



### **1.0 PURPOSE AND INTRODUCTION**

Coherent Corp. recognizes the growing complexity, scope, and reach of our global operations and the impact we can have on our people, suppliers, customers, communities, and the world in general. This recognition acknowledges responsibility and causes us to take action.

Given this responsibility, and our desire and commitment to have a positive influence, we have established this policy to clarify our expectations.

### **2.0 SCOPE**

Either this policy has been established for Coherent Corp. and its subsidiaries, wholly or majority owned (hereafter Coherent). It applies to all employees, contractors, consultants, and suppliers of Coherent.

### **3.0 RESPONSIBILITY**

This policy will be governed by the ESG Committee of the Board of Directors of Coherent. On a periodic basis, and as necessary, this governing body will recommend goals and resources and monitor progress in the area of ESG. This effort will be chaired by the Chief Sustainability Officer, who will also provide administrative leadership to Coherent's initiatives. Individual organizations will be expected to contribute to our results across the full range of ESG. A cross-functional Coherent ESG team established by the Chief Sustainability Officer will provide specific recommendations and leadership to the day-to-day ESG initiatives.

More specifically, the Coherent ESG Team will:

- 1) Recommend business practices and accountabilities that promote continuous improvement in our ESG performance. Coherent acknowledges that actions, or inactions, by a supplier of Coherent are a reflection upon us. ESG is a whole supply chain issue, and Coherent will establish, monitor, and enforce ESG performance on its suppliers as well as in its own internal operations.
- 2) Monitor and review Coherent's policies, programs, and practices concerning public policy issues that include appropriate employee safety, training, and wellness; human rights; environmental protection; energy and water conservation; hazardous and non-hazardous waste reduction; greenhouse gas and other gaseous emissions reduction; community involvement; diversity, equity, and inclusion programs; quality programs; ethics; governance; and compliance.
- 3) Identify, evaluate, and monitor ESG trends, both domestic and international, from Coherent's shareholders, employees, customers, suppliers, governments, and the general public and develop action plans to address these trends in order to continue the company's positive impact on the local and worldwide communities in which Coherent operates.
- 4) Evaluate and periodically report Coherent's performance against pre-established ESG business practice recommendations and develop evaluation criteria for such ESG initiatives. Communicate internally to employees and the ESG Committee of the Board of Directors, and externally to customers, suppliers, investors, government agencies, ESG rating agencies, and others as appropriate.
- 5) Develop, validate, and publish an annual ESG report for Coherent.



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(ESG) POLICY

*Effective Date:* February 28, 2023

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**ESG-001**

- 6) Have oversight authority for the ESG-related content on Coherent's website and the websites of any of the company's subsidiaries.
- 7) Make recommendations to amend this policy every two years.
- 8) Be responsible for engaging third-party consultants, if necessary, to monitor the performance of and make improvements to certain ESG programs.
- 9) Be accountable to communicate to the President and CEO as described below and provide support for the communication of this policy.
- 10) Carry out additional ESG-related duties that may from time to time be delegated to it by the CEO, President, or ESG Committee of the Board of Directors.

#### **4.0 KEY TERMS**

Environmental, Social, and Governance (ESG) is the integration of policies and responsible practices into the company's daily business operations and performance related to issues such as the environment, employee health and safety, human rights, sustainability, community involvement, and ethical behavior.

#### **5.0 THE POLICY**

It is Coherent's policy to conduct all business operations consistent with or as appropriate and necessary to meet or exceed industry, environmental, health, safety, labor, and employment standards, and in compliance with the letter and the spirit of all laws and regulations that govern our operations. Additionally, Coherent promotes business practices and accountability that help ensure adherence to the policy. Our goal is for each employee and our total business to behave consistent with our global I CARE values – Integrity, Collaboration, Accountability, Respect, and Enthusiasm – with the people in our communities and around the globe.

#### **6.0 RECORD RETENTION**

The Chief Sustainability Officer is accountable for appropriate recordkeeping.

#### **7.0 WHAT ARE THE CONSEQUENCES FOR FAILURE TO COMPLY WITH THIS POLICY?**

Violations of this policy may result in disciplinary action, including termination. A location's normal progressive disciplinary process will be followed, but egregious violations can result in skipping steps and/or immediate termination. This is the responsibility of each organizational leader, and violations and corrective actions must be reviewed with the Chief Sustainability Officer and Human Resources department.

#### **8.0 QUESTIONS AND REPORTS**

If you believe this policy has been violated, you should discuss the situation with your manager, your local Human Resources representative, the approver(s) of this policy, and/or the Chief Legal and Compliance Officer, or call the Coherent Compliance Hotline at +1-866-829-3062.

#### **9.0 COMMUNICATION**

The Chief Sustainability Officer is responsible to communicate this policy to the senior executives of our segments, business units, and corporate/functional areas, who then have the direct responsibility to ensure communication, understanding, and compliance within their organizations. This policy and



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any future changes will be communicated by the Chief Sustainability Officer. The company reserves the right to modify this policy, as needed, to reflect changes in applicable laws or otherwise.

**APPROVALS**

**APPROVALS COMPLETED DATE**

Beth Clark – VP, Global Risk and Corporate Sustainability	February 28, 2023
Tim Challingsworth – Chief Sustainability Officer	February 28, 2023

**REVISION HISTORY**

<b>Revision</b>	<b>Date</b>	<b>Description of Change</b>	<b>Requested By</b>
ESG-001	Feb. 28, 2023	Rebranded, renamed from HR-003 to ESG-001, and updated	ESG Team
HR-003 Rev. 1	July 15, 2015	Converted to corporate format	VP, HR
HR-003 (Original)	July 29, 2013	Approved by David Wagner, VP, HR, and Frances J. Kramer, Chair	N/A