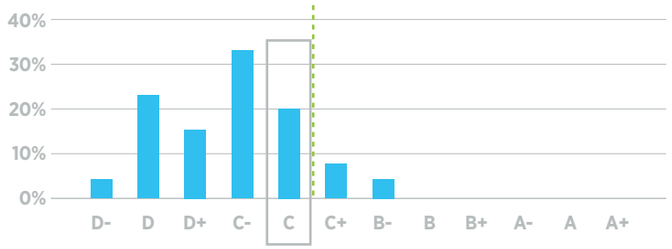
ESG Risk Rating Distribution



*Sustainalytics Risk Analysis (Max/Best-Negligible)

Distribution of Ratings

41 Companies in the Industry



*ISS ESG Rating (Max/Best-A+)

ESG Risk Rating

15.3

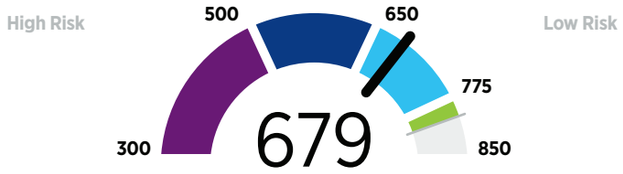
Low Risk

	Rank | Percentile
Industry Semiconductors	23 / 371 | 7th
Subindustry Semiconductor Equipment	9 / 127 | 7th

Sustainanytics Risk Analysis — Last Full Update May 2023

Cyber Risk Score

Firmographic Max: 800, ISS 5.0.0 Cyber Risk Score



ISS Cyber-Security Rate — As of January 2024

What's Inside

About Teradyne

ESG Overview at Teradyne 13

Sustainability at Teradyne 15

Our Focus & Priorities

Corporate Social Responsibility Vision 17

Stakeholder Engagement 19

Foundational Framework 20

E: Sustainable Environment 21

Our Solutions

S: Social Engagement: Our People and Communities 51

G: Ethical Governance 69

Index: Alignment with External Reporting Frameworks

Task Force on Climate-Related Financial Disclosures (TCFD) 73

Sustainability Accounting Standards Board (SASB) 75

Global Reporting Initiative 76

ESG Overview at Teradyne

Environmental, Social and Governance (ESG) activities touch all functions within Teradyne. While some ESG topics have always been foundational to the ways in which we operate our business, other topics have emerged more recently as Teradyne and the global economy evolve. ESG-related activities are guided by a steering team that reports to the CEO, CFO and the Board of Directors.

This Corporate Social Responsibility Report provides an overview of our business and ESG practices. We reported calendar year 2023 data to the Carbon Disclosure Project and, where applicable, mapped that data and other disclosures to the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and Taskforce for Climate-Related Financial Disclosures (TCFD) frameworks in this report.

This report provides data on other ESG related measures, where available, through December 30, 2023. We also provide ESG information in other public disclosures such as our Annual Report on Form 10K and annual Proxy. We recognize that our ESG journey is ongoing, and we will continue to update our progress.

Teradyne's ESG Organization Structure

Board of Directors	Nominating & Governance Committee has primary oversight responsibility	
Senior Leadership	Greg Smith, President & CEO Sanjay Mehta, CFO	
ESG Steering Team	Legal Investor Relations Global Compliance Human Resources	Facilities Management Business Units Environmental Health & Safety Operations Compliance Information Technology
ESG Working Team	Environmental Health & Safety Human Resources Communications Legal	Facilities Management Business Units Governance/Compliance Operations Information Technology Internal Audit Team Supply Chain Team

ESG Overview at Teradyne

At Teradyne, our commitment to sustainability drives us to continuously enhance our impact on the environment and society. We take responsibility for minimizing the negative effects of our operations while amplifying the positive contributions we can make. Our approach to a sustainable supply chain is anchored in respecting human and labor rights, ethical sourcing, and fostering responsible practices. We are deeply committed to reducing our carbon footprint, conserving resources, and advancing the circular economy across all facets of our business.

Our dedication extends to maintaining a supply chain that not only meets rigorous environmental standards but also upholds the dignity and rights of individuals. We ensure that fair labor practices, diversity, and inclusivity are at the core of our operations and that our suppliers share these values. By integrating robust Environmental, Social, and Governance (ESG) principles, we are creating long-term value for our stakeholders—our employees, customers, shareholders, and communities.

We are unwavering in our pledge to transparency, setting ambitious targets, measuring progress, and reporting our achievements. At Teradyne, we are building a resilient and responsible business model that contributes to a more sustainable and equitable world, demonstrating that together, we can lead the way to a brighter future.

Dr. Andres Willkie
Global ESG Manager
Teradyne Inc.

Please do not hesitate to contact us at esg@teradyne.com if you have any questions or suggestions.

As the Global ESG Manager, I am proud of our commitment to driving meaningful ESG initiatives throughout Teradyne. Our efforts include but are not limited to:

- Implementing green initiatives: From energy-efficient lighting to recycling programs and digital workflows, we are focused on minimizing our environmental impact and promoting sustainability.
- Promoting a responsible supply chain: We work closely with our suppliers to ensure they adhere to ethical, sustainable, and responsible sourcing and manufacturing practices that respect human and labor rights.
- Fostering a safe and inclusive workplace: We are dedicated to providing a work environment that values diversity, employee well-being, and engagement, ensuring all voices are heard and respected.
- Upholding strong governance: Our transparent, ethical, and effective governance practices include establishing a board-level ESG committee to oversee our ESG strategy and performance.
- Our commitment to continuous improvement and transparency in ESG practices remains steadfast. We regularly assess our performance, set clear targets, and strive to exceed them. We believe that strong ESG practices not only benefit the environment and society but also drive our business success. We encourage all our stakeholders to join us in this journey towards a more sustainable future.

Sustainability at Teradyne

Value of Our Business

Teradyne helps companies bring high-quality innovations to market, fast. We automate two of manufacturing's most critical elements – electronic test and repetitive manual industrial tasks – with automated test equipment and industrial automation solutions. Our customers are companies of all sizes in diverse markets, and they depend on us to make certain their electronic or industrial products perform as expected, every single time. Our enduring commitment to advanced test and automation solutions means that we're improving how the world lives, works and innovates.

Automated test can enable customers to reduce material and electronic waste through identifying points of failure, and in some cases tuning or fixing errant parts so that they perform as expected. This allows customers to identify problems early, so that points of failure are either fixed or scrapped before more resources are used to complete the system. As semiconductor content in everything is growing - from small Internet of Things (IOT) devices, to smart phones, to automobiles z- there is an increasing need to ensure electronic components and systems reliably work as intended.

Our Robotics business frees human resources from repetitive, dirty, and dangerous tasks to work on more interesting, higher value-added jobs. Many geographies that have been manufacturing hubs are facing labor shortages, as they face the combination of an aging workforce and younger potential workers who prefer not to work in a factory. Our software driven cobots and our autonomous mobile robots enable companies and economies to grow despite demographic changes that limit the availability of manufacturing labor.

State of Our Business

Teradyne's business performance is a reflection of the hard work and creative energy of over 6,500 employees around the world. Their determination and enthusiasm to solve our customers' test and automation problems speak to both the challenges of working in a fast-paced, technology driven business, and the rewards of making the future a reality for people everywhere.

After more than a decade of consolidation in the semiconductor test market, Teradyne has emerged as one of the two industry leaders. We remain disciplined and focused on the company's long-term growth and sustainability. Our strategy is to build on our strong position in the automated test equipment (ATE) industry while investing in emerging advanced industrial automation technologies We understand that the more effective our test solutions, the better able we are to help our customers achieve their goals, like power reduction, reducing materials waste, and improving cost efficiencies. Our well-established ATE business provides the infrastructure, systems and processes that supports the long-term sustainable growth of our Robotics business.

Our test businesses are driven by the growth in semiconductor content in products from mobile phones to servers and automobiles and the ever-increasing complexity of semiconductor devices that run the systems and applications that touch nearly every aspect of our lives.

Our robotics businesses serve an evolving manufacturing industry, where faster product cycles and higher variability in products require greater agility in manufacturing and logistics. Unlike traditional industrial automation, our robots are safe to work side by side and around humans, making them well suited platforms for AI training. We believe that our cobots and autonomous mobile robots will help to bring AI to the physical world, driving operational efficiency and enabling growth across industries.

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by Sustainalytics

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by Vets Indexes

Teradyne was included on

"USA Today's 2023 List of Climate Leaders"

by USA Today

Teradyne by the Numbers

Founded:
1960

Headquarters:
North Reading, Massachusetts, USA

Employees:
6,500+

Offices worldwide:
75+

Stock Ticker:
TER
(NASDAQ)

Corporate Social Responsibility Vision

We integrate quality, safety and sustainability into every aspect of our business, with the goal of engineering a better future.

Our test and automation solutions are fundamental to the growth of many industries and have a profound effect on the world around us. We respect this global influence and realize that we have the opportunity, as well as responsibility, to apply technology in ways that advance society.

OUR FOCUS AREAS & PRIORITIES

Society

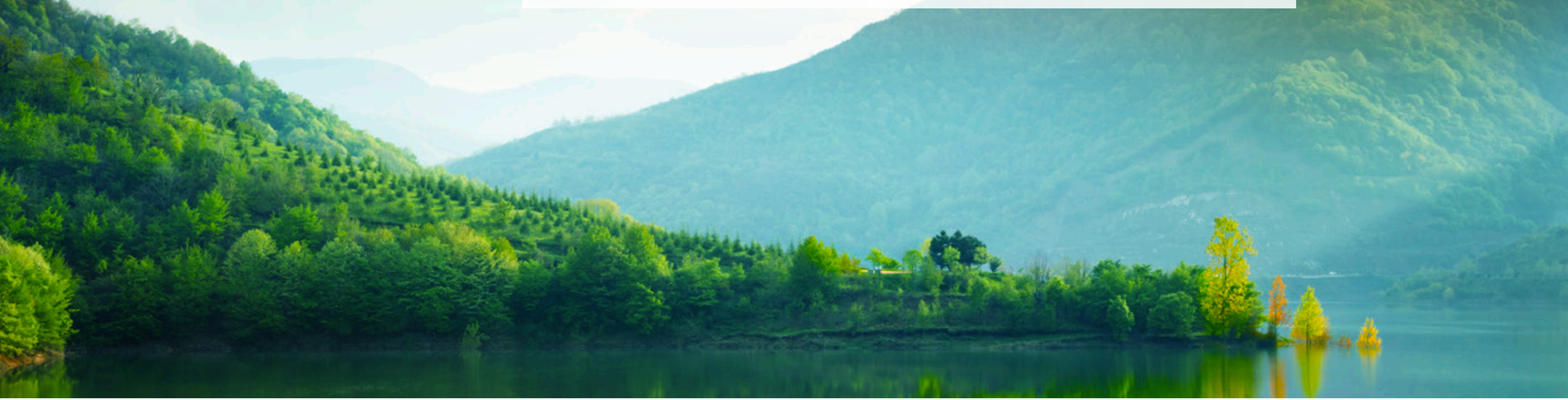
- Human rights
- Responsible sourcing & manufacturing
- Volunteerism & philanthropy
- Community engagement

People

- Talent acquisition, development & retention
- Innovation & collaboration
- Workforce diversity, equity & inclusion

Planet

- Energy & greenhouse gas emissions
- Waste reduction
- Sustainable products



Teradyne Core Values

A COMPANY WITHOUT DOORS

Innovation is driven by collaboration and we empower our employees to use their voices and share their ideas. If you don't know, feel free to ask. If you do know, it's your job to share.

HONESTY & INTEGRITY

We are transparent about our corporate strategy and how we conduct business. We act with integrity in all that we do for customers, shareholders, our communities, and each other.

CUSTOMERS CAN COUNT ON US

We partner with our customers every step of the way – from idea to final product – maintaining the highest standards. We go above and beyond to ensure our customers' success.

Stakeholder Engagement

Teradyne engages with stakeholders to inform them about our sustainability efforts, and to understand their expectations and perceptions of the company.

Our CSR activities are directly linked to stakeholder expectations and corporate values, which ensures the program is aligned with the company's core DNA and supported across the organization.

Customers

Our customers are at the center of everything we do. We strive to help our customers achieve their own CSR and business goals through sustainability leadership and by delivering reliable, socially conscious solutions that meet their needs.

Employees

Teradyne attracts, develops and retains a high-performance workforce, comprised of people with diverse backgrounds and a common drive for excellence. We strive to foster a positive work environment that helps employees and communities thrive.

Shareholders

Our CSR initiatives promote value creation to attract and reward shareholders through profitable growth, operational efficiency, transparency and lower costs using sustainable business practices.

Communities

Our employees play an important role in their communities supporting education, local activities to improve the environment, living conditions of their neighbors, disaster relief and numerous other community engagements. Teradyne supports our employees' efforts and strives to be a responsible member of the communities where our employees live or host our operations.

Foundational Framework

Teradyne ensures business and sustainability success by measuring progress within our CSR framework. This framework is grounded in environmental stewardship, innovative solutions, investment in our people and our communities and ethical governance.

Our foundational pillars provide a structure to which all CSR efforts are aligned for company and global community benefit.

Environmental Stewardship

Teradyne prioritizes natural resource conservation, emission reduction, waste minimization and energy efficiency.

Our ISO 14001-certified Environmental Management System drives continuous reduction of any adverse environmental impacts from our operations.

Our Solutions

Teradyne's portfolio of advanced, reliable and flexible test and automation solutions are responsibly sourced, compliant with applicable regulations and maximize the value of limited environmental resources.

Our People & Communities

Teradyne values a diverse, equitable, inclusive and respectful work environment where all employees enjoy development opportunities and a safe, positive culture. We also invest in the communities where we operate.

We participate in local and global volunteer efforts and support numerous charitable and educational organizations. We further strengthen communities through philanthropic giving, employee volunteerism, community sponsorships and grant programs.

Ethical Governance

Teradyne is committed to conducting business in a responsible manner, with strategic operational policies, procedures and values that support transparency, sustainability and legal compliance. We ensure ethical operations and business commitments through robust governance of the company's standards of business conduct and environmental, health and safety programs.

United Nations Sustainable Development Goals

Teradyne aligned its practices and aspirations with several of the Sustainable Development Goals adopted by the United Nations in 2015. These goals serve as a collective roadmap for all nations to cultivate endeavors that advance peace, prosperity, and a sustainable future for both humanity and the environment. The following is a high-level recap of Teradyne's efforts on each of the mentioned goals. Details on each of the initiatives are fully described among this CSR.

SUSTAINABLE DEVELOPMENT GOALS

1 NO POVERTY

Teradyne Gives, our employee charitable match program, supports our employees' volunteer activities and donations by matching up to $1,000 per year of employee financial donations to non-profit organizations focused on improving health, wellness, education, our environment, and disaster relief.

4 QUALITY EDUCATION

Teradyne prioritizes Science, Technology, Engineering and Mathematics (STEM) advocacy through our support of high school robotics competitions, college scholarships, university programs, paid internships and co-op opportunities, and increasing diversity in STEM graduates. We also donate test equipment and robots to colleges, universities, or vocational programs to provide students with hands-on experiences that directly apply to what they're learning in the classroom.

5 GENDER EQUALITY

Teradyne's DEI program focuses on:

- Strategy and actions to improve opportunities for underrepresented populations in hiring, advancement, and leadership development
- Expanded learning opportunities for all employees in diversity, equity, inclusion, and managing diverse teams
- Monitoring workforce demographic metrics, comparing them to benchmarks and using this data to drive improvement throughout the organization
- Philanthropic support of organizations and initiatives driving DEI including academic, economic, career and social justice opportunities

6 CLEAN WATER AND SANITATION

Teradyne recognizes the essential role of water to our business. Water stewardship is part of our effort to continually reduce the environmental impact of our operations. We have an objective to reduce our absolute water consumption.

United Nations Sustainable Development Goals (continued)

Teradyne has a goal to achieve 100% renewable energy for our Scope 1 and 2 emissions. In 2022 Teradyne signed a Virtual Power Purchase Agreement (VPPA). The VPPA allows us to achieve our 100% renewable energy goal through the creation of new green energy.

Teradyne focuses on talent attraction and talent retention strategies, including:

- Talent Acquisition, Talent Management and Training & Development, which support both attracting and retaining talented colleagues and the professional and personal growth of employees and job candidates
- Employee Well Being, which focuses on creating a rewarding and fulfilling work environment
- Community Engagement, which promotes our work with the communities where our facilities are located
- Diversity, Equity & Inclusion, which describes our efforts to support all employees and candidates to reach their full potential

We test the semiconductor chips that make fossil fuel powered vehicles more efficient, power zero emission electric automobiles, subways, trains and buses, enable advanced communication systems that allow remote working and learning and power the global economy. Our robotics bring advanced automation to companies of all sizes everywhere, by combining the power of machines and human talent to improve operational efficiency and provide safer work environments.

Teradyne offers its employees competitive compensation programs and benefits plans designed to meet the needs of employees and their families, including gender pay equity, parental leave, health insurance coverage and flexible work arrangements.

Teradyne's responsible sourcing program requires our suppliers to adhere to environmental and social responsibility principles. The program is based on the Responsible Business Alliance (RBA) guidelines, of which Teradyne is an affiliate member.

Teradyne is committed to lowering its carbon footprint. Climate and energy are major focus areas in our sustainability strategy to combat climate change. With our critical role being at the front end of the semiconductor value chain, we acknowledge our direct contribution and influence on low carbon end-use products and recognize our responsibility in this entire value chain ecosystem.

Teradyne's Human Rights Policy fully aligns with the Responsible Business Alliance standard, including with respect to prohibition of forced or bonded labor, child labor, discrimination and other inhumane labor practices. We protect and support employees' rights through labor policies that ensure living wages, limits on working hours and freedom of association and collective bargaining.

Environmental Health & Safety Management

The health and safety of all our stakeholders are critical to our long-term success. Teradyne's EHS program is led by a senior manager supported by team members worldwide and reports to the Corporate Facilities Manager who reports to the Chief Financial Officer. Our corporate headquarters in North Reading, MA conducts EHS audits to ensure best practices in safety and environmental.

Teradyne is third-party ISO 14001 certified at our corporate headquarters in North Reading, Massachusetts, as well as our facilities in Heredia, Costa Rica; Kumamoto, Japan; and Cebu, Philippines.

These facilities represent our principal production and repair locations where EHS management is critical. All our locations utilize the ISO 14001 framework for our sustainability initiatives throughout the company, allowing us to set targets and drive continuous improvement. This certification covers our employees as well as our facilities.

Climate Change & Sustainable Business Practices

Teradyne recognizes that climate change impacts all aspects of society and poses a serious threat to our health, food supply, water supply and the global economy. We believe that everyone shares responsibility to mitigate greenhouse gases (GHG) and activities that negatively impact the environment.

Businesses are already experiencing the negative impacts of climate change, from infrastructure damage to disruptions to logistics, input supplies and customers. Teradyne supports global efforts to mitigate the impact of climate change. While environmental challenges do pose a risk, they also provide opportunities for companies who are willing to build climate resilience and lead the way forward.

100% Renewable Energy

100% Renewable Energy Teradyne aims to achieve 100% renewable energy by 2025 for our US Scope 2 emissions. Our approach is to utilize on-site renewable energy projects and through a Virtual Power Purchase Agreement (VPPA). When the Solar Installation constructed through the VPPA is operational in 2025, Teradyne will have supported the creation of new green energy allowing us to achieve our 100% renewable energy goal for US Scope 2 emissions. Scope 2 emissions are those resulting from the generation of electricity we purchase. We expect to continue the path to 100% renewable emissions for other locations we operate in and will provide progress updates via our CSR.

We are planning to submit near-term and long-term net zero Science-Based targets in 2025 for validation through SBTi.

Some ways in which we prioritize our emissions and energy use are through natural resource conservation, waste minimization, increasing our energy efficiency and emission reduction.

At our headquarters, we have been exploring our water usage and have begun the process of reducing our reliance on irrigation. We are working to improve our landscaping with more sustainable options and reducing the number of irrigation heads to lower our water usage. We are also upgrading our irrigation system to a more efficient system that considers rainfall and identifies lines with water leaks.

At our headquarters, we have an initiative to reduce our total waste and reduce the waste we send to landfills. For the first time this year, we have an agreement with our waste hauler that all garbage leaving out headquarters will go to an incineration plant, where it will be converted to energy through heat recovery. Here, instead of being left in a landfill where it will remain indefinitely, the waste is incinerated and converted into energy through heat recovery.

Energy Management & Greenhouse Gases

Teradyne continuously monitors risks and opportunities in the field of sustainability management, such as global policies and regulation trends that impact the business environment. We continually assess the environmental impact of our operations and ways to reduce our climate footprint.

Primary areas of focus have been to reduce consumption of electricity and gas and explore sustainable energy opportunities. Buildings account for a large portion of Teradyne's emissions. As such, we have been implementing measures to reduce greenhouse gas emissions from both our owned and leased buildings. We are committed to increasing the efficiency of our energy use by using building automation for heating, cooling and lighting, greening our electricity supply and installing more efficient equipment.

Examples of projects we have undertaken include: large scale lighting retrofits at our Corporate Headquarters, increasing our heating, ventilation and air conditioning efficiencies by programming setbacks so heating and cooling is only used when necessary, and deploying onsite renewable energy production where feasible. At our headquarters we have also upgraded one of our boilers with a new high efficiency boiler. We have installed variable speed drives for our chillers to reduce energy use. Lighting controls, daylighting and sensors help us reduce energy use associated with lighting.

At our leased offices, we evaluate improvements in cooperation with property management. These improvements include lighting retrofits and building system upgrades that increase energy efficiency. In addition, we explore green leases and opportunities to lease buildings that are sustainable. For example, in 2021 we signed a long-term lease for space at a LEED certified building in Illinois.

Teradyne reports to the Carbon Disclosure Project (CDP) annually and makes this report publicly available. We aggregate data from our facilities globally to enable collection, monitoring and reporting of Scope 1, 2 and 3 greenhouse gases. The program also allows us to calculate the NOx, Sox and CO2 we generate based on our activities and track the metrics for water consumption and waste management.

In support of promoting sustainable transportation, Teradyne has installed EV charging stations at several of our facilities including our Corporate Headquarters in North Reading Massachusetts and facilities, located in Agoura Hills, and San Jose. Due to the growing demand for EV chargers, we are expanding our EV charging at our headquarters to accommodate 10 more charging spots. At our leased sites, we are using renewal opportunities to ask landlords for EV Charging stations. We are committed to encouraging and supporting employee selection of electric vehicles.

Teradyne also encourages biking to work. We provide covered bike storage, bike racks and shower and locker facilities at several of our facilities.

In the areas of alternative energy opportunities, we have installed a 640KW solar installation at our Corporate Headquarters in North Reading, Massachusetts and a 208 KW solar installation at our Agoura Hills, California location. We are evaluating solar and renewable energy opportunities at additional facilities. We have now completed construction of our new automation hub in Odesne, Denmark. The contruction of this new hub largely involved great attention to sustainable design, construction, and materials.

Teradyne provides flexible work hours that allow employees to travel during off-peak hours which helps to minimize CO2 output from sitting in traffic. We also provide flexible work arrangements that allow employees to work from home.

SUSTAINABLE ENVIRONMENT

Water Supply

Teradyne is committed to water stewardship and recognizes safe and clean drinking water and sanitation as a basic human right. Climate change is affecting where, when and how much water is available for people to use. Many parts of the world already have very little water, and climate change could make this problem worse.

We recognize the risks that water scarcity, pollution and weak water governance have on business and the need to better address the ways our water use and wastewater discharge can impact the nearby ecosystems and communities in which we operate. We recognize the essential role of water to our business. Water stewardship is part of our effort to continually reduce the environmental impact of our operations. We have an objective to reduce our absolute water consumption. The objective is set at the corporate level and provides a unifying storyline that pulls together the many specific water-related activities conducted by our various facilities.

At all our facilities, we utilize water saving devices, for example flow restriction in restrooms, more efficient chillers and steam boilers, and other water saving devices. Specific water goals related to water consumption and minimizing domestic discharge are addressed at the local level. Long-term, we plan to work on a multi-stakeholder water stewardship strategy that is inclusive of our suppliers and focuses on improving the overall health of watersheds where our operations are located. We also plan to work on a strategy that includes water risk considerations in business decisions such as locating new facilities. We are committed to monitoring progress against our goals on an annual basis. This includes communication about our progress in implementing sustainable sourcing efforts and activities.

In North Reading, we are upgrading our irrigation system. Starting with controllers/central control system which will help us lower water usage using pressure regulated systems and smart monitoring of water usage and weather.

We have also reduced the period of time that irrigation is active throughout the year and have reduced the amount of turf that requires irrigation throughtout the poperty. This has resulted in fewer overall irrigation lines.

We are evaluating facility infrastructure and looking at systems that utilize boiler blowdown and condensate as refeed into our systems to increase water efficiency.

Teradyne's Scope 1, 2 and 3 Disclosures

Reviewing our value-chain carbon footprint

We have over 75 sites around the world. Our North American Operations make up approximately 40% of our total gross greenhouse gas emissions (scope 1 and 2 emissions).

We are committed to lowering our carbon footprint. Climate and energy are major focus areas in our sustainability strategy to combat climate change. With our critical role in the semiconductor value chain, we acknowledge our direct contribution and opportunity to influence lower carbon end-use products.

We will continue to expand our collection of Scope 3 data. Collection of Scope 3 data is complex, and we are working with our industry group and peers to ensure we implement best practices and use accepted methodologies for collection, calculation and reporting of Scope 3 emissions. We expanded our scope 3 to now include logistics related emissions.

In-order to calculate our 3 scope of emissions, the EHS department collaborated throughout the company with many divisions to be able to gather the necessary data to perform the calculations. This has been our most extensive reporting of emissions to date. We have made great progress in our calculations of Scope 3 for 2023 by automating data collection.

Carbon Disclosure Project

We report to the Carbon Disclosure Project (CDP) annually and make this report publicly available.

We aggregate the data from our global facilities to facilitate collection, monitoring and reporting of Scope 1, 2 and 3 greenhouse gases. As we acquire new companies and integrate them into our operations, our goal is to reduce, or at a minimum maintain flat, company-wide emissions.

Sustainably Healthy Workplaces at Teradyne

Teradyne is working to maximize the efficiency of our operations and reduce our global carbon footprint.

We promote healthy, productive workplaces and continue to search out new opportunities that will advance these efforts globally. As we progress, we will monitor our progress year to year and look for areas where we can improve our performance.

For more information visit our Full CDP Report

Scope 1 covers direct emissions from owned or controlled sources.
Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company.
Scope 3 includes all other indirect emissions that occur in a company's value chain.

Scope 3 Data Collection

We have expanded our collection to include:

PURCHASED GOODS AND SERVICES

Teradyne estimates our emissions for purchased goods and services for 2023 at 156,777 MT CO2e.

Methodology: Teradyne's Purchased Goods and Services emissions were estimated using the spend-based method of the GHG Protocol. Environmentally Extended Input Output (EEIO) data from the US EPA was used to convert Teradyne's overall spend with suppliers to metric tons of emissions output.

For 2023, we were able to improve our data collection and calculating process resulting in more accurate emissions figures. This caused a decrease in our reported emissions for Purchased Goods and Services.

USE OF SOLD PRODUCTS

Due to the nature of Teradyne's products, Use of Sold Product is Teradyne's largest Scope 3 emissions category. We're working diligently to create an accurate baseline of these emissions to enable us to set science-based targets.

We are working with an industry group to standardize our methodology to calculate our scope 3: use of sold products. Many companies use design lifecycles or accounting deprivation methodologies instead of actual time in the field. Teradyne uses the actual years our products are in the field. For transparency: the average time our products are in the field is 18 years.

BUSINESS TRAVEL

2023 business travel emissions for Teradyne was 17,695 MT CO2e.

Methodology: Teradyne uses a third party to arrange travel. Actual data was provided to estimate metric tons attributed to travel.

WASTE

2023 waste emission for Teradyne was 74.44 MT.

Methodology: We used our actual disposal data to determine emissions contributed to waste disposal.

UPSTREAM DISTRIBUTION

2023 upstream distribution for Teradyne was 9,725 MT CO2e.

Methodology: Calculated by our third party environmental monitoring program based on leases and their locations.

COMMUTING

2023 Commuting distribution for Teradyne was 4,990 MT CO2e.

Methodology: Distance-based method, uses total distance per vehicle type and then applying an emissions factor, ex. kgCO2/mile.

This year, we were able to release a companywide commuter survey to all employees internationally. We had an amazing turnout with a substantial amount of survey responses. Because of this we were able to confidently calculate emissions for this site's scope 3 category 7.

Sustainably Healthy Workplaces

Teradyne is working to maximize the efficiency of our operations and reduce our global carbon footprint.

We promote healthy productive workplaces and continue to search out new opportunities that will advance these efforts globally. As we progress, we will monitor our progress year to year and look for areas where we can improve our performance.

MWh Energy Consumed
75,708

MWh Renewable Energy Generated
1,054

Scope 1 & 2 tonnes CO_2 equivalent
33,065

Water Consumed (m^3)
124,322

Waste Recycled
74%

Recycled (tonnes)
1,215

Comparing year-to-year

At one of our largest cafeterias, we have expanded our food waste composting from composting waste from the kitchen to composting waste from both the kitchen and the from employees visiting the cafeteria. At this cafeteria we have also changed the products used to more sustainable options including all compostable products including plates, bowls, and silverware. We also ensured that these products were PFAS free. In this cafeteria we have also eliminated the use of paper cups and are encouraging employees to bring in reusable coffee mugs.

Similarly, another Teradyne location has been urging employees to use reusable water bottles versus plastic single use water bottles. Since implementing the program, the location has seen a reduction of water bottles per person by 237%.

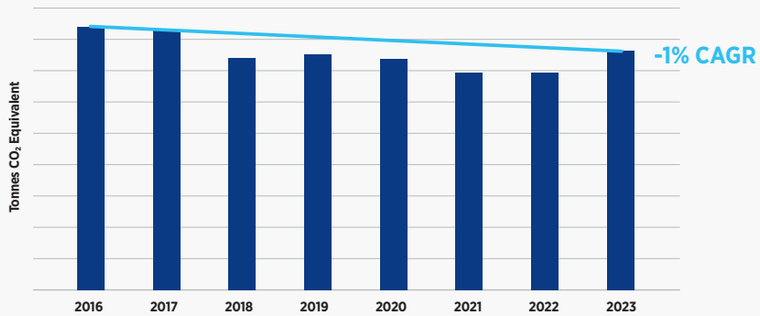
2023 Metrics at Our Three Largest Locations

	North Reading	Cebu	Costa Rica
Energy Consumed (MWh)	14,145	12,316	4,312
Renewable Energy (MWh)	707		
Scope 1 & 2 Co_2 equivalent (tonnes)	5,622	9,247.7	456
Recycled (tonnes)	81.2	110	8.4

SUSTAINABLE ENVIRONMENT

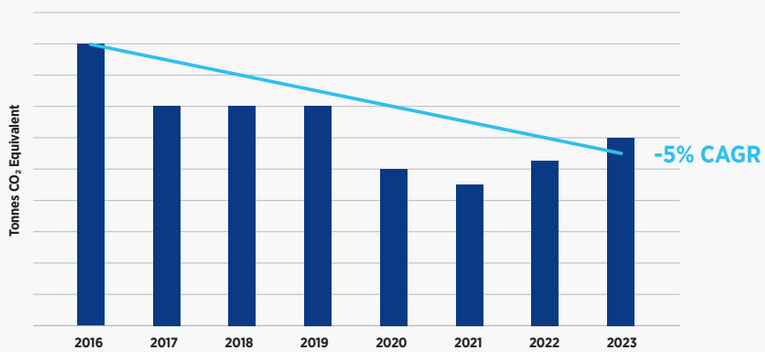
Scope 1 & 2 Emissions History

SCOPE 1&2 EMISSIONS PER SQUARE FOOT



See CDP disclosures for futher details

SCOPE 1&2 EMISSIONS PER REVENUE DOLLAR



See CDP disclosures for futher details

Target Performance

- Carbon footprint has been relatively flat the last few years. While sales & the number of employees grew, our carboon footprint remained the same. To achieve reductions, we are implementing VPPA and evaluating other vehicles to reduce emissions.

Energy

- When the Solar Installation constructed through the VPPA is operational in 2025, Teradyne will have supported the creation of new green energy allowing us to achieve our 100% renewable energy goal for US Scope 2 emissions. Implementing VPPA and other ways to transition towards net zero for Scope 2 emissions.
- Invest in facility infrastructure to employ more efficient systems and renewables

Carbon

Reduce carbon footprint by looking at renewable energy opportunities and building product roadmap to align with SBTi 2030 and 2050 goals

Water

- Investigate and deploy water reduction measures where feasible
- Implement best practices in water management, including requesting water audits from landlords in multi-tenant buildings

Waste

- Investigate end-to-end waste/recycling stream at our facilities
- Implement best practices in waste management, including requesting waste audits from providers

SUSTAINABLE ENVIRONMENT

Energy & Climate

Climate change is one of the most extensive challenges our modern world faces, and with its environmental, social and economic implications, Teradyne acknowledges its responsibility to act. Our impact on the climate comes from our R&D and manufacturing activities, supply chain and the use of our products.

Manufacturer Accountability

Hazardous Substances Management
Teradyne actively manages the hazardous substances we allow on site and in our products. Polychlorinated biphenyls (PCBs), Asbestos Containing Materials, Chlorinated Solvents, Class I and II Ozone Depleting (ODC) substances, and substances of very high concern (SVHC) are prohibited.

Chemical Management
New chemicals must go through an approval process before they are allowed into our facilities. New chemical use and restricted substances regulations are monitored and communicated to ensure we comply with all applicable regulations.

Waste Management
Teradyne manages end-of-life equipment in accordance with waste electronics and electrical equipment legislation. All Teradyne facilities are required to recycle electronics at end- of-life; we do not dispose of any electronics in landfills. The recyclers we use are audited to ensure they are complying with applicable regulations. A designated list of approved recycling facilities is generated and provided to our facilities for use globally. Teradyne reduces the waste impact of our products through system upgrades, long-term repair agreements and refurbishment programs to reduce additional burden on the environment

At our headquarters in North Reading, all waste is recycled, composted, or incinerated. We divert all waste from landfill.We work to reduce the environmental impact of the material that cannot be recycled by prioritizing waste disposal methodologies and employing audits of our waste disposal partners.

- Solid Waste Management-Teradyne has a goal to divert solid waste from landfill. Currently, we recycle approximately 74% of our solid waste. This recycling includes paper, cardboard, metal (aluminum, steel, copper), wood pallets, plastic containers and other mixed container recycling. Our goal moving forward is to increase the amount of waste we are collecting and diverting from landfill or incineration. Solid waste is Teradyne's largest waste stream.

Energy & Climate (continued)

- Electronics Recycling-All Teradyne facilities are required to recycle electronics at end-of-life. The recyclers we use are audited to ensure they are complying with applicable regulations. A designated list of approved recycling facilities is generated and provided to our facilities for use globally.
- Hazardous Waste Management-Teradyne produces minimal amounts of hazardous waste. Many of our smaller offices are prohibited from generating hazardous waste. We have a waste hierarchy we follow for disposal. All our hazardous waste sites are audited to ensure they are in good standing and in compliance with applicable regulations. We seek to minimize our hazardous waste streams by assessing the products we use at the input end.
- Industrial/Building Waste-Waste from lighting retrofits and change out, battery backup replacement for our data and computer systems and other facility waste, such as carpet, produced during retrofits is recycled.

Workplace Solutions

Employee Health & Safety
Teradyne complies with all applicable regulatory health and safety requirements wherever we operate. We conduct internal audits, regular reviews and monitoring of regulations to ensure compliance with laws and regulations at the local, state, province and country levels. We ensure workers are provided with the knowledge to perform their jobs safely by deploying mandatory EHS training. We also require contractors to complete safety training prior to doing work at any Teradyne site.

Injury & Illness Reporting
Teradyne monitors, tracks and reports common safety metrics such as accidents, near misses and illness. Our reportable injury and illness rate in 2023 was below the industry average which is 1.0.

Ergonomics
We provide our employees with flexible, adjustable workspaces. This includes looking at ergonomics issues in the workplace, educating employees to self-identify risks and ensuring they have the work environment they need to do their jobs effectively. We also provide training on how to set up your workstation with proper ergonomics.

Working Flexibility
Teradyne provides flexible work hours for employees. Many of Teradyne's employees use alternatives to traditional Monday-through-Friday work arrangements. These include part-time, hybrid work arrangements and variable work schedules.

Future Plans

Teradyne is committed to managing business activities that could potentially impact the environment in a responsible and effective manner. We continually strive to improve our environmental performance consistent with other business objectives, to regularly set documented objectives and targets for our company and our supply chain and to monitor progress in achieving them.

OUR FACILITIES

Costa Rica

In the summer of 2021, we expanded our operations in Costa Rica with the completion of a new, larger building. Construction started in 2020 and the new facility of 118,704 square feet opened in July 2021.

Costa Rica is one of the greenest countries in the world, with 98% running on renewable energy; 67.5% is hydropower, 17% wind, 13.5 % geothermal, 0.84% biomass and solar panels, and the remaining ~2% being backup power plants. Our new Costa Rica office is growing rapidly and if there is future need for expansion, we have an opportunity to secure adjacent land.

OUR FACILITIES

UR and MiR Cobot & AMR Hub

Universal Robots ("UR") and Mobile Industrial Robots ("MiR") broke ground for their new 20,000 square meter headquarters located in the city of Odense, Denmark in 2022. The new facility opened in May, 2024 and Teams from MIR and UR are now working together in the space facility.

The new headquarters is the world's largest Cobot (collaborative robot) & AMR (autonomous mobile robot) hub and remain in the center of the world-class Danish robotics industry. This new headquarters is just down the road from the current UR headquarters and not far from MiR's headquarters.

More than 600 employees of MiR and UR have moved into the new space, and the hub brings together the innovative power and robotics expertise of both teams into one physical location. The space also provides the teams with room to grow.

The building was built with energy frame requirements and consistent with Danish building regulations. It has 3 layers of glass, heat will be reused from extraction, feature a night setback on heat, and the building has solar panels on its roof, totaling 715 square meters. The facility also as over 40 EV charging stations with the ability to install more as more employees move to sustainable transportation.

The new construction is mainly made of wood products for sustainable living. We want to help build a great future by using wood to improve the sustainability of the building. The FSC (Forest Stewardship Council) mark is a guarantee for wood that you can buy with a clear conscience. In an FSC forest, no more wood is felled than the forest can reproduce.

The new building has native tree species and shrubs, which provide plantings that fit well into the area's existing plant belts. To the east and west, two attractive roof gardens have been installed, creating a link to the outdoors for our employees.

Teradyne products enable a cleaner environment, a healthier population, and a more productive economy

The Highlights

- We test the semiconductor chips that make fossil fuel powered vehicles more efficient, power zero emission electric automobiles, subways, trains and buses, enable advanced communication systems that allow remote working and learning and power the global economy.
- Our robots inspect and maintain commercial scale wind turbines that eliminate fossil fuel powered electric plants.
- We test the electronics that power medical devices from simple electronic thermometers to advanced imaging and diagnostic tools.
- Our robots reduce repetitive stress and other musculoskeletal related industrial injuries.
- Our zero-emission autonomous mobile robots move goods in warehouse and industrial settings reducing the risk of human injury from vehicle related crashes.
- At MiR, for every robot sold, we plant a tree. Every quarter, MiR buys trees through the Danish organization Klimatræ.

Working to Keep Their Communities Clean

Teradyne Japan Sponsors Volcano Trail

In May 2023, Teradyne Japan sponsored the Aso Volcano Trail. Teradyne's Kumamoto office in Japan is located at the base of the outer rim of Mt. Aso. Aso is a region in Japan filled with volcanoes, including Mt. Aso. The initiative of the event is to support the grasslands, the highlight of Aso tourism, through trail running. Teradyne sponsored the event as a bronze sponsor.

The ASO volcano trail is a total of 112km. A total of nine employees from the Kumamoto office participated as volunteers during the race. Volunteering to support the event was a great team-building experience for employees to contribute to conserving the natural environment of the area, and support Teradyne's environmental initiatives.

Cebu Team Celebrates Arbor Day

Teradyne Cebu organized a cacao planting and cacao growing activity again this year, after its first successful event in 2022. This year's theme was called "Teradyne in Touch with Nature 2.0" in celebration of Arbor Day in 2023. At the event, 65 Teradyne volunteers, 19 senior boys' and girls' scouts of Talisay City National High School, members of the Jaclupan Farmers Association, and SEED4COM - an affiliated NGO, took part in the planting and growing activity for cacao. Throughout the day, an estimate 300 grafted cacao seedlings were planted.

Cacao has been known for its beans being used in the manufacture of chocolates. Cacao trees can grow up to six meters high, with a crown diameter of four to six meters. Based on its size, age and other factors, one cacao tree has the potential to sequester up to eighty-one pounds of carbon in its course of existence. When mature, the three hundred cacao plants that were planted may store twelve tons of carbon and produce thirty-two tons of oxygen, which is enough to supply air for 34,805 people for a day. Aside from that, cacao tree could yield about 2,500 cacao beans annually, giving an added source of living for Jaclupan farmers in the future. To plant a tree is to have hope for the future. Kudos to the enthusiastic Teradyne Cebu volunteers who made this environmental initiative possible.

OUR SOLUTIONS

Packaging, Product Innovation, & Power and Energy Consumption

Our Holistic Product Sustainability Strategy

Efficiency and optimization are crucial elements in any sustainability strategy — do more with less. Teradyne weaves that efficiency and optimization perspective into all aspects of our product strategy, with the result being a holistic approach that promotes efficiency/sustainability through six levers:

1. System throughput
2. Equipment utilization
3. Test capability and quality
4. Factory and equipment automation capabilities
5. Design Enhancements
6. Data Analytics

Teradyne is committed to continuously improving the sustainability of our products.

System Throughput — Directly limproves per System Productivity and Efficiency

The Teradyne product development roadmap prioritizes industry-leading throughput, measured in units/hr and in units/hr per square meter of floorspace. Teradyne's system throughput capability is built upon high per-system site count, high parallel test efficiency, optimized test times, and modular architectures.

High per-system site counts and high parallel test efficiency
Combined, these two system characteristics enable our equipment to test multiple devices in parallel in roughly the same amount of time it takes to test one device.

Optimized test times
All Teradyne platforms have an established track record of continually improving test time by leveraging product innovations and the expertise of our applications teams.

Modular architectures
Our modular designs allow individual test instruments or sub-assemblies to be updated with higher performance/more efficient modules over the system's useful life, saving the cost and environmental burden of a complete system replacement.

Packaging, Product Innovation, & Power and Energy Consumption (continued)

These innovations result in a more productive system with higher productivity per square meter of factory floor space. Customers can achieve the same productivity levels with fewer systems and a lower environmental cost per chip tested.

Enabling a Low Carbon Environment

Semiconductor fabrication facilities are high-volume environments that rely upon the up-time or availability of manufacturing equipment. Teradyne supports this market need by ensuring we design our products using several "Design for X" processes:

- Reliability: our product designs are reviewed for high reliability, ensuring low failure rates.
- Repairability: intended to ensure that, when a repair is needed, it is simple and streamlined, and the repair time is minimized (remove, replace, restart production).
- Maintainability & Serviceability: minimize the effort and time required to service and maintain the product in the field, thus enabling short downtimes and long service life for the equipment.

These characteristics offer a two-fold advantage: first, improved system availability facilitates our customers' efforts to optimize their factory floor operations and improve overall efficiency. Second, our products offer a long service life, which reduces electronics waste.

Test Capability and Quality

Teradyne is recognized for our excellent test quality, built upon a combination of people and products. Our Factory and Field Application teams collaborate with customers to develop a deep understanding of their needs and generate optimized solutions. These solutions, including test methods and techniques, leverage our instrument precision and accuracy, comprehensive analysis tools, and software suites to offer customers best-in-class capabilities.

Factory and Equipment Automation Capabilities

Teradyne is enhancing our flagship products with telemetry and energy optimize operating modes.

Test Cell Telemetry
Test cell telemetry is system status information formatted and communicated to allow the system and the operator to be aware of the state of different test cell subsystems and the peripherals with which Teradyne products interface.

Energy-Optimized Operating Modes

- Our UltraFLEX and UltraFLEXplus testers support operating modes consistent with the SEMI S23 standard operating definitions of Process, Idle, and Sleep modes.
- Since 2019, the UltraFLEX has supported the equivalent of the SEMI S23 Sleep mode that reduces test head power consumption by up to 80% during periods of disruption (e.g., factory workflow stopped for a holiday or a supply line problem).
- The Sleep Mode capabilities were introduced on the UltraFLEXplus in 2022, with similar power savings results – up to 80%. The product supports sleep mode at the test head and tester slot levels (i.e., sleep for the entire test head or specific test head instrument slots).

Our Archimedes Solution and AMP software/service enable these telemetry features and energy optimized operating modes. Our customers can use these features to manage power consumption and improve system maintenance practices, improving efficiency and system uptime and reducing overall CO2 emissions.

Product Design Enhancements

As a regular part of our development practices, we evolve and enhance our product designs for optimized performance, scalability, adaptability, and efficiency. Our roadmap includes projects to:

- Optimize product footprints to improve productivity per square meter of floor space and fit more capability onto existing floor space.
- Optimize system and instrument scalability and granularity to suit different market needs.
- Continue to improve the power density and efficiency of our system infrastructure and instrumentation.

Packaging, Product Innovation, & Power and Energy Consumption (continued)

Data Analytics — Archimedes Solution

Intelligent use of product data and system telemetry enhances our overall product sustainability and is used to:

- Provide users with fleet status, health monitoring, and system scheduling capabilities (e.g., our Archimedes Solution capabilities).
- Enable preventive and predictive maintenance features for improved maintenance practices and system availability.
- Extract patterns from data that enable further throughput improvements, improve yields, and reduce material and energy waste.

Enabling a Low Carbon Environment

Packaging
For our UltraFLEX-Plus and ETS-800 platforms, Teradyne utilizes a streamlined and robust packaging approach that reduces system packaging volume and weight compared to traditional packaging practices. As a result, the packaging facilitates a lower CO2 impact per shipment and a reduced landfill impact.

Supporting the transition to a lower carbon economy
Our systems support the transition to a low-carbon economy. We help ensure the quality of the components used in electric vehicles (EVs), renewable electricity generation and distribution, and communications and monitoring of the "smart grid." For example:

- Teradyne platforms offer the accuracy and precision measurement capabilities of battery management system chips (BMS) that control and track the state of charge for EV's (electric vehicles) and BESS (battery energy storage systems).
- Our high-power systems also have the capabilities required to test the high-efficiency power device and power module technologies used in EV inverters and onboard chargers (GaN and SiC technologies).
- Tested with the leading Teradyne test capabilities, these power management, charging, and conversion devices optimize vehicle range, support a stable and robust power grid, and improve battery storage technologies' overall safety and reliability.

Storage Test Power Savings
We continue to work to improve system power consumption of our Storage Test products. Depending on the load condition, the second generation of these testers requires 15% to 20% less power per year than the introduction of the product, resulting in lower emissions and operating costs for users.

Reduction of chemical waste and fab usage of chemicals hence reduction of scrap
Teradyne test system measurement capabilities allow chip makers to verify chip quality, detect manufacturing anomalies, and repair and trim devices. This results in improved production yields → less device scrap → fewer wafers needed → reduction in materials and chemicals used in the manufacturing process..

Innovation, Energy Efficiency, Quality and Safety

Innovation is a key driver of long-term success. Our development teams, from field applications to design, test, and manufacturing apply their insights, technical skill and creativity to develop industry leading products to meet the performance, economic and schedule needs of our customers. To recognize this innovative spirit and reinforce its value to all stakeholders, Teradyne's CEO recognizes the achievement of one development team per quarter and one per calendar year with a company-wide Innovation Award.

2023 Innovation Award Winners

3 Teams
10 Employees

New Patents for 2023

56 Patents Filed Worldwide
112 Patents Granted Worldwide
1,655 Total Patent Library*

*Excluding abandoned and expired

Packaging, Product Innovation, & Power and Energy Consumption (continued)

Efficiency of Robotics

Our robotics are very efficient in loading or unloading a machine in a manufacturing or process environment. That automation efficiency reduces system idle time and, therefore, power consumption, and can allow critical staff to focus on other tasks.

Innovation, Energy Efficiency, Quality and Safety

Innovation is a key driver of long-term success. Our development teams, from field applications to design, test, and manufacturing apply their insights, technical skill and creativity to develop industry leading products to meet the performance, economic and schedule needs of our customers. To recognize this innovative spirit and reinforce its value to all stakeholders, Teradyne's CEO recognizes the achievement of one development team per quarter and one per calendar year with a company-wide Innovation Award.

Energy Efficiency

In designing our products, we continually seek ways to maximize resources and increase the energy efficiency of our test and automation systems. We deliver continuous efficiency improvements in our test solutions by improving the productivity of the equipment through reductions in test time and testing more devices simultaneously without a corresponding increase in power consumption.

This further reduces the energy consumption of the associated material handling equipment that is paired with our testers.

We constantly balance power consumption with performance to minimize energy use while meeting customer requirements.

Our modular designs allow individual test instruments or sub-assemblies to be updated with higher performance modules as needed over the course of the system's useful life, saving the cost and environmental burden of a full system replacement.

Our development processes also use advanced simulation tools to model and refine thermal management strategies to minimize the environmental impact of maintaining the stable temperatures required for accurate electrical test measurements.

Quality

High-quality products begin with a commitment to quality from a new product's concept through the engineering design and production process. In the design process, we build on over 60 years of experience in reliably solving the industry's toughest performance challenges. We comply with all applicable safety and performance regulations in design and manufacturing operations, allowing us to deliver high-quality, reliable products designed for long service and supported by lifetime maintenance, reducing their environmental impact.

Safety

Product safety is usually associated with ensuring that the product doesn't harm those in its proximity and all our products meet that standard by design. However, our fixed and mobile automation products extend the concept of safety further, to make the overall workplace safer. These products apply advanced sensor technologies to enable companies to improve quality and safety, deliver fast ROI and free people from dirty, dull and dangerous tasks. Unlike traditional automation, our collaborative robots are safe to work side-by-side with humans. They reduce repetitive stress injuries and eliminate dangerous, and sometimes fatal, material handling vehicle crashes. Our robots enable manufacturers and warehouse operators to improve the safety of their operations and allow employees to do more valuable tasks.

Environmental Impact and Sustainability Compliance

European Union REACH

Teradyne is committed to the safe use and identification of chemicals per the requirements of EU REACH (Registration, Evaluation, Authorization and Restriction of Chemicals). Our products are "articles" as defined in 3(3) of REACH, and do not release substances under normal use. We do not have substances present in our products in quantities totaling over 1 tonne per year. None of the currently identified SVHCs (substances of very high concern) on the European Chemical Agency's (ECHA) Candidate List are contained in Teradyne products above the concentration specified. We are committed to providing our customers with information regarding substances of concern in our products and will continue to monitor our products under EU REACH.

European Union RoHS

Teradyne is in compliance with the EU Restriction of Hazardous Substances (RoHS) Directive. Our wireless test products, bench

Packaging, Product Innovation, & Power and Energy Consumption (continued)

scale and automation equipment are in-scope and comply with the Directive. While our larger automated test equipment is currently not included in the Directive, we are nonetheless working to remove restricted substances from all new designs.

Responsible Sourcing

- Teradyne's responsible sourcing program requires our suppliers to adhere to environmental and social responsibility principles. The program is based on the Responsible Business Alliance (RBA) guidelines, the California Transparency in Supply Chains Act of 2020, ISO 14001 and Teradyne's Supplier Code of Conduct.
- As an Affiliate Member of the RBA, Teradyne fully supports the vision and goals of the organization.
- Teradyne commits to progressively align its own operations with the provisions of the RBA Code of Conduct, and to support and require its own first-tier suppliers to do the same.
- Wherever possible, Teradyne will seek to adopt the RBA approach and tools in practical ways in the spirit of the industry's common goals.
- We work with our suppliers to ensure that they responsibly source materials. A key part of this is recognizing the potential adverse effects of sourcing tin, tungsten, tantalum and gold (3TG) from the conflict regions in Africa. Our suppliers are required to track all 3TG used in their supply chain.
- As part of Teradyne's annual conflict minerals reporting process, we work with our suppliers to identify all smelters and refiners in our supply chain.
- Teradyne compiles information on all identified entities and verifies that those smelters/refiners do not source from mines that support armed conflict. Teradyne relies on the Responsible Business Alliance / Responsible Minerals Initiative to audit smelters and refiners. If any supplier identifies smelters/refiners associated with armed conflict in their supply chain, Teradyne will take corrective action with those suppliers to bring them back into RBA/RMI compliance.

SEMI Semiconductor Climate Consortium

As a Leadership Level Member of the SEMI Semiconductor Climate Consortium, Teradyne fully supports their efforts to speed the semiconductor ecosystem's response to the challenge of climate change by facilitating the industry's efforts to reduce greenhouse gas emissions. Member companies, with their accumulated knowledge and innovative technology, working collaboratively will accelerate solutions to address industry climate challenges that no one company alone can solve.

Supplier Management

- Teradyne actively engages with our supply chain to manage risk and promote ethical and responsible practices; we are a member of the RBA and follow RBA Supplier Guidelines. The RBA is the world's largest industry coalition dedicated to corporate responsibility in global supply chains, and our Supplier Code of Conduct requires suppliers' adherence to both the RBA and Teradyne Codes of Conduct.
- Our supplier management includes surveys and audits and is initially targeted to cover our top-tier suppliers, which addresses approximately 80% of our supplier spending. As RBA Members, we use tools to assure compliance by our supply chain with our Environmental, Social and Governance goals.
- Every night, we meticulously screen our top 99% suppliers, assessing their compliance with UFLPA Regulations. Leveraging OCR Screening and Kharon Clear View tools, we leave no stone unturned in our quest to identify potential red flags that may necessitate collaboration and improvement with our valued suppliers. This proactive approach to supplier engagement underscores our firm belief in fostering transparency, accountability, and responsible business practices throughout our supply chain, solidifying our CSR commitment.
- Teradyne has a dedicated ESG manager who works directly with the Supply Chain Management team on all compliance efforts. This ESG manager reports to the ESG Steering team which meets regularly and reports to the CEO, CFO and Board of Directors.

Product Lifecycle Management

Teradyne's support team provides repair and maintenance services to maximize the lifetime of our solutions. We also offer upgrades and migration programs to further prolong the useful life of our equipment.

Semiconductor Climate Consortium

Responsible Business Alliance
Affiliate Member

Packaging, Product Innovation, & Power and Energy Consumption (continued)

Future Plans

Teradyne's product development efforts will continue to identify opportunities for reduction of direct power consumption and increases in tester and industrial automation productivity to support the continuous growth of the industry while minimizing impact to the environment.

We will continue to meet compliance standards and deploy extensive quality and safety practices for our products.

In developing new products, we will continue to use innovation as an enabler to design for reliability, serviceability and long product lifecycles, reducing our overall impact on the environment. In 2021, we became a member of the RBA and expect to continue implementing industry best practices of the RBA.

Teradyne will continue working with suppliers to enhance their efforts in meeting our responsible sourcing goals. We will also work on improvements to our company-wide supplier management processes with new tools and platforms that will allow us to engage more effectively with our global supply chain on training, monitoring and compliance with our Supplier Code of Conduct.

We are excited to help the semiconductor industry, and society transition to a greener and more sustainable future. Teradyne's holistic sustainability strategy results in products and services that enable device manufacturers to improve productivity and production yields with lower impacts for material use, energy consumption, and a reduction in resulting CO2 emissions.

CASE STUDY

How Cobots and AI are Being Used to Revive Coral Reefs

In Western Australia, Coral Maker has partnered up with Autodesk to develop a system that uses collaborative robots (cobots) from Universal Robots to help revitalize the coral reefs of Australia. The company's founder Dr. Taryn Foster, dreams of scaling the operation to have a world-wide impact and bring color and life back to the sea.

How did it all start?

After a catastrophic coral bleaching event in her home country, Australia, coral biologist Dr. Taryn Foster started the company Coral Maker, and has since worked on rebuilding the reefs that 25% of all marine species depend on. To follow this dream of bringing back some of the coral reef that has been lost and the biodiversity that comes with it, she needed help.

To combat the destructive effects of climate change on coral reefs, Dr. Foster and her team at Coral Maker partnered up with technology firm Autodesk to create an innovative solution for

How Cobots and AI are Being Used to Revive Coral Reefs (continued)

reef rehabilitation using AI, vision systems, and cobots from Universal Robots. The project aims to harness the power of collaborative robots and artificial intelligence to accelerate coral propagation and restore fragile marine ecosystems.

Automating the propagation process

The process of coral restoration involves transplanting tiny corals, cultivated in nurseries, onto damaged reef. This is done by grafting coral fragments into small plugs, that are then inserted into a molded stone base. However, the manual work is labor intensive, slow, and costly, and only a fraction of the reefs at risk are getting help, so Dr. Foster needed a way to automate the process. The solution came through a partnership with Autodesk, which used their software and Design and Make Platform to train robots to pick up the tiny living corals and place them in the molds.

The use for collaborative robots

According to Dr. Foster, one of the biggest problems in coral reef restoration is that it's hard to scale up, which would be necessary for it to have an impact at an ecosystem level.

The Great Barrier Reef is tens of millions of hectares in size, and right now reef restoration projects are only restoring about one hectare per year. The obstacle that restoration projects are facing is the cost of scaling up: "If we were to do this at the scale that we need to be, tens of millions of corals per year would need to be processed and propagated and picked and placed, and the cost becomes prohibitively expensive" explains Dr. Foster "To get to that scale, we need to automate the repetitive pick and place work and have people doing the many other complex tasks in the process."

For Coral Maker, the need was for adaptive robotics that could work alongside humans, operate with precision, and recognize coral fragments, as each coral is different and needs to be handled with care. This was achieved by using Autodesk's Design and Make platform, that coupled with AI and vision systems, trains the robots to locate, pick and place the corals.

"One of the main challenges is just bringing that cost down, so that we can scale it up" said Dr. Foster "I think the only way we're going to be able to do that is using automation and then specifically collaborative robots, because a lot of the work that we'll be doing will involve people working interactively with robots."

Senior Principal Research Scientist at Autodesk, Nic Carey, added: "The ability to scale restoration efforts is crucial, which is where robots come in. Automation and robotics are often used for large-scale manufacturing and product processing, and if applied to coral restoration efforts, it could have a huge impact. We are not able to scale efforts to meet the needs of ecosystem scale restoration by doing these repetitive tasks manually, so partnering with robots enables marine biologists to focus on more complex tasks that cannot be automated. Robotics also ensures that we can keep production running around the clock and outside of working hours to meet the need for larger scale efforts."

Dr. Foster explains that some of these tasks in coral propagation are fairly simple, where the coral is picked up and placed on a spot of glue, or the plug is placed onto a coral skeleton.

Business Continuity Program

Teradyne has consolidated Enterprise level Business Continuity Plans for specific threats such as pandemics, natural disasters, the loss of a critical site, loss of a critical data center and other risks to continue delivery of Teradyne's products and services.

These plans have been expanded at the business and enterprise levels within the last two years. More detailed plans have been developed by each business unit to address other unplanned crises that could result in business interruption. As an example, there are multiple product repair plans in place in case of an interruption event for specific products in Teradyne's Costa Rica, Philippines, and China facilities. The business interruption process includes annual updates of contingency and mitigation plans. Teradyne continuously monitors the ongoing risks associated with maintaining business continuity, develops mitigation plans and implements these plans when necessary.

Crisis Management

Teradyne has a robust Crisis Management Strategy and implements the strategy to enable the company to continue business operations after the unexpected interruption of operations that causes a disruption that is beyond the scope of daily operating procedures and controls. A Global Crisis Management Team, composed of Executives and key Infrastructure representatives, is alerted by our 24X7, 365 days a year Global Security Response Center in the event of any crisis impacting a Teradyne site around the globe. If the crisis is localized to a specific region, the Global team will relinquish management of the crisis to that Region's CrisisManagement Team (CMT). Likewise, if the crisis is determined to have a local impact as opposed to enterprise impact, the management of the crisis is managed by the local CMT. Each strategic Teradyne location around the globe has a site CMT and Crisis Management Plan.

Disaster Recovery Plans

Each major Teradyne location around the globe also has a Disaster Recovery Plan (DRP) based on the results of aperiodic risk and hazard assessment. The site DRPs include plans for command and control; damage assessment; emergency response; recovery resources and plans; communication plans, and more.

Teradyne Global Security Brief

Teradyne's Commitment to Security in a Connected World

Teradyne tests and helps build the world's most innovative products. We are committed to applying technology in ways that enhance people's lives.

While technological advances help connect the world, ease of communication, connected devices and integrated networks can create vulnerabilities that raise security and privacy concerns. Teradyne realizes it has the opportunity, as well as responsibility, to apply technology in ways that advance society in a secure way.

Teradyne is committed to conducting business with honesty and integrity. Our programs, policies and procedures are designed to:

- Protect our stakeholders' privacy and personal data
- Support employee safety, health, and security
- Support company site safety and security globally
- Manage security risks to ensure business continuity
- Meet compliance requirements worldwide

Teradyne's Management of Security Risks

- Security Program: Products, Government, Physical and Site, Cybersecurity, Data Privacy and Enterprise Risk Management, and Supply Chain security programs.
- Supporting Information Management Systems: National Institute of Standards & Technology (NIST) V1.1 Cyber Security Framework
- Quality Management System: ISO 9001:2015
- Environmental Occupational Health & Safety Management System: ISO 14001:2015

Teradyne's Product Security

Teradyne's Product Security Program is focused on the cybersecurity of all our company's products and services through:

- Processes and tools for vulnerability management and code analysis
- Standards for secure product and solution definition, development, manufacturing, and support
- Secure design principles and coding practices implemented across product development

Information Security Program

Teradyne's Information Security Program applies a risk-based approach based on industry standards and best practices.

Our information security and cyber security operations and procedures include a comprehensive information security management system framework inclusive of all controls involved in our organization's information risk management processes. This ensures that Teradyne maintains the confidentiality, integrity and availability of information and systems in our environment.

We continuously invest in our people, processes and tools to strengthen our security posture to protect Teradyne, customer and other stakeholder data.

Our Enterprise Information Security Steering Committee oversees our information security program and establishes and maintains effective lines of accountability, responsibility, and authority for protecting information assets. This Committee includes our Chief Information Officer (CIO) and our Chief Information Security Officer (CISO). The Committee's work is reported quarterly to the Audit Committee and annually to the full Board of Directors.

Teradyne's Information Security program includes functions such as:

- Incident Detection and Response
- Security Engineering and Operations
- Vulnerability Discovery & Management
- Identity and Access Management Security
- Insider Threat Management & Data Loss Prevention
- Cyber resiliency & Crisis Planning
- Information Security Policy Management
- Risk Management; through vulnerability assessments, penetration tests, and audits/assessments of our control posture
- Compliance Assurance
- Security Awareness and Education
- IT Disaster Recovery; through a disaster recovery (DR) program that begins with a business impact analysis (BIA) assessment (reviewed annually) and includes a documentation and testing requirement for everything in the BIA. Management oversight is required, data is captured in our inventory tool and posture is reported to our Information Security Steering Committee.

Government Security Controls

Teradyne's Government Security Program ensures the company is compliant with U.S. Government and Department of Defense (DoD) directives, regulations and public laws pertaining to the protection and safeguarding of U.S. national defense information under the National Industrial Security Program (NISP). As part of that program, Teradyne has employees with security clearance at all levels to support our customers.

Additionally, the Aerospace & Defense business is compliant with the National Institute of Standards and Technology (NIST) requirements for the protection of Controlled Unclassified Information. For non-U.S. regions, Teradyne also maintains the appropriate levels of data protection and physical security on an as needed basis.

OUR SOLUTIONS

Physical & Site Security

Teradyne maintains a Global Security Operations Center, providing 24X7 support to ensure appropriate facility controls are maintained, locations are monitored, employees can request support and crisis management procedures can be implemented as needed to protect customer assets, our company and employees worldwide.

Facility Controls

Teradyne facilities are secured with operational access at entry points into the facilities and through controlled access areas in our facilities separate from public areas. Electronic access controls are required for access to facilities and to designated areas within the facility based upon need. All access control badges are individually issued, and individuals are required to use their own Teradyne-issued access devices or credentials for entry into the facility or other designated areas. All visitors and guests must be escorted by a Teradyne employee.

Site/Regional Security Policy

Teradyne's Global Security Management team is accountable for the implementation and execution of all elements of this policy, as well as communicating specific business accountabilities to business managers.

Data Privacy

Teradyne's Global Ethics and Compliance program includes a robust Data Protection Program. We are committed to the responsible collection, storage, use, transfer and disposal of personal data. Teradyne seeks to comply with applicable data privacy laws wherever we do business, and respects individuals' rights to privacy. Our Global Data Protection Program applies to all Teradyne legal entities worldwide.

Teradyne's Global Data Protection Program was created to ensure compliance with applicable data privacy laws. The Global Data Protection Program was established to ensure inter-company consistency. We use the EU General Data Protection Regulations ("GDPR") as the baseline for data protection compliance. Because data has no borders, Teradyne has implemented a global program that allows for the sharing and use of data globally throughout the company with minimal disruption to the business, in compliance with applicable laws, and consistent with best practices implemented by other global technology companies.

Physical & Site Security (continued)

The Global Data Protection Program's Policies, Procedures and Guidelines are designed to meet data privacy, legal and regulatory standards. Teradyne's Privacy Policy sets forth the enterprise-wide requirements for processing personal data with a commitment to compliance with applicable privacy laws.

The Privacy Policy defines how Teradyne processes personal data in accordance with the following principles:

- Lawfulness/Fairness/Transparency
- Purpose Limitation
- Data Minimization
- Accuracy
- Storage Limitation
- Integrity and Confidentiality
- Accountability

Employees who handle personal data as part of their work are expected to be familiar with these principles and abide by them as well as the Privacy Policy and internal guidelines related to processing personal data. In addition, Teradyne maintains appropriate technical and organizational measures to protect personal data from unauthorized use or disclosure, including the transfer of personal data, and takes swift, deliberate action to investigate and remedy any potential data breach.

Data privacy is an important part of customer, business partner and supplier relationships. Our Privacy Policy and principles, therefore, apply to all customers, business partners and suppliers. Our Privacy Policy provides a detailed description of how Teradyne collects, uses, shares, and protects their personal data. See Teradyne's Privacy Policy to learn more.

Enterprise Risk Management

Teradyne monitors ongoing risks associated with maintaining business strategy and continuity, develops mitigation plans, and implements plans as needed. Specific plans have been developed by various functions in the organization and are periodically reviewed and updated based on global conditions or situations. Teradyne's Audit Committee oversees and annually reviews Enterprise Risk Management.

The Teradyne Business Continuity Program addresses specific threats including:

- Pandemic
- Manufacturing
- Market disruptions
- Cyber Security
- Geo-political impacts
- Natural Disasters

Teradyne's Board Involvement

Teradyne's Audit Committee reviews and assists the Board of Directors in overseeing significant information security, cybersecurity and technology security risks and the steps management has taken to monitor and control such risks. Executives brief the Board of Directors quarterly on information security, cybersecurity, and technology security matters.

Teradyne's Information Security Training

Teradyne administers an Information Security awareness program focused on three types of mandatory training: foundational, remedial, and targeted or role-based training. Our foundational training is deployed annually to all employees, contractors working on our behalf and executives. We focus our foundational training in two areas: cyber security and data protection. Our remedial training is required for any individuals with access to our environments who

were unable to recognize a simulated phishing attack and immediately follows the simulation. Our role-based training is targeted at individuals in specific roles and is tailored to the cyber risks related to that role.

SOCIAL ENGAGEMENT

Our People and Communities

Our long-term success depends on recruiting, developing, motivating and retaining talented colleagues who share our passion for excellence.

For over 60 years, knowledge has powered Teradyne's success. Our unique understanding of complex test and automation problems combined with our culture of intellectual rigor and creativity drives continued high performance across our business and ongoing professional development for our employees.

Key Focus Areas

This section showcases the key focus areas of our talent attraction and talent retention strategies, including:

- Talent Acquisition, Talent Management and Training & Development, which support both attracting and retaining talented colleagues and the professional and personal growth of employees and job candidates
- Employee Well Being, which focuses on creating a rewarding and fulfilling work environment
- Community Engagement, which promotes our work with the communities where our facilities are located
- Diversity, Equity & Inclusion, which describes our efforts to support all employees and candidates to reach their full potential

Talent Acquisition, Talent Management and Training & Development

Talent Acquisition and Retention

Teradyne forecasts our future talent requirements at all levels 6-12 months in advance of need. The Human Resources (HR) team develops sourcing strategies to meet those requirements which are leveraged in our hiring practices for new employees to Teradyne and the growth and advancement of existing talent within our organization.

This is a dynamic process, but one that allows us to expand existing pools and develop new pools of talent with sufficient lead time for the business. Teradyne actively monitors employee turnover data and adjusts our policies and programs, as necessary, to improve retention. For over ten years, Teradyne's US turnover rate has been lower than the benchmark of our peers.

Manager and Colleague Development

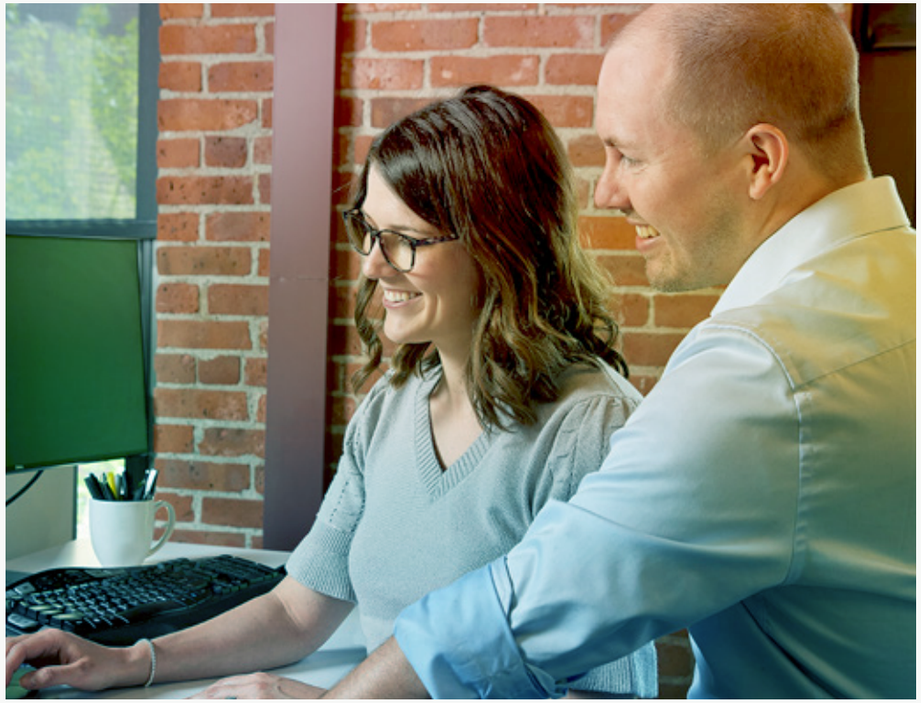
We prioritize the continuous development of our managers and colleagues to ensure their long-term success and the overall success and strength of our teams. We offer tailored training programs that cover essential leadership skills, effective communication strategies, and conflict resolution techniques.

Our leadership development programs emphasize skills crucial for leading successful teams, including fostering inclusivity and curiosity, and leveraging feedback, coaching, and mentoring to enhance productivity.

Our commitment to coaching and mentorship ensures that knowledge and skills are shared effectively throughout the organization, enabling us to stay responsive to key global trends while fostering continuous development across all levels.

By continually evaluating and adapting our development initiatives, we ensure our managers and colleagues, globally, are equipped with the necessary skills to thrive in dynamic work environments, contributing to our collective growth and success.

Globally, over 98% of Teradyne employees complete coursework on our values and code of conduct, learning more about our products and tools, and almost 38,000 modules focused on personal development. In 2023, 100% of our newly hired or promoted front-line people managers participated in various foundational people management development training modules.



Performance Reviews

Performance Reviews

To ensure we maintain a strong, competitive workforce, our employees participate in annual performance reviews. Employees and managers look back on the previous year, review career development plans and create goals for the year ahead. Annual goals are reviewed periodically during the year providing an opportunity for additional feedback, support, or goal modification, as needed. We have processes and training in place for a global, consolidated performance management approach used by 100% of Teradyne employees. In 2023, our employees set over 25,000 goals in total with an average of 4.5 goals per employee.

Educational Assistance

Teradyne offers tuition assistance of up to $5,250 per year for educational courses related to an employee's work or as part of a degree program, including tuition, lab fees and learning resources.

Internship Program

We are committed to recruiting and developing talent at the collegiate level to help build and maintain a candidate pool for future hiring needs. Our paid internships offer real-world experience to diverse and talented students. Our Internship and Co-Op programs involved 56 students from 32 schools in 2023 and wages were substantially higher than local minimum wage rates.

Co-Op Program

Our paid Co-Op program offers higher education students a unique learning opportunity. These students alternate one semester in a work assignment and one semester in the classroom. Work assignments progress in difficulty as the students advance academically.

Employee Well-Being

Compensation and Benefits

Teradyne offers its employees competitive compensation programs and benefits plans designed to meet the needs of employees and their families, including gender pay equity, parental leave, health insurance coverage and flexible work arrangements. We also enable all permanent employees to share in the success of the company through contributions to retirement savings and a stock purchase program (where local laws allow).

Most employees are also able to participate in profit sharing plans. Teradyne offers dependent care for many employees through plans that provide pre-tax benefits to pay for dependent care and relationships with care providers who can cover emergency or holiday care. Teradyne also allows special leave such as family and military leave for employees. These benefits are determined by the regulations and markets for the various countries in which Teradyne operates.

Positive Work Environment

Maintaining a safe and productive workplace is a shared responsibility for all employees so that people feel inspired, supported, safe and able to achieve their personal best. We are committed to promoting equality in the workplace, as evidenced by our nondiscrimination, sexual harassment prevention and pay equity policies. All employees receive annual training in Teradyne's Code of Conduct which outlines expected standards and guidelines of conduct in the workplace and in all business- related activity. New employees, contractors, interns and co-ops also complete new hire Code of Conduct training which introduces the conduct standards and guidelines for employees to follow to demonstrate our values of honesty and integrity.

Workforce Planning

Teradyne completes extensive, quarterly workforce planning to understand our staffing needs. We use a deliberate combination of permanent employees with a smaller percentage of contract resources which allows us to effectively manage business needs while minimizing the need for reductions in force or redundancies. Teradyne's departments that utilize temporary contract resources have practices to convert those resources to full-time as positions become available.

Other contract resources are hired for specialized skills or to support short-term projects such as during high-volume work periods. Additionally, in the limited instances when workforce restructuring includes redundancies, Teradyne provides benefits to those impacted, based on local regulations and market standards, such as severance pay, garden leave, career services, etc.

Employee Surveys

One of Teradyne's core values is 'A Company Without Doors.' This tenet reinforces our culture of open and transparent communication with no organizational limitations. In addition, we conduct regular company-wide employee surveys. Our 2021 participation rate was 82%. Our 2023 participation rate was 93%. Our survey reported an engagement score of 83% which is significantly higher than the global benchmark score of 76%. Our Human Resources team also conducts regular anonymous employee "pulse" surveys to check in with our global workforce and get their input on topical issues. The feedback we receive from these surveys helps us to assess employee sentiment, identify areas for improvement and guide our decision-making as it relates to Talent Management and Training & Development.

Executive Engagement

Teradyne's CEO and other executives frequently meet with employees through monthly exchange meetings and quarterly 'town hall' webcasts. The exchange meetings allow the executives to directly interact with a small group of employees (15 or fewer employees), while the global webcasts enable all employees to engage with senior leaders and ask questions in an open Q&A session Board Members also meet with employees throughout the year.

Employee Well-Being (continued)

Speaker & Seminar Series

Teradyne regularly hosts speakers from the communities where we work to discuss timely issues and topics of broad employee interest like work/life balance, retirement planning, and success in the workplace. Sessions have included Dr. Tiffany Jana (a renowned Diversity Expert) who spoke about managing bias and building relationships across differences, and Anne Grady (a global resilience authority and Ted Talk presenter) who spoke about resilience and how to reset your mind when facing difficult situations.

In addition, we regularly host financial management and personal wellness-related seminars.

Employee Resource Groups

Teradyne supports and encourages employees to network and connect with colleagues who share similar life experiences and interests. We currently have five active global groups many of which have local chapters in different countries. We currently have almost 300 employees and allies participating in ERGs and continue to grow this important engagement tool.

Our groups include new employees to Teradyne (NEW2TERA), Veteran's Resource Group, a women's group (Women in Teradyne) , and LGBTQ+ advocates (Pride QUEST.) More examples and details follow in the DEI highlights.

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Scholarships

In addition to the financial assistance to employees noted previously, Teradyne awards 35 competitive scholarships annually to the children or grandchildren of employees to attend a two or four-year college, university or vocational/ technical school.

Addressing Employee Issues

Teradyne is committed to supporting our employees' success. When we fall short of this commitment, our HR partners closely work with employees to address any workplace complaints. The process follows local laws and guidelines to allow employees to escalate their situation and find a fair and suitable resolution.

Employees can also use a Whistleblower hotline to raise workplace compliance complaints to management and the board.

Community Engagement

Teradyne has an active philanthropy program to provide support to the communities in which we operate.

Support of Employees' Volunteer Activities and Donations

Teradyne matches up to $1,000 per year of employee financial donations to non-profit organizations focused on improving health, wellness, education, our environment, and disaster relief.

Support of STEM Education

Advancing education for future generations is a primary initiative at Teradyne. We support Science, Technology, Engineering and Mathematics (STEM) programs at the middle, high school and collegiate level ranging from middle and high school robotics competitions to college scholarships, to underwriting university programs to increase the diversity of STEM graduates. We also donate test equipment and robots to colleges, universities or vocational programs to provide students with hands-on experiences that directly apply to what they're learning in the classroom.

Community Support

Teradyne provides annual financial support to organizations that are making positive impacts in the communities where we work, and in society at large.

Examples include:

- Building Minds Scholarship Fund, which supports K-12 education in at-risk communities. The organization raises money to provide families in financial need the support to provide their children with a quality education and chance for a bright future.
- Resilient Coders, which supports software coding bootcamps for people of color. Resilient Coders provide people of color with the skills and tools they need to excel for high growth careers in the tech space.
- NAACP Legal Defense and Education Fund, which supports social justice initiatives. The NAACP Legal Defense Fund is America's premier legal organization that uses the power of law, narrative, research, and people to defend and advance the full dignity and citizenship of Black people in America.
- Science Club for Girls, whose mission is to foster excitement, confidence, and literacy in science, technology, engineering, and mathematics (STEM) for girls and gender-expansive youth from underrepresented communities by providing free, experiential programs and by maximizing meaningful interactions with women-in-STEM mentors.
- United Negro College Fund, which supports people of color in higher education. UNCF is the nation's largest and most effective minority education organization with a mission to build a robust and nationally recognized pipeline of underrepresented students who become highly qualified college graduates.
- National Society of Black Engineers, which supports and promotes people of color in engineering roles. NSBE's mission is to increase the number of culturally responsible Black Engineers who excel academically, succeed professionally and positively impact the community. It helps to build a competitive pipeline of diverse talent and transformative programs for scholars, emerging engineers, and professionals.

Research Grant Program

Teradyne's Grant Program supports academic researchers investigating new ideas in electronics and robotics. Individual grant values range from a few thousand dollars to over a hundred thousand dollars based on research complexity. Researchers, students and others in academia are welcome to submit proposals.

Diversity, Equity, and Inclusion

At Teradyne, we believe that fostering a diverse, equitable and inclusive culture will build a stronger and more resilient company for our employees, customers and communities.

Our DEI program focuses on:

- Strategy and actions to improve opportunities for under-represented populations at Teradyne in hiring, advancement, and leadership development including expanded learning opportunities for all employees in diversity, equity, inclusion, and managing diverse teams.
- Through recruiting efforts, we hope will enhance our ability influence potential candidates to see Teradyne as an employer of choice. With improvements to campus recruiting program, employer branding, and providing diversity tools and training for Teradyne recruiters and hiring teams worldwide, we are diligently working to acquire highly talented candidates that will be an asset to Teradyne today and in the future.
- Monitoring workforce demographic metrics, comparing them to benchmarks and using this data to drive improvement throughout the organization.
- Philanthropic support of STEM organizations and initiatives driving DEI including academic, economic, career and social justice opportunities.

We know that a successful workplace of the future embraces diversity and prioritizes inclusion as key areas of focus. Our areas of focus continue our commitment to STEM education and advocacy make STEM majors more accessible to a diverse array of students in high school and in college.

We are committed to broadening the pool of talented candidates we recruit for Teradyne jobs as well as improving the overall candidate experience. We have been extremely active in heightening our engagement and retention programs to ensure we provide our employees with opportunities for connection and deepen our opportunities to learn about not only our differences, but what we also have in common.

Equitable career development programs for women and underrepresented groups within Teradyne is one mission that is crucial to our future success and formulation of these programs are underway. We are holding ourselves accountable by continuing to track our metric performance and focus on areas to provide insight that is transparent, easy to understand, and actionable.

We are committed to doing the work that ensures our employees and customers feel seen, heard, and included, but most of all, know that all are valued. We know that driving sustainable changes in diversity and inclusion will require time, patience, persistence, and the power to listen with humility and learn from our shared experiences. All the work we have done has created a solid foundation for our future and we are confident we can improve our efforts with our Teradyne tenacity to achieve the outcomes we desire.

Engagement & Retention

We recognize that recruiting diverse talent and retaining those employees is critical to Teradyne's long-term success.

Teradyne consistently has higher retention rates than our peer group. However, we are not sitting still. We have added programs to keep employees engaged in the business, engaged with fellow employees and updated company-wide best practices related to DEI. These programs include:

Our Employee Resource Groups are the heartbeat of our company culture, driving innovation, promoting diverse perspectives, and creating a sense of belonging for all employees

Employee Resource Groups

- We have supported our employees at every level to take ownership of DEI by creating Employee Resource Groups (ERGs) to improve the sense of belonging and inclusion of our colleagues. Some of these groups are global while others are location or region specific. ERGs are an important cross-organizational, employee-led initiative to help foster an inclusive culture. We are exceptionally proud of how passionately our employees have rallied around these groups.
- We believe a strong Employee Resource Group program is one component of an inclusive company culture. Employee resource groups are groups of employees who join in their workplace based on shared characteristics or life experiences. All our ERGs are supported by executive sponsorship, demonstrating that the organization stands behind the ERGs and offers support, guidance, budget, mentoring, visibility and networking to support the ERGs in their success.

Each group has an Executive Sponsor to mentor and advocate for their ERG. The Executive Sponsor's role is clearly defined to include:

- Actively and visibly model the company DEI values and behaviors.
- Serve as a visible and vocal advocate of the ERG when interacting with peers and other leaders internally and externally.
- Meet with ERG leaders on a regular basis to discuss topics like mentorship, leadership, activity planning and coffee chats.
- Work with the ERG to determine how this role can best support the group from a business perspective, communications and messaging, finances, and resources.
- Encourage the active participation and engagement of other leaders to grow membership and allyship; and
- Kick off and participate in ERG-initiated events and attend or speak during events managed and/or sponsored by their ERG.

Engagement & Retention (continued)

Our Employee Resource Groups Include:

NEW2TERA

This group's purpose is to improve onboarding experience for new employees and make it easier to assimilate into the company's culture, discuss unknowns about the company or benefits, share new hire perspectives and learn about the tips and tricks for success at work.

Pride QUEST

This group's mission is to improve the inclusivity of our office culture and workplace environment— where folks can be themselves, affect changes in company policy to be more inclusive and gain insight into the LGBTQ+ community. We find it is important for LGBTQ+ communities to be visible to inspire new members, allies and anyone who wants to learn more about the LGBTQ+ community.

Women in Teradyne

This group empowers women's voices with the goal of promoting diversity, equity, and inclusion at Teradyne, by providing company-wide and site-wide networking opportunities for women with their peer set, sponsoring opportunities for personal and professional growth, coordinating opportunities for STEM outreach targeted toward women and girls, and encouraging and maintaining a culture of inclusion at Teradyne.

We have formed a new partnership with The Global Semiconductor Alliance's Women's Leadership Institute. This is key for us to have the ability to offer programing that is specific to the semiconductor industry. The GSA Women's Leadership Institute provides a platform for networking and collaboration with other industry leaders, including women executives, entrepreneurs, and other professionals. We expect to leverage WLI's global reach to their reach, find opportunities to demonstrate leadership skills, and stay on top of emerging trends and best practices in our field. Teradyne Mentorship Circles are powered by the ingenuity of Women in Teradyne and has successfully completed its second year of service. The program is set to become global in 2025.

Engagement & Retention (continued)

Our Employee Resource Groups Include:

Veterans Resource Group

The Veterans Resource Group (VRG) is for members of the military community, family members that share experiences and allies who support the Veteran community. The group supports employees who served and is planning a community outreach program to assist veterans with career support and physical or mental health support. Additionally, our VRG often provides feedback to organizational leaders on issues that are important to Veterans.

In 2023, Teradyne was honored as a 2023 VETS Indexes Recognized Employer. VETS Indexes is the world's first resource for U.S. veteran themed indexes, with a mission to provide innovative solutions that recognize the value created by the mission-critical mindset, unique skills, and specialized training that veterans bring to the workplace.

Expanded Learning & Personal Development Program

The Learning and Person Development Program is designed to further develop our DEI leadership and awareness.

The program is focused on:

- Increasing the awareness of leadership development training and other personal development learnings related to DEI concepts, through focused learning efforts, targeted communications and intranet postings, within affinity groups and townhalls.
- Creating guidelines/criteria for participation of approved external events and conferences that would benefit women and underrepresented groups, align to overarching DEI goals, personal development growth, and networking opportunities.

Internal Learning Modules

- Unconscious Bias
- Understanding Bias in Recruiting
- Allyship

Learning Experiences

- Mckinsey and Company
  - McKinsey Academy – Unlocking the Potential of Women
  - LinkedIn Learning
- Personal Development Workshops
- Conferences for Women - Learning Toolkits
- Society of Women in Engineering
- Teradyne Speaker Series
- Developing Cultural Intelligence in the Workplace
- Global Semiconductor Alliance – Women's Leadership Initiative – Women in Hardware Mentorship Program

Training and Workshops are an ongoing part of our DEI program. Activities to date have been focused on awareness but will soon move into a forming stage where more structured accountability for DEI training will be essential.

Improved Onboarding Process

We are committed to improving the experience of our new employees by pursuing a consistent On-Boarding process. This includes creating onboarding enhancements that will highlight Employee Resource Groups, learning resources and the ways new hires can feel welcomed and valued on their first day. Additionally, we monitor the progress of new employees through their first 90 days.

Colleague Development

New Learning Management System

Teradyne's Learning Management System offers business training courses to employees.

This includes topics such as:

- Project management
- Electrical safety
- Engineering standards
- Product and sales

Our workforce stayed about the same in 2022 as compared to 2023, with a small decrease of 12 employees from 6,553 full time employees in 2022 to 6,541 in 2023.

Career development opportunities

Developing our team is crucial to the sustained success of our business. We offer various career paths and have tools in place to support career navigation of our employees. This is supported through our annual performance management process which begins with goal setting, including development goals, periodic check-ins between managers and employees and year-end performance appraisals.

Our career paths include opportunities for employees to grow their technical skills and advance to more senior individual contributor roles guiding our product development and opportunities to transition to management roles.

For those transitioning to a management position, we offer robust leadership training to develop the skills and competencies as leaders such as:

- Goals management
- Feedback and coaching
- Difficult interactions
- Performance Appraisals
- Career coaching

We are consistently looking into new ways we can improve how to help our employees identify opportunities for professional development within Teradyne.

Hiring, Professional Development & Advancement

Our efforts to increase the diversity of our hires have included the deployment of tools and training to help increase the diversity of job applicants.

We analyze job descriptions for equitable and inclusive language and resume search tools that assist our recruiters with identifying diverse candidates for open positions. We have also provided training for our hiring managers and interview teams with the goal of eliminating biases in the recruiting process. We continue to monitor and increase the diversity of our interview panels as well.

We also ensure the on-boarding experience for under-represented populations is welcoming and effective by training both new and experienced managers in the critical role that they play in building a diverse team. Courses include 'Understanding the Basics of DEI' and 'The Power of Allyship.'

Teradyne has a robust model for engaging our university partners to support programs that expand the number of diverse students in STEM degree programs and provide assistance to increase their academic success. These include:

Worcester Polytechnic Institute (WPI)
Teradyne's support includes the Louis Stokes Minority Scholar Program, Engineering Ambassador Program which provides STEM role models to urban middle and high school students, Women's Research and Mentorship Program and Girls Who Code which both target pre-collegiate STEM students, the Office of Multicultural Affairs supporting first generation students from underrepresented communities, and student chapters of the National Association of Black Engineers and Society of Hispanic Professional Engineers.

Wentworth Institute of Technology (WIT)
Teradyne's support includes the Women at Wentworth Endowed Scholarship Fund, the RAMP Pre-College Summer Bridge Program to assist first-generation students from Boston with their transition into college and engineering, the BEACON PATHWAYS Early College and Career Program which enables underserved, local high school students to take WIT foundational coursework and build credit towards a STEM degree while still in high school, and the student chapters of the National Society of Black Engineers and Society of Hispanic Professional Engineers.

The University of Massachusetts at Lowell (UML)
Teradyne's support includes the Multicultural Affairs Student programming supporting the onboarding of the following under-represented communities, support of at-risk first-generation students through the River Hawk Scholars Academy, RAMP programs (Research, Academics and Mentoring Pathways to Success) and the Soars programs for incoming first-generation students from under-represented communities, Student Veteran support services, high school and community college recruiting of women and under-represented minorities in STEM, Honors College Fellowships for STEM projects, and support of the UML Chapter of the National Society of Black Engineers.

San Jose State University
The student body is 83% people of color and 42% first generation to attend college. Teradyne supports the Math Engineering Science Achievement (MESA) programs on campus. These include engineering specific programs along with programs to engage and inform under-represented high school students about career opportunities in STEM. We also support the Exceed Bridge program to increase the success of first-generation scholars and provide support to student chapters of NSBE, SHPE, SWE, and SASE.

Teradyne and UNCF STEM Scholarship Program
We offer scholarships to students through our partnership with UNCF that directly address the financial needs of students attending an HBCU or minority-serving institution. By the end of 2023, the UNCF Teradyne STEM Scholarship has been given to thirty students attending these institutions.

Monitoring Workforce Demographics & Retention

Teradyne publishes our annual U.S. Equal Employment Opportunity Commission Report EEO-1. The EEO-1 reflects the diversity of our U.S. workforce for calendar year 2023.

Our HR team monitors the demographics of both our existing employee population and new hires in order to provide insight into the effectiveness of our ongoing improvement actions. We also monitor retention as an indicator of overall employee satisfaction and the competitiveness of our compensation and benefits programs.

Our work to improve the diversity of Teradyne is guided by data which shows the areas where we can improve the most. We see an opportunity to significantly improve on the number of women and Black/African American employees in our U.S. workforce and management.

We recognize that in order to achieve these results, sustained and deliberate focus is required. Therefore, those populations are the initial focus of our efforts.

Setting a baseline for our focus

We have created a custom benchmark using data from the U.S. Bureau of Labor Statistics (BLS), which we believe is a more accurate representation of the available, relevant talent pool for which Teradyne is trying to help grow and attract. The BLS has job categories broken down in a way that matches Teradyne's job functions. For example, BLS offers data for the same engineering job families that Teradyne has – software, hardware, and mechanical – which allows us to include in our calculation of available talent individuals in those jobs while allowing us to exclude other engineering roles such as chemical and biomedical.

We used the BLS detailed occupation data and rigorously compared this to the specific job types and frequencies that exist at Teradyne to create our own internal benchmark.

This gives us confidence that we have proper and realistic comparisons for our U.S. populations relative to the available talent in the U.S. As described earlier, Teradyne is supporting university-led programs to increase the pool of diverse STEM talent.

WORKFORCE REPRESENTATION (U.S.)

Category	BLS Custom Benchmark	Teradyne as of Dec 31, 2023
Women	26.6%	18.96%
Men	74.1%	80.99%
White	74.4%	61.79%
Asian	16.0%	26.64%
Black/African American	6.7%	2.26%
Hispanic or Latino	9.6%	5.61%
Undeclared		0.54%

This table shows the available talent pools for the gender and race/ethnicity Teradyne-BLS benchmark categories that we have compiled and how our Teradyne U.S. workforce compares as of December 31, 2023.

Monitoring Workforce Demographics & Retention (continued)

To date, we have seen limited but more effective progress with regards to our population of women. We continue to evaluate our efforts and identify additional improvement ideas to explore. We continually seek to learn from our successes, such as hiring more women in senior leadership positions in 2023, while also focusing on areas where we continue to struggle, such as hiring more Black and African American employees.

In addition to monitoring the diversity of our workforce in the U.S., we also track the representation and hiring of women globally. The tables to the right compare the Teradyne U.S. population and U.S. hiring for women and Black and African American employees to the custom BLS benchmark.

WOMEN (GLOBAL)

Teradyne Population	2023
Overall	24.7%
Managers	20.8%
Individual Contributors	25.4%

Teradyne Hiring	2023
Overall	32.6%
Managers	27.0%
Individual Contributors	33.0%

WOMEN (US)

Teradyne Population	2023	Benchmark
Overall	19.0%	26.6%
Managers	17.3%	26.5%
Individual Contributors	19.5%	26.6%

Teradyne Hiring	2023
Overall	28.1%
Managers	35.7%
Individual Contributors	27.5%

BLACK & AFRICAN AMERICAN (US)

Teradyne Population	2023	Benchmark
Overall	2.4%	6.7%
Managers	2.6%	6.1%
Individual Contributors	2.3%	6.9%

Teradyne Hiring	2023
Overall	3.0%
Managers	0.0%
Individual Contributors	3.3%

TERADYNE WOMEN (U.S.)

EEO Category		2023
1.1	Executives/Senior Level Officials and Managers	5.3%
1.2	First/Mid-Level Officials and Managers	20.3%
2	Professionals	17.9%
3	Technicians	16.1%
4	Sales Workers	10.5%
5	Administrative Support Workers	80.0%
6	Craft Workers	0.0%
7	Operatives	28.1%
8	Laborers and Helpers	0.0%
9	Service Workers	0.0%

The table above shares data on the EEO women representation within Teradyne's U.S. population. The tools and actions described earlier in this section are being deployed as a priority to improve the representation of women in Teradyne.

TERADYNE BLACK & AFRICAN AMERICAN (U.S.)

EEO Category		2023
1.1	Executives/Senior Level Officials and Managers	0.0%
1.2	First/Mid-Level Officials and Managers	2.5%
2	Professionals	1.8%
3	Technicians	4.8%
4	Sales Workers	2.6%
5	Administrative Support Workers	10.0%
6	Craft Workers	0.0%
7	Operatives	6.3%
8	Laborers and Helpers	0.0%
9	Service Workers	0.0%

The table above shares data on the EEO Black or African American representation within Teradyne's U.S. population. Similar actions are underway to improve the representation of this group at Teradyne.

Monitoring Workforce Demographics & Retention (continued)

Employment Retention*

	2021	2022	2023	YOY Change
Employee Retention Rate	89.5%	90.1%	90.2%	+0.1%
Avg Service Years**	11.3	8.7	8.7	flat

*Global Data
**Average length of service of the current active employees at the end of the stated year

STEM Education & Advocacy

Helping to create diversity in STEM programs is a strategic initiative to build more diversity in the candidate pools from where we ultimately hire new employees.

Teradyne is supporting organizations and initiatives, both financially and through outreach, that promote diversity, equity and inclusion in the communities in which we live and work.

We are dedicated to increasing access to higher education for underrepresented groups, including African Americans, low-income students, and first-generation college students. By partnering with UNCF for STEM scholarships, Teradyne is contributing to promoting diversity and inclusion in the STEM fields. In 2023, we award 14 $5K scholarships to academically excellent students from HBCU and Minority Serving Institutions that include Norfolk State University, Morehouse College, Spellman College, Hampton University, and Talladega College.

Education Focused Programs
Education focused programs that expand diversity in science, technology, engineering and math (STEM) at the middle/high school and university levels.

Community Programs
Community programs working to improve the education and career opportunities for people from under-represented groups. In addition to company financial support, Teradyne employees regularly volunteer their time and effort to help their local communities. This includes community fundraising events, student mentoring, judging STEM-related competitions, guiding robotics teams and more.

Providing Support to Organizations and Initiatives for DEI

In addition to providing financial and employee support to increase the diversity of STEM college graduates, Teradyne regularly supports organizations focused on social justice and the economic and professional success of women and people of color. Teradyne directly supports organizations working for social justice including donations to Boston PFLAG, NAACP Legal Defense and Education Fund, UNCF, local university chapters of the National Society of Black Engineers (NSBE), the Society of Hispanic Professional Engineers (SHPE) and are providing organizational support for the professional group, Black in Robotics – Boston Chapter.

In 2023, we strengthened our partnerships with organizations that have been amplifying the voices of women in STEM for decades. Both the Society of Women in Engineering and the Global Semiconductor Alliance's Women Leadership Institute had led the way toward fostering a culture of belonging and helping its members create pathways for women in our organization to lead in environments where everyone feels included in the semiconductor, engineering and manufacturing community. In 2023 our CEO Greg Smith signed the CEO Pledge with WLI.

In 2023 Teradyne sponsored the Massachusetts Conference for Women and the California Conference for Women for the fifth year in a row. Both conference experiences offer Teradyne employees opportunities for business networking, professional development and personal growth. In addition to Teradyne women employees and select college students, we also invite senior male managers and executives to the conference to expand their understanding of the issues women face in the global workplace.

Teradyne supports non-traditional talent development paths as well. For example, we are a multi-year supporter of Resilient Coders, a Boston based organization training people of color for high growth careers as software engineers using an intensive 20-week programming boot camp.

To help support the financial infrastructure in the Black Community, Teradyne maintains substantial cash deposits at OneUnited Bank, America's largest Black-owned and managed bank which uses deposited funds for development and investment within the community it serves.

Denmark Team Key Community Activities in 2023

Odense Sustainability Partnership

Universal Robots is a founding member of the Odense Climate Partnership. The partnership strives to drive the local climate agenda and contribute to making Odense climate neutral by 2030.
For more information, please visit: odenseklimapartnerskab.dk/

The UR/MiR Scholarship Program for Women in Engineering

Every year Universal Robots and MiR awards the UR/MiR Scholarship for female students in technical or vocational education programs. The scholarship is awarded to encourage women to pursue careers in the robotics industry and to offer a platform for the female role models, who - alongside their studies - proactively work to break assumptions about studying and pursuing a career in STEM. The scholarship has been awarded since 2022, and the recipient receives 30,000 DKK as well as an internship at either Universal Robots or MiR.

Education and Robotics Sponsorships

We have chosen to focus much of our sponsorship activity on robotics education activities to inspire and create opportunities for the next generation. Our most important community education activity is our involvement in Odinskolen in Odense, a state funded school which specializes in robotics education.

In 2023, Universal Robots sponsored the Odin Award - the main award at Ignite Odense, a local startup event taking place in November. The award was presented by Universal Robots to a startup company that has achieved extraordinary results. In 2023, Universal Robots also, together with MiR, sponsored the European Robotics Forum, which was held in Odense in March and organized by the University of Southern Denmark.

Odense Robotics StartUp Fund

Universal Robots, together with top local investors in robotics and big-name commercial organizations, is a part of the Odense Robotics StartUp Fund. The goal is to help develop promising startups to become the next big Danish robot venture. The fund invests money into new robotics startups and gives them the support they need to turn their smart ideas into successful businesses.

Sponsorship of Cultural Events

In our Robotics headquarters town of Odense, Universal Robots supports the major summer cultural festival, the H.C. Andersen Festivals as well as related activities for local children.

Policies, Compliance & Risk Management

Operational Excellence & Corporate Governance

- We have documented and published Teradyne's CSR management system to outline how CSR and Ethical Governance is a company-wide priority.
- Teradyne is committed to complying with all Responsible Business Alliance Code of Conduct requirements.
- Teradyne's Board of Directors is committed to promoting, creating and maintaining a safe and healthy workplace, environment and society.

Ethical Governance Policies

- We publish governance policies, including Teradyne's Anti-Corruption Policy and Labor Policy.
- We deploy Code of Conduct/Business Ethics Training to all new full and part time employees and contractors as part of the on-boarding process and administer annual Code of Conduct refresher training to all employees at the end of each year, which includes a video presentation, quiz and compliance certification. For 2023, the Code of Conduct/ Business Ethics Training covered the following topics: environmental best practices, health and safety in the workplace and in the community, anti-corruption and bribery, diversity, equity and inclusion, unconscious bias, avoiding conflicts of interest, information security and protection in the workplace, and proper use of social media.
- We provide an anonymous Whistleblower hotline available to all employees, suppliers, customers and the public. As set forth in Teradyne's Confidential Hotline Policy, Teradyne does NOT tolerate retaliation or penalizing of any kind against any person making a good faith complaint or assisting the company in the investigation of any Code of Conduct violation. This includes any reprimand, reprisal, harassment, change in work duties, change in employment amenities, change in reporting requirements, damage to career prospects or reputation, threats to do any of these or deliberate omissions which may harm the individual. The identity of any whistleblower is kept confidential to the fullest extent possible. In addition, Teradyne's European subsidiaries have whistleblower policies that meet the requirements of the European Union's Whistleblower Directive.
- The Audit Committee of our Board of Directors is responsible for business ethics issues, including overseeing incident investigations and corrective actions.

Compliance & Risk Management

- We require all suppliers to agree to our Supplier Code of Conduct and to conduct business in an ethical manner.
- The Nominating and Corporate Governance Committee of our Board of Directors reviews and monitors our environmental, social and governance program and initiatives.
- We include our ESG program in our enterprise risk management annual review to senior management and the Audit Committee of the Board of Directors annually.
- Our financial performance and results have not been materially impacted by any CSR related issues or regulatory fines or penalties
- We conduct ISO quality audits, internal audits and annual enterprise risk assessment reviews with our Board of Directors.
- We conduct anti-corruption due diligence on third parties we work with including restricted party screening.

Policies, Compliance & Risk Management (continued)

Human Rights

- Our Human Rights Policy fully aligns with the Responsible Business Alliance standard, including with respect to prohibition of forced or bonded labor, child labor, discrimination and other inhumane labor practices.
- We protect and support employees' rights through labor policies that ensure living wages, limits on working hours and freedom of association and collective bargaining. These policies are available on our website and are distributed to employees. We expect our suppliers to comply with our labor policies as stated in our Supplier Code of Conduct. Compliance is monitored through RBA audits.
- Our Whistleblower hotline is available to all employees, suppliers, customers and the public. During 2023 we did not receive any internal or external claim regarding supply chain human trafficking or forced labor.
- We have implemented controls to comply with the U.S. Forced Labor Prevention Act.

Data Security & Privacy

- We have documented security procedures that include data privacy and cyber security details.
- We provide data protection training for employees.
- We have implemented controls and processes for protecting sensitive customer data.
- We have had no information security breaches in fiscal years 2020, 2021, 2022 and 2023.
- We have had no material leaks, thefts or losses of internal or customer data.
- We implemented a data privacy compliance program in response to the EU, 2018 General Data Protection Regulations (GDPR). We have expanded our program to include new data privacy regulations in China and in California.
- We have enhanced our enterprise cybersecurity protection program in response to a third-party audit.
- We have completed a product cybersecurity assessment with an independent third party.

Future Plans

As part of our annual Ethical Governance Reviews, we will continue to focus on improving our management systems, implementing and updating our company policies and identifying any risks.

Policies, Compliance & Risk Management (continued)

2023 POLITICAL CONTRIBUTIONS

Political Contributions	**$0**
Recipient	
Country	
Data Publicly Available	
Publicly Available	
Lobbying Activities (USA)	**$163,340**

1. Teradyne does not use its corporate funds or assets for political contributions.
2. Teradyne does not reimburse employees or provide matching funds for any political contributions by employees using their personal funds.
3. Teradyne neither encourages nor discourages employees from making political contributions of their choice.
4. Teradyne is a member of a number of trade associations who may engage in lobbying activities on the part of the association members.

2023 FINANCIAL ASSISTANCE

Tax Incentive/Relief/Credits (Country)	
Foreign Tax Relief	**$15,220,472**
Total Tax Incentive/Relief/Credits:	**$15,220,472**
Subsidies (Country)	
Total Subsidies:	
Investment grants, research and development grants, and other relevant types of grants (Country)	
Total investment grants, research and development grants, and other relevant types of grants:	**$1,977,238**
Awards (Country)	
Total Awards:	
Royalty holidays (Country)	
Total Royalty Holidays:	
Financial assistance from Export Credit Agencies (ECAs) (Country):	
Total financial assistance from Export Credit Agencies (ECAs):	
Financial Incentives (Country)	
Total Financial Incentives:	
Other financial benefits received from any government for any operation (Country)	
Total other financial benefits received from any government for any operation:	
Government is present in the shareholding structure:	**No**

Our Reporting

ALIGNMENT WITH EXTERNAL REPORTING FRAMEWORKS

– Task Force on Climate-Related Financial Disclosures (TCFD)
– Sustainability Accounting Standards Board (SASB)
– Global Reporting Initiative (GRI)

Based on feedback received through our investor outreach activities, we are using three frameworks to inform our reporting. These include the Task Force on Climate-Related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative. Below is a mapping of how our latest disclosure aligns with these frameworks to support the information needs of our investors.

Task Force on Climate-Related Financial Disclosures (TCFD)

The TCFD recommendations are designed to solicit consistent, informative and actionable, forward-looking information on the material financial impacts of climate-related risks and opportunities, including those related to the global transition to a lower-carbon economy.

Recommended Disclosures	Response
Governance	
A) Describe the board's oversight of climate-related risks and opportunities.	Teradyne's Board of Directors Nominating and Corporate Governance Committee is responsible for the oversight of the company's corporate social responsibility (CSR) activities. As part of this responsibility, the Committee periodically reviews our environmental, social and governance program. More Details
B) Describe management's role in assessing and managing risks and opportunities.	Teradyne has a cross-functional team that develops the long-term strategy, annual goals, metrics tracking, and reporting processes for the company's CSR activities. The team also authors Teradyne's CSR Report. This group reports to a steering team of senior leaders and regularly reviews results with the CEO and CFO. More Details
Strategy	
A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Reducing the contributors to and impact of climate change involves generation of energy from renewable sources, more efficient generation from traditional sources, and the more efficient use of energy, regardless of source. In both supply and demand, semiconductor technology is fundamental to reductions in greenhouse gas emissions. As a leading supplier of semiconductor test equipment, our products are used to verify the performance of high-power devices used in power generation and transportation and low-power applications in environmental monitoring systems and battery management systems for electronic devices. More Details
B) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	We work closely with our customers to understand their product roadmaps and then align our R&D and business development efforts to meet those requirements. For example, we identified a gap in our product line for testing high power semiconductors used in renewable energy production and electric powered transportation applications. As a result, in 2019 we acquired Lemsys, a Swiss company with unique technology for testing high- power semiconductors used in these applications. Similarly, our new product development processes consistently deliver higher energy efficiency per device tested than prior generation products. More Details
C) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Teradyne is pursuing science based targets. We submitted our letter of commitment in the end of 2023 and are setting targets by the end of 2024 for approval.

Risk Management	
A) Describe the organization's processes for identifying and assessing climate- related risks.	As a supplier of test equipment for electronic products and automation tools for the industry, our climate related risks are primarily market related. Therefore, we monitor the end market demand trends for our products, including potential climate-related trends, at the business unit level quarterly and at the Board of Directors level annually.
B) Describe the organization's processes for managing climate-related risks.	At our facilities in North Reading, Costa Rica, Cebu and Agoura Hills, we utilize Environmental management systems that are ISO14001 certified. This certification program ensures we are managing environmental compliance along with requiring consistent environmental improvements.
C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Our risks are at the market level and are incorporated into the annual and mid-term planning processes of the company. Teradyne is actively working to increase the resilience of our global supply chain. This includes adding redundant production sites for critical products or components and qualifying additional sources of supply.
Metrics and Target	
A) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	We disclose our emissions data annually through the CDP Climate Change Survey and summarize the data in our CSR Report. More Details
B) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	See SASB disclosure below.
C) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	We believe commitments must be supported by clear plans and Teradyne is developing those plans as the global infrastructure to support 100% Renewable emissions evolves. In North America where that infrastructure exists, we completed agreements in 2022 that will enable 100% Renewable scope 2 carbon emissions from our operations there by 2025 using a Virtual Power Purchase Agreement (VPPA.) We expect to continue on the path to 100% Renewable emissions and will provide progress updates via our CSR management tool as firm plans are put in place. We have now committed to the Science Based Targets Initiative (SBTi) Net-Zero Standard and are in the process of Developing our targets. Through SBTi, we will be setting targets for near-term and long-term goals to ultimately achieve Net-Zero emissions, validated through SBTi.

Sustainability Accounting Standards Board (SASB)

SASB Standards provide details about Teradyne's sustainability activities.

These standards were developed to identify sustainability issues that can influence the long-term value of the company.

Topic	Accounting Metric	Category	Unit of Measure	Code	Additional Info	Resource Link
Greenhouse Gas Emissions	(1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds	Quantitative	Tonne (t) CO -e	TC-SC-110a.1	Scope 1:3,155 tonnes CO2 equivalent Scope 2:29,910 tonnes CO2 equivalent Scope 3 (Partial): 200,482 (excludes use of sold products) Purchased goods and services: 156,777 Travel: 17,695.28 Waste: 74 Gases: C02: 2739.06 tCO2e CH4: 6.74 tCO2e N20: 2.12 tCO2e HFCs: 407.36 tCO2e CO2 equivalent	Reference Link
Greenhouse Gas Emissions	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets,and an analysis of performance against those targets.	Discussion and Analysis	n/a	TC-SC-110a.2	Teradyne's Carbon Disclosure Project Goals	Reference Link
Energy Management in Manufacturing	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	TC-SC-140a.1	(1) 75,708 MWh (2) 98.6 % (3) 1.4%	Reference Link
Water Management	(1) Total water withdrawn, (2) total water consumed, (3) percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m^3), Percentage (%)	TC-SC-320a.1	Teradyne only tracks total water consumed, which in 2022 was 124,322 m^3.	
Waste Management	Amount of hazardous waste from manufacturing, percentage recycled	Quantitative	Tonne (t), Percentage (%)	TC-SC-320a.1	Omitted: Teradyne does not disclose this information.	
Employee Health & Safety	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	Discussion and Analysis	n/a	TC-SC-320a.2	Teradyne's Employee Health and Safety Policy	Reference Link
Employee Health & Safety	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	Quantitative	Reporting currency	TC-SC-330a.1	None	

Recruiting & Managing a Global & Skilled Workforce	Percentage of employees that are (1) foreign nationals and (2) located offshore	Quantitative	Percentage (%)	TC-SC-410a.1	Omitted: Teradyne does not disclose this information.	
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	Percentage (%)	TC-SC-410a.2	Omitted: Teradyne does not disclose this information.	
Product Lifecycle Management	Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops	Quantitative	Various, by product category	TC-SC-440a.1	Omitted: Teradyne does not track this information	
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	TC-SC-520a.1	Annual Conflict Minerals Report	Reference Link
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	Reporting currency	TC-SC-520a.1	None	
Total production		Quantitative	n/a	TC-SC-000.A	Omitted: Teradyne does not disclose this information	
Percentage of production from owned facilities		Quantitative	Percentage (%)	TC-SC-000.B	Omitted: Teradyne does not disclose this information	

Global Reporting Initiative (GRI)

The Global Reporting Initiative standards provide details about Teradyne's business operations including potential activities underway or planned on issues such as climate change, human rights and corruption.

GRI Standard	Disclosure	Report Page #	Additional Information	Resource Link
102-1	Name of the organization	1	Teradyne, Inc.	
102-2	Activities, brands, products, and services	5		About Teradyne
102-3	Location of headquarters	7	600 Riverpark Drive North Reading, MA 01864	FY 2023 10-K
102-4	Location of operations		Teradyne operates in numerous countries across the globe and has significant operations centers in the United States, Japan, Denmark, the Philippines, China, Costa Rica, Taiwan, Korea, and Singapore.	
102-5	Ownership and legal form		Information available in Teradyne's Proxy	2023 Proxy

GRI Standard	Disclosure	Report Page #	Additional Information	Resource Link
102-6	Markets served	15	Information available in Teradyne's 10-K	FY 2023 10-K
102-7	Scale of the organization	15	Information available in Teradyne's 10-K	FY 2023 10-K
102-8	Information on employees and other workers		Information available in Human Capital Management Sections of Teradyne's 10-K and Proxy.	FY 2023 10-K 2023 Proxy
102-9	Supply chain		Teradyne's supply chain organizations are designed to add value in ways that are: - Legal, accountable, and auditable - Ethically, environmentally, and socially responsible - Economically effective	
102-10	Significant changes to the organization and its supply chain		-In April 2018 Teradyne acquired Mobile Industrial Robots A/S, a Denmark based supplier of collaborative autonomous mobile robots for industrial applications. -In March 2018 Teradyne acquired Energid, a Cambridge, MA based engineering firm and developer of robot control, simulation, and machine vision software. -In January 2019 Teradyne acquired Lemysys SA, a leading global provider of test equipment and associated services for power semiconductor discrete devices and modules. - In October 2019, Teradyne acquired AutoGuide Mobile Robots, a supplier of high-payload autonomous mobile robots.	
102-11	Precautionary Principle or approach		Teradyne applies the concepts of the precautionary approach by considering the long-term trajectory of climate change and its potential impacts on Teradyne. Elements of that ongoing evaluation are reflected in Teradyne's CSR web content.	
102-12	External initiatives		Sustainability Roundtable, Carbon Disclosure Project (CDP), California Supply Chain Transparency Act of 2010, Customs- Trade Partnership Against Terrorism - USA, EU Waste Electrical and Electronic Equipment (WEEE) Directive 2005, Global Reporting Initiative—GRI 4.0 sustainability reporting guidelines, U.S. Foreign Corrupt Practices Act and similar anticorruption laws enacted under the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions., US Equal Opportunity laws and accompanying regulations.	
102-13	Membership of associations		SEMI.org Sustainability Roundtable Security Executive Committee Responsible Business Alliance Robot Industry Association Board of Corporation Affiliates at the national level of NSBE	

GRI Standard	Disclosure	Report Page #	Additional Information	Resource Link
102-14	Statement from senior decision-maker	2	A Message from our CEO	
102-15	Key impacts, risks, and opportunities	8	Key impacts, risks, and opportunities outlined in our Focus Areas and Priorities. Additionally, Environmental Risks and Opportunities outlined in our CDP and ISO 14001.	
102-18	Governance structure		Information available in Teradyne's Proxy	2023 Proxy
102-19	Delegating authority	15	Included in Teradyne's CSR Management Approach Document	CSR Management Approach
102-20	Executive-level responsibility for economic, environmental, and social topics	15	Included in Teradyne's CSR Management Approach Document	CSR Management Approach
102-21	Consulting stakeholders on economic, environmental, and social topics	15	Included in Teradyne's CSR Management Approach Document	CSR Management Approach
102-22	Composition of the highest governance body and its committees		Proxy Statement Pg 3.	2023 Proxy
102-23	Chair of the highest governance body		Paul Tufano, Chairman of the Board. Mr. Tufano is not an executive officer in the organization.	Governance Web Page
102-24	Nominating and selecting the highest governance body		Information available in Teradyne's Proxy	2023 Proxy
102-25	Conflicts of interest		Information available in Teradyne's Proxy	2023 Proxy
102-26	Role of highest governance body in setting purpose, values, and strategy	15	Included in Teradyne's CSR Management Approach Document	CSR Management Approach
102-27	Collective knowledge of highest governance body	15	Included in Teradyne's CSR Management Approach Document	CSR Management Approach
102-28	Evaluating the highest governance body's performance	15	Included in Teradyne's CSR Management Approach Document	CSR Management Approach
102-29	Identifying and managing economic, environmental, and social impacts	15	Included in Teradyne's CSR Management Approach Document	CSR Management Approach
102-30	Effectiveness of risk management processes	15	Included in Teradyne's CSR Management Approach Document	CSR Management Approach
102-31	Review of economic, environmental, and social topics	15	Included in Teradyne's CSR Management Approach Document	CSR Management Approach
102-32	Highest governance body's role in sustainability reporting	15	Included in Teradyne's CSR Management Approach Document	CSR Management Approach

GRI Standard	Disclosure	Report Page #	Additional Information	Resource Link
102-33	Communicating critical concerns		The process for reporting critical concerns is outlined in our Code of Conduct. We provide a confidential phone hotline and confidential web reporting.	Teradyne's Code of Conduct
102-34	Nature and total number of critical concerns			
102-35	Remuneration policies		Information available in Teradyne's Proxy	2023 Proxy
102-36	Process for determining remuneration		Information available in Teradyne's Proxy	2023 Proxy
102-37	Stakeholders' involvement in remuneration		Information available in Teradyne's Proxy	2023 Proxy
102-38	Annual total compensation ratio		Information available in Teradyne's Proxy	2023 Proxy
102-39	Percentage increase in annual total compensation ratio		Information available in Teradyne's Proxy	2023 Proxy
102-40	List of stakeholder groups	10	Employees, customers, suppliers, governments, non-government and non-profit organizations, communities, and investors.	
102-41	Collective bargaining agreements	33	Teradyne respects the rights of workers to associate freely and seek to communicate openly with each other and management without fear of reprisal, intimidation or harassment, as reflected in our Labor Policy.	Labor Policy
102-42	Identifying and selecting stakeholders	10	Teradyne identifies external stakeholders based on the relevance of their industry and perspectives to Teradyne's business, history of partnering and engagement with the company, and their expertise in relevant fields. Teradyne's key stakeholders include customers, employees and investors.	CSR Management Approach
102-43	Approach to stakeholder engagement	10		
102-44	Key topics and concerns raised		Information available in Teradyne's Proxy	2023 Proxy
102-45	Entities included in the consolidated financial statements		Information available in Teradyne's 10-K	FY 2023 10-K
102-46	Defining report content and topic Boundaries	13		CSR Management Approach
102-47	List of material topics	13-15		
102-48	Restatements of information		Updated annual data, as applicable.	
102-49	Changes in reporting		Updated annual data, as applicable.	
102-50	Reporting period		2023	
102-51	Date of most recent report		Updated annual data, as applicable.	
102-52	Reporting cycle		Annual	

GRI Standard	Disclosure	Report Page #	Additional Information	Resource Link
102-53	Contact point for questions regarding the report		Andres.willkie@teradyne.com	
102-54	Claims of reporting in accordance with the GRI Standards		We self-declare that the report is prepared in accordance with GRI Standards: Comprehensive option.	
102-55	GRI content index	23-24	GRI content index included in our Corporate Social Responsibility Report.	
102-56	External assurance		While we have not sought external assurance for the content of this report/ GRI index, certain data included is subject to external review and all information provided is reviewed internally.	
GRI 103: Management Approach				
103-1	Explanation of the material topic and its Boundary	15	Included in Teradyne's CSR Management Approach Document. Teradyne's CSR Management Approach Document outlines the management approach for all topics covered under the GRI.	CSR Management Approach
103-2	The management approach and its components	15	Included in Teradyne's CSR Management Approach Document. Teradyne's CSR Management Approach Document outlines the management approach for all topics covered under the GRI.	CSR Management Approach
103-3	Evaluation of the management approach	15	Included in Teradyne's CSR Management Approach Document. Teradyne's CSR Management Approach Document outlines the management approach for all topics covered under the GRI.	CSR Management Approach
GRI 201: Economic Performance				
201-1	Direct economic value generated and distributed		Revenues: $3,155,045.00 Economic value distributed: $2,439,544.00 Economic value retained: $715,501.00 Teradyne Form 10-K	FY 2023 10-K
201-2	Financial implications and other risks and opportunities due to climate change		N/A. Teradyne does not believe climate change represents either a substantial opportunity or risk to our overall business.	
201-3	Defined benefit plan obligations and other retirement plans		Teradyne offers defined benefits and/or defined contribution plans which vary by country.	FY 2023 10-K
201-4	Financial assistance received from government		Teradyne discloses all Financial Assistance received from governments globally	CSR Webpage
GRI 202: Market Presence				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage		Omitted: Teradyne does not disclose this information.	

GRI Standard	Disclosure	Report Page #	Additional Information	Resource Link
202-2	Proportion of senior management hired from the local community		Omitted: Teradyne does not disclose this information.	
GRI 203: Indirect Economic Impacts				
203-1	Infrastructure investments and services supported		n/a	
203-2	Significant indirect economic impacts		Teradyne does not measure indirect economic impacts as noted nor does Teradyne track indirect economic impacts in context of external benchmarks.	
GRI 204: Procurement Practices				
204-1	Proportion of spending on local suppliers		Omitted: Teradyne does not track this information.	
GRI 205: Anti-Corruption				
205-1	Operations assessed for risks related to corruption	46	All operations are assessed for risks related to corruption. Our North Reading, Cebu, and Costa Rica facilities are assessed formally through the RBA self-assessment questionnaire. No significant risks have been identified.	
205-2	Communication and training about anti- corruption policies and procedures	46	All Teradyne employees receive Code of Conduct training annually. Additionally, Teradyne provides our anti-corruption policy on our CSR webpage.	Anti Corruption Policy
205-3	Confirmed incidents of corruption and actions taken		Teradyne has no confirmed incidents of corruption.	
GRI 206: Anti-Competitive Behavior				
206-1	Legal actions for anti- competitive behavior, anti-trust, and monopoly practices		Teradyne has no legal actions for anti-competitive behavior, anti-trust, or monopoly practices.	
301-1	Materials used by weight or volume		Omitted: Teradyne does not track this information.	
301-2	Recycled input materials used		Omitted: Teradyne does not track this information.	
302-1	Energy consumption within the organization		75,708 megawatt hours Teradyne total	
302-2	Energy consumption outside of the organization		Omitted: Teradyne does not track this information.	Teradyne's CDP Submittal
302-3	Energy intensity		12 tCO2e gross global scope 1&2 tonnes per thousand USD revenue	Teradyne's CDP Submittal
302-4	Reduction of energy consumption		There was no reduction in our energy consumption in 2023.	Teradyne's CDP Submittal
302-5	Reductions in energy requirements of products and services		Omitted: Teradyne does not track this information.	Teradyne's CDP Submittal

GRI Standard	Disclosure	Report Page #	Additional Information	Resource Link
GRI 303: Water and Effluents				
303-1	Interactions with water as a shared resource		Omitted: Teradyne does not track this information.	
303-2	Management of water discharge-related impacts		Omitted: Teradyne does not track this information.	
303-3	Water withdrawal		Omitted: Teradyne does not track this information.	
303-4	Water discharge		Omitted: Teradyne does not track this information.	
303-5	Water consumption		124,322 cubic meters water consumed	
GRI 304: Biodiversity				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		None to our knowledge.	
304-2	Significant impacts of activities, products, and services on biodiversity		Teradyne's locations are not in protected areas or areas of high biodiversity. Nevertheless, we operate in a manner that is committed to continuous improvement in environmental sustainability.	
304-3	Habitats protected or restored		None	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		None to our knowledge.	
GRI 305: Emissions				
305-1	Direct (Scope 1) GHG emissions	24	3,155 tonnes CO_2 equivalent	Teradyne's CDP Submittal
305-2	Energy indirect (Scope 2) GHG emissions	24	29,910 tonnes CO_2 equivalent	Teradyne's CDP Submittal
305-3	Other indirect (Scope 3) GHG emissions	24	200,460 tonnes CO_2 equivalent	Teradyne's CDP Submittal
305-4	GHG emissions intensity	24	12 tonnes CO_2 equivalent per USD revenue	Teradyne's CDP Submittal
305-5	Reduction of GHG emissions	24	Slight decrease from 2022 (See page 12)	Teradyne's CDP Submittal
305-6	Emissions of ozone- depleting substances (ODS)	24	0	Teradyne's CDP Submittal
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	24	CH4: 6.74 tCO2e N2O: 2.12 tCO2e HFCs: 407.36 tCO2e CO2: 2739.06 tCO2e	Teradyne's CDP Submittal
GRI 306: Effluents and Waste				
306-1	Water discharge by quality and destination		Omitted: Teradyne does not disclose this information.	

GRI Standard	Disclosure	Report Page #	Additional Information	Resource Link
306-2	Waste by type and disposal method		Omitted: Teradyne does not disclose this information.	
306-3	Significant spills		None	
306-4	Transport of hazardous waste		Teradyne uses licensed transporters only.	
GRI 306: Effluents and Waste				
307-1	Non-compliance with environmental laws and regulations		Teradyne has received no fines or non-monetary sanctions for non-compliance with environmental laws and/or regulations.	
GRI 308: Supplier Environmental Assessment				
308-1	New suppliers that were screened using environmental criteria	41	Teradyne expects our suppliers to adhere to our Supplier Code of Conduct which outlines environmental standards they must meet.	Supplier Code of Conduct
308-2	Negative environmental impacts in the supply chain and actions taken		Teradyne does not perform negative environmental impact assessments of its supply chain.	
GRI 401: Employment				
401-1	New employee hires and employee turnover		Omitted: Teradyne does not disclose new hire information. Employee turnover information is disclosed in the CSR Report.	
401-2	Benefits provided to full- time employees that are not provided to temporary or part-time employees		Omitted: Teradyne does not disclose this information externally.	
401-3	Parental leave		Omitted: Teradyne does not disclose this information.	
GRI 402: Labor/Management Relations				
402-1	Minimum notice periods regarding operational changes		We provide a minimum number of weeks' notice to employees prior to implementing significant operational changes that could substantially affect them in accordance with local operations. We also have quarterly business updates with all employees.	
GRI 403: Occupational Health and Safety				
403-1	Occupational health and safety management system	23	Teradyne has a documented health and safety management system that is integrated with our environmental management system.	Employee Health and Safety Policy
403-2	Hazard identification, risk assessment, and incident investigation	32	Teradyne conducts hazards assessments and risk assessments. Incidents, injuries and illness are reported, tracked and investigated.	Employee Health and Safety Policy
403-3	Occupational health services	33	Available at specific sites where applicable.	Employee Health and Safety Policy
403-4	Worker participation, consultation, and communication on occupational health and safety	33	Yes, safety meetings with worker participation, education and training are performed regularly.	Employee Health and Safety Policy

GRI Standard	Disclosure	Report Page #	Additional Information	Resource Link
403-5	Worker training on occupational health and safety	33	Yes, annually	Employee Health and Safety Policy
403-6	Promotion of worker health		Yes, amenities are available related to worker health. In addition to all necessary work-place protective equipment, most of Teradyne's larger facilities include fitness centers for employee use. The company also reimburses employees up to $150/year for fitness center memberships.	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Omitted: Teradyne does not track this information.	
403-8	Workers covered by an occupational health and safety management system		Documented health and safety system.	Employee Health and Safety Policy
403-9	Work-related injuries		Tracked and reported in accordance with local laws and regulations, below industry average.	
403-10	Work-related ill health		Tracked with injury, illness.	
GRI 404: Training and Education				
404-1	Average hours of training per year per employee		Omitted: Teradyne does not track this information.	
404-2	Programs for upgrading employee skills and transition assistance programs	53	See Teradyne's Corporate Social Responsibility webpage for additional information.	CSR Webpage
404-3	Percentage of employees receiving regular performance and career development reviews	53	100%	
GRI 405: Diversity and Equal Opportunity				
405-1	Diversity of governance bodies and employees		Information regarding the diversity of Teradyne's Board of Directors is available in Teradyne's Proxy.	2023 Proxy
405-2	Ratio of basic salary and remuneration of women to men		Omitted: Teradyne does not disclose this information.	
GRI 406: Non-Discrimination				
406-1	Incidents of discrimination and corrective actions taken		Omitted: Teradyne does not disclose this information.	
GRI 407: Freedom of Association and Collective Bargaining				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	42	We have not identified any Teradyne operations with significant risk to freedom of association and we require all suppliers to comply with our Supplier Code of Conduct, which addresses freedom of association. We also allow employees to have the freedom to associate.	Supplier Code of Conduct Labor Policy

GRI Standard	Disclosure	Report Page #	Additional Information	Resource Link
GRI 408: Child Labor				
408-1	Operations and suppliers at significant risk for incidents of child labor	69	Our labor policy prohibits the use of child labor and prohibits workers under the age of 18 from performing hazardous work. There are no identified risks of child labor abuse at any of our operations. Teradyne's Supplier Code of Conduct, which all suppliers are required to adhere to, contains similar restrictions on child labor.	Labor Policy
GRI 409: Forced Labor				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	69	Our labor policy prohibits the use of forced or compulsory labor or any kind. There are no identified risks of forced or compulsory labor at any of our operations. Teradyne's Supplier Code of Conduct, which all suppliers are required to adhere to, contains similar restrictions on forced or compulsory labor.	Labor Policy
GRI 410: Security Practices				
410-1	Security personnel trained in human rights policies or procedures		100% of security personnel have received formal training on the organization's human rights policies and procedures through our annual Employee Code of Conduct Training. This applies to third-party organizations providing security personnel.	Teradyne's Code of Conduct
GRI 411: Rights of Indigenous Peoples				
411-1	Incidents of violations involving rights of indigenous peoples		There have been no identified incidents of violations involving the rights of indigenous peoples during the reporting period.	
GRI 412: Human Rights Assessment				
412-1	Operations that have been subject to human rights reviews or impact assessments		Teradyne's Code of Conduct covers human rights and Teradyne has a Statement on Human Trafficking that applies to all operations. Additionally, our large operations in high-risk areas are subject to the RBA self-assessment annually, which covers human rights.	Human Trafficking Policy
412-2	Employee training on human rights policies or procedures.		All Teradyne employees undergo Code of Conduct training annually. This training includes human rights.	Teradyne's Code of Conduct
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		Contracts with suppliers require them to agree to our Supplier Code of Conduct. Teradyne's Supplier Code of Conduct is modeled off the RBA Code of Conduct and covers human rights.	Supplier Code of Conduct
GRI 413: Local Communities				
413-1	Operations with local community engagement, impact assessments, and development programs	56	Information is also available in Teradyne's 10-K and Proxy.	FY 2023 10-K 2023 Proxy

GRI Standard	Disclosure	Report Page #	Additional Information	Resource Link
413-2	Operations with significant actual and potential negative impacts on local communities		Teradyne has not identified any operations with significant actual or potential negative impacts on local communities.	
GRI 414: Supplier Social Assessment				
414-1	New suppliers that were screened using social criteria	42	Teradyne expects our suppliers to adhere to our Supplier Code of Conduct which outlines environmental standards they must meet.	Supplier Code of Conduct
414-2	Negative social impacts in the supply chain and ctions taken		Teradyne does not perform negative social impact assessments of its supply chain.	
GRI 415: Political Contributions				
415-1	Political contributions		Teradyne had no political contributions for the reporting period.	CSR Webpage
GRI 416: Customer Healthy and Safety				
416-1	Assessment of the health and safety impacts of product and service categories	23	Teradyne's product safety group is responsible for ensuring the safety of our products. In addition, third-party certifiers are utilized to assess our products.	CSR Webpage
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		From time to time, Teradyne has incidents regarding the safety of certain of its products. Teradyne has taken actions and will continue to take actions to mitigate any risks associated with the safety of its products.	
GRI 417: Marketing and Labeling				
417-1	Requirements for product and service information and labeling		Covered by product safety and third-party certification.	
417-2	Incidents of non-compliance concerning product and service information and labeling		From time to time, Teradyne has issues concerning non- compliance with product labeling regulations. Teradyne has taken actions and will continue to take actions to mitigate any issues associated with product labeling regulations.	
417-3	Incidents of non-compliance concerning marketing communications		Teradyne is not aware of any non-compliance concerning the marketing communications of any of our products or services.	
GRI 418: Customer Privacy				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		Teradyne has not identified any substantial complaints received concerning breaches of customer privacy. Information regarding material cybersecurity incidents is available in Teradyne's 10-K.	FY 2023 10-K
GRI 419: Socioeconomic Compliance				
419-1	Non-compliance with laws and regulations in the social and economic area		Teradyne agreed to a settlement with the US EEOC in January 2021 to resolve a disputed finding regarding the recruiting practices related to interns and co-op employees.	

Advancing Society, People and the Planet through Technical Innovation

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LEARN MORE

For more information on Teradyne's CSR practices and programs, visit teradyne.com/corporate-social-responsibility.

UPDATED 111124

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