Corporate Stewardship Report
Environmental, Social, & Governance at Lattice
December 2023
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At Lattice, sustainability is built into our mission as the low power programmable leader.

We know that even the smallest things can make a big impact and are committed to actively managing our environmental, social, and governance practices across all aspects of our business.

Creating a Sustainably Connected World

As the low power programmable leader, sustainability is a core guiding principle for product innovation at Lattice. Our field programmable gate arrays (FPGAs) lead the industry in power efficiency and small package size, helping us create a more sustainably connected world by enabling our 9,000+ customers around the world to reduce system power consumption and physical footprint, without sacrificing performance.

Our products help power some of the most important technology applications of the next decade and beyond, including AI and machine learning, 5G telecommunications infrastructure, smart cars, industrial automation, robotics, and security. Our ability to intersect them with lower power, smaller size, and a lifetime of reprogrammability has the potential to result in an incredible amount of energy and e-waste reduction for future generations of enterprise and consumer technology.

In addition to our focus on sustainability-minded product innovation, we understand that creating a more sustainably connected world requires us to commit to examining and optimizing all parts of our business. This includes everything from how we treat and motivate our employees, how we engage with our customers, how we select our partners, our operational environmental impact, and setting and holding ourselves accountable to high standards.
Environmental, Social, & Governance Highlights

4X Lower Power
Lattice FPGA's consume up to 4X lower power than competitive devices.

10X Smaller
Lattice FPGA's are up to 10X smaller than competitive FPGA packages.

~38,000 Homes/Year
Could be powered based on the energy savings our customers gain by choosing Lattice FPGA's

200% EV Charging Capacity Increase
Upgraded EV Charging to rapid-charging stations in 2020.

18% Energy Use Reduction
Achieved at company headquarters between 2020 and 2021.

100% LED Lighting
Upgrade completed in Bay Area office (2022) and Oregon office (2021).

2023 Employee Data
As of Nov. 1, 2023

Location

Race / Ethnicity

Gender**

- 30% Female Executive Team
- 38% Female Board of Directors

Annual Employee Survey Results

2023 Results

- 92% Response Rate
- 84% Favorable
- 45% Higher Favorable Rating vs Industry Benchmark

4-Year Average Results

- 92.4% Response Rate
- 83% Favorable
- 42% Higher Favorable Rating vs Industry Benchmark

* Underrepresented minorities
** Includes 38% female Board of Directors & 30% female executive leaders

Lattice & Partner Standards & Certifications

Our Awards & Recognition
Our Commitments

Environmental
We prioritize environmental consciousness across our product development, our physical footprint, and our supply chain partnership.

Social
We foster a collaborative, diverse, inclusive, and innovative work environment and invest in giving back to our local communities.

Governance
We hold ourselves to the highest ethical standards, following applicable laws and best practices with transparency and integrity.

Key Highlights

18% Energy Use Reduction
Achieved at company headquarters between 2020 and 2022.

38% Lower Turnover
Lattice employee turnover is 32% lower than the industry average.

38% Female Board of Directors
Lattice has actively increased the diversity of our Board, leadership team, and across the company.

~38,000 Homes/Year
Could be powered based on the energy savings our customers gain by choosing Lattice FPGAs.

Awards & Recognition
Lattice ranks alongside other companies dedicated to innovation and sustainable excellence.
Lattice Semiconductor Corporation is committed to protect the natural environment, to prevent pollution, to meet our compliance obligations, and continually improve our environmental performance. We further commit to the following:

- To reduce environmental impacts from chemical use, fire, energy consumption, and waste generation that are under our direct control; and
- To select manufacturing subcontractors with demonstrated commitment to environmental protection.

At Lattice, sustainability is built into our mission as the low power programmable leader.

Our Focus

- **Product Sustainability**: We develop clean technology products that lead the industry in energy efficiency and small size.
- **Operational Excellence**: We are committed to operational sustainability and excellence across Lattice sites worldwide.
- **Supply Chain Management**: We work exclusively with industry-leading suppliers that have the highest quality and ESG standards.
Product Sustainability

Sustainability is built into our mission as the low power programmable leader. We have a long history of innovation and an on-going commitment to developing cleantech products that lead the industry in energy efficiency and small size.

Product Design

- We combine innovative circuit design with advanced process technology to create **FPGAs that lead the industry in power efficiency and small package size**. This can help our customers achieve lower energy consumption and more compact footprints with their designs.

- The programmability of our FPGAs enables extended longevity, which can lead to **less waste being created** over the lifetime of an FPGA compared to other types of semiconductors.

- We have delivered **multiple generations and families of clean tech products** since our founding in 1983 that help our customers reduce the power consumption of their devices and extend their products’ lifespans.

- We carefully examine the potential environmental impacts of our products and ways to improve the energy efficiency of our solutions.

- Lattice products **help our customers protect natural resources**:
  - Smart client compute devices that lower power consumption
  - Solar panel and wind turbine control that maximizes the delivery of renewable energy
  - Efficient motor control for industrial and automotive applications
  - Lower power wireless base stations
  - Smaller & lighter products that reduce packaging & transportation waste

- Lattice is committed to developing artificial intelligence solutions with ethical and fair considerations for a variety of factors, including gender, ethnicity, and age.

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**4X Lower Power**
Lattice FPGAs consume up to 4X less power than competitive devices

**10X Smaller**
Lattice FPGAs are up to 10X smaller than competitive FPGA packages

**~38,000 Homes/Year**
Could be powered based on the energy savings our customers gain by choosing Lattice FPGAs
Operational Footprint

We are committed to operational sustainability and excellence across Lattice sites worldwide and are constantly looking at new technologies and ways to further reduce our operational footprint while maximizing our quality of service.

Facilities Optimizations

- Maintain an **extensive recycling program** for paper and cardboard.
- Membership in the San Jose Clean Energy Program allows us to **purchase clean power** from wind, solar, and carbon.
- Buy 100% of our **energy from renewable sources**, where applicable.
- Committed to a greenhouse gas (GHG) emissions reduction of 90% by 2030 for Scope 1 & 2 (compared to current estimated levels), in addition to ongoing review of the potential upstream and downstream impacts of our products and potential ways to further improve their energy efficiency.
- Ongoing upgrades to office facilities include:
  - Energy friendly LED lighting and motion control systems installation.
  - Optimizing building performance by upgrading HVAC and other key equipment.
  - Increased on-site rapid-charging electric vehicle (EV) charging stations capacity by 200% in 2020.
  - Completed 100% LED lighting upgrade projects in the Bay Area office (2022) and Hillsboro office (2021).
  - Upgraded HVAC control system in Hillsboro office (2023).
  - Compressed air driers upgraded in Bay Area office for electrical efficiencies (2023).
- Achieved total energy consumption reduction of 18% from 2020 to 2022 at Lattice headquarters in Hillsboro, Oregon.

Quality and Reliability

- Lattice is **committed to industry leadership** in the supply of low power programmable logic components and software design tools. We strive for customer satisfaction through on-time delivery of innovative products with the highest levels of quality and reliability.
- We will always work to ensure compliance of our quality systems with the requirements of our customers, and in accordance with our ISO9001:2015 certification and relevant industry regulations.
- For more information about our commitment to quality and reliability, visit [https://www.latticesemi.com/Support/QualityAndReliability](https://www.latticesemi.com/Support/QualityAndReliability).
Supply Chain Management

We hold ourselves to high ESG standards and require our suppliers to have strong ESG programs as part of our qualification process. As a fabless semiconductor company, Lattice utilizes a subcontracted supply chain.

Commitment to High ESG Standards

- **We select supply chain partners that are leaders in ESG**, including those that prioritize energy and water conservation, and we commit to ensuring that these companies comply with all global standards and maintain appropriate certifications.

- **We work exclusively with industry-leading suppliers.** Our primary silicon foundry partners include: UMC, TSMC, and Samsung. Each of these silicon suppliers are leaders in the semiconductor industry as well as leaders in corporate responsibility.

- **Our primary OSAT (Assembly & Test) partner is Advanced Semiconductor Engineering (ASE) with an industry leading ESG program.**

Driving Consistent Compliance

- **Ensuring Compliance with Global Standards/Certifications**
  - Lattice requires all our supply chain partners to maintain ISO14001 registrations, which certifies a company’s **commitment to preserving the natural environment**.
  - We have **adopted industry-best practices** that removed Lead (Pb) from solder compositions and converted plastic packages to Halogen-free formulations.
  - We have worked with our OSATs to **eliminate the use of conflict minerals from our products.** We regularly publish a CMRT (Conflict Mineral Reporting Template) that documents all the mineral smelters used in our supply chain.
  - We adhere to the European chemical standards of REACH and RoHS.

- **Additional Activities to Ensure Compliance**
  - Lattice requires our primary supply chain partners to acknowledge and implement the **principles within the RBA Code of Conduct.** This code of conduct spells out the minimum requirements for workers’ rights, occupational safety, environmental impact, and business ethics.
  - We work with our OSATs to **reclaim minerals from ICs** that are rejected during the manufacturing process.
  - We perform Quarterly Business Reviews of our OSATs and annual audits of our Foundry suppliers.

Social
Commitment to Social Connection

At Lattice, sustainability is built into our mission as the low power programmable leader.

We are all about connection, with our customers and each other. We foster a collaborative, diverse, inclusive, and innovative work environment and invest in giving back to our local communities.

Our Focus

Our People
We have a talented, diverse global team that is passionate about delivering innovative low power FPGAs to our customers and the world.

Our Communities
We are active in the communities in which we operate through company-sponsored volunteerism, programs, and investments.

Our Culture
We foster a culture of innovation where our values guide how we work with each other and with our customers and partners.
Our People

We provide a collaborative, diverse, inclusive, and innovative work environment, competitive compensation, and recognition to give our employees the opportunity to grow.

Global Workforce Overview

- Lattice stands out with a **passionate and loyal global workforce** that is committed to growing and winning together.
- Lattice’s **headcount has increased by >20%** between 2022 and 2023.
- Lattice’s **global voluntary turnover rate is 38% lower than peer competitors** in the technology industry, which reflects strong employee engagement.

Total Rewards

- To motivate performance and share in Lattice’s success, all Lattice employees participate in a **variable pay plan**. Non-sales employees participate in Lattice’s Corporate Incentive Plan, which rewards employees when Lattice meets and exceeds its goals on revenue, operating income, and key strategic and ESG-related business objectives. The Corporate Incentive Plan financial and strategic objective metrics are set and assessed annually by our Board of Directors Compensation Committee.
- To promote an ownership mentality among employees and to allow them to share in Lattice’s success, we offer Restricted Stock Unit (RSU) shares to employees annually. 100% of employees are eligible to receive equity annually, and more than 90% received RSU shares in 2023.
- We offer an **Employee Stock Purchase Plan (ESPP)** that allows employees to purchase Lattice stock at a discounted price.
- We support our employees with **competitive benefits**, including competitive compensation, paid time off, health and wellness programs, worksite amenities, and more.
- As part of Lattice’s **annual salary review process**, employees have an opportunity to receive merit increases to reward performance and remain competitive relative to local labor markets.
- All employees are eligible for **promotions to recognize great performances and support career advancement**. Each year, more than 10% of Lattice employees receive a promotion.
- Lattice avails its employees to **wellness programs** through its health insurance providers to promote wellness and healthy lifestyle, with assistance on topics such as exercise, weight management, parent support, and mental health resilience.
- Consistent with the **UN Global Compact corporate sustainability initiative**, Lattice supports and provides a **living wage for all employees**. We believe promoting and providing a living wage as an essential aspect of decent work to ensure all workers, families, and communities can live in dignity.
Employee Engagement

- **Annually** we conduct **worldwide and location-specific annual employee surveys** to gauge overall satisfaction and collect employee input to help guide decision making, with high response and favorability ratings. In 2023, Lattice’s annual employee engagement survey revealed an 84% favorable employee annual engagement score, which was 45% higher than the industry benchmark.

- As part of our **annual performance review process**, Lattice employees engage with their managers to review performance and align on performance highlights, areas of improvement, and demonstration of company values.

- We emphasize and enable **continuous employee education** ranging from informal, employee-led tutorials specific to their individual areas of expertise to formal courses on diversity and inclusion, network and cybersecurity safety, and more. We also offer tuition reimbursement benefits as a part of our total compensation package.

- We have implemented a **hybrid workforce** plan for all employees that mixes in-office and remote work options to **enhance flexibility and support our employees’ work-life balance**.

Great Place to Work

- Lattice was named to Fortune Magazine’s **“2023 100 Fastest Growing Companies”** list, reflecting Lattice’s strong business growth. This fast growth has opened opportunities to hire and promote more Lattice employees to support our business efforts, and increased employee engagement and satisfaction as a results.

- Lattice has multiple awards recognizing the company as a great place to work. These awards reflect Lattice’s strong employee engagement. Including:
  - **2023 Top Workplaces for Technology Industry Award**
  - **2023 Top Workplace in Oregon and Southwest Washington** by The Oregonian/OregonLive
  - **2023 Top Workplaces Culture Excellence Award**

- These awards are based on direct employee feedback, gathered via an independent third party survey and benchmarked against peer companies, with focus on the following categories:
  - Employee Appreciation
  - Employee Wellbeing
  - Professional Development

Management/Leadership Development

- As part of Lattice’s leadership development efforts:
  - Lattice’s Executive Leadership Team supports the **Lattice Leadership Forum** through monthly virtual meetings and an annual face-to-face meeting. The Leadership Forum is comprised of senior level managers and is dedicated to regular information sharing, cross-organizational networking, and regular exposure to Lattice executives.
  - Lattice continued its successful **Employee Learning Series** in 2023, which provides employees with regular opportunities to hear guest speakers on various contemporary technical and business strategy topics.
  - **LinkedIn Learning**: New in 2023, Lattice added access to online educational platform LinkedIn Learning for all employees. This enables our employees to **expand their knowledge base, acquire new skills, and improve existing abilities**.
  - Lattice conducts an annual **executive succession planning process** to help ensure business continuity and sustainability in the case of executive turnover, and to identify and provide leadership training and experiential development opportunities to high-potential Lattice leaders.
Our Culture

We foster a work environment where everyone has a voice, feels respected, is empowered to make decisions, and sees the impact of their work on our overall success and that of our customers.

Our Company Values

- Our corporate values guide how we work with each other and with our customers and partners:
  - Agile – We act with smart, adaptive responsiveness.
  - Bold – We aim high, pushing ourselves to do more than what’s expected.
  - Innovation – We challenge normal ways of thinking to achieve breakthrough creativity.
  - Collaboration – We proactively and transparently work together to achieve our goals.
  - Integrity – We are honest and accountable in all we do.

- These values combine with our company Code of Conduct, a Whistleblower Hotline, and an Insider Trading Policy to ensure each employee is equipped to take responsibility for ensuring we uphold the highest ethical standards at all times. These efforts are directly overseen by Lattice’s Executive Leadership Team and Lattice’s Board of Directors Audit Committee.

Lattice Human Rights Policy

- Lattice recognizes the fundamental importance of upholding and promoting human rights within our organization and throughout our business activities.

- Accordingly, in 2023 Lattice and its Board of Directors adopted its current Human Rights Policy which – together with our Code of Conduct, and within the framework of the Responsible Business Alliance Code of Conduct and the UN Guiding Principles on Business and Human Rights, and the laws of the countries in which we operate – covers the following areas:
  - Non-Discrimination and Equal Opportunities
  - Freedom of Association and Collective Bargaining
  - Forced Labor, Child Labor, and Human Trafficking
  - Health and Safety
  - Supply Chain Responsibility
  - Privacy and Data Protection
  - Grievance Mechanisms, including a formal grievance reporting and escalation process
  - Continuous Improvement in our Human Rights Practices
Inclusion and Diversity

- We believe that **inclusion and diversity are valuable elements of an effective workforce** at all levels and are key enablers of innovation. We are committed to:
  - Creating and sustaining a **respectful and inclusive environment and culture** to support the retention of a diverse workforce.
  - Attracting and recruiting from a **diverse pool of candidates** and focusing on identifying and leveraging the most effective sources for qualified talent.
  - **Aligning diversity with human resources practices**, including integration with business planning and operations.
  - **Assuring representation** of the diversity of the company in internal and external communications.

- We joined other industry leaders in **publicly committing to increasing female representation and inclusion** in the industry as a signatory of the Global Semiconductor Association (GSA) **Women’s Leadership Initiative (WLI) CEO Pledge**.

- We have **actively increased the diversity of our Board, our executive leadership team, and across the company, and consider diversity of viewpoints, experience and backgrounds as a part of our formal governance principles**.

- To provide a professional and supportive work environment for the Company’s employees, contractors, and visitors, Lattice has a **strict non-discrimination and non-harassment policy** that all employees are subject to. Please visit our careers page for more information.

- Lattice employees undergo **mandatory diversity and inclusion training annually**.

- Lattice people managers receive regular **training on unconscious bias**.

- **Applications from all qualified candidates receive consideration** for employment without regard to race, color, religion, sex, sexual orientation, gender identity, genetic information, national origin, physical or mental disability, or status as a Protected Veteran.

- In addition to fostering a diverse workforce, we are committed to developing artificial intelligence technology with **ethical and fair considerations** for a variety of factors, including gender, ethnicity, and age.
At Lattice, sustainability is built into our mission as the low power programmable leader.

We hold our employees, officers, and Board members to the highest standards and settle for nothing less than accountable transparency and integrity in all we do.

**Our Focus**

- **Governance Principles**
  
  We develop our corporate governance policies in the best interests of the Company and our shareholders.

- **Ethical Standards**
  
  We adhere to and encourage the highest ethical conduct amongst our employees, officers, and Board.

- **Continuous Improvement**
  
  We commit to constantly looking for the best ways to deliver positive impacts through our ESG efforts.
# Governance Principles

Our Board of Directors is committed to representing the interests of all our stakeholders and is held to a strict set of principles that align with ESG best practices.

## Lattice Formal Governance Principles

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<th>Incentives &amp; Alignment</th>
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<td>Board independence / Independent Chair</td>
<td>Annual director election (non-staggered Board)</td>
<td>Annual Board, committee, and CEO assessments</td>
<td>Director stock ownership guidelines (5X annual base retainer)</td>
<td>Majority vote election standard</td>
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<td>Separate Chair and CEO roles</td>
<td>Director tenure consideration and age limits (75 years of age)</td>
<td>Continuing Director education</td>
<td>CEO stock ownership guidelines (3X annual base salary)</td>
<td>Regular Board meetings and executive sessions</td>
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<td>Authorization to retain independent advisors</td>
<td>Valued diversity of viewpoints, experiences and backgrounds</td>
<td>Regular refreshment of Company Governance documents including Bylaws, Governance Policies, Committee Charters, and Code of Conduct</td>
<td>Sec. 16 executives stock ownership guidelines (2X annual base salary)</td>
<td>CEO succession planning</td>
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<td>Over-boarding limits</td>
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<td>Executive compensation claw back policy</td>
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<td></td>
<td>Resignation policies (Director resignation offered on no majority vote and change in employment)</td>
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<td>Over 96% stockholder support for proxy say on pay proposal</td>
<td>No poison pill</td>
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[**Lattice Board of Directors**](#)  
[**Lattice Corporate Management**](#)

## Ethical Standards

Integrity and ethical behavior are hallmarks of our corporate culture and business conduct. We strive to act ethically in all our dealings, and to be respectful of others, and responsible in our actions.

### Code of Conduct

- Lattice’s Code of Conduct reflects our **commitment to honest and ethical business practices** and provides standards and guidelines of conduct for Lattice employees, officers, and Board members, including:
  - Ethical business conduct
  - Compliance with laws
  - Avoidance of conflicts of interest
  - The maintenance of a workplace free of discrimination and harassment

- In August 2022, the Board of Directors approved a revised Code of Conduct, which provides greater guidance on how to handle ethical business decisions and enhances the Code of Conduct provisions related to antitrust, conflicts of interest, improper conduct and activities, and public disclosures. In addition, Lattice provides annual Code of Conduct training. **In 2023, we added training modules related to Environmental Health and Safety, and Modern Slavery and Human Trafficking.**

- Lattice’s Board of Directors adopted its current [Human Rights Policy](#) that was issued in 2023.

- Integrity is built into our DNA as a core pillar of our company values that guide how we work together and with our customers and partners, keeping us honest and accountable in all we do.
Whistleblower Program

- Any person who feels that our conduct does not meet the guidelines in our Code of Conduct can **anonymously** contact our Legal Department and Audit Committee Whistleblower Hotline.

- Lattice prohibits reprisal, threats, retribution, or retaliation against any person who has in good faith reported a suspected violation of the Code of Code or who is assisting in any investigation related to such a violation.

Responsible Business Alliance Code of Conduct

- Lattice adheres to the **Responsible Business Alliance (RBA) Code of Conduct** which establishes:
  - Commitment to labor standards including freely chosen employment, limitations on young workers, appropriate working hours, compliant wages and benefits, humane treatment, non-discrimination, and freedom of association
  - Commitments to health and safety
  - Environmental safety standards
  - Ethical business conduct guidelines, including respect for intellectual property, fair business practices, responsible sourcing of materials, and privacy

Continuous Improvement

We know that meaningful progress requires ongoing focus and are committed to continuously looking for ways to further our ESG efforts for long-lasting impact.

ESG Steering Committee

- A cross-functional group of our executive leadership team leads our ESG steering committee, ensuring **commitment from the top across all programs** and helping embed these principles into our day-to-day operations.

- The steering committee reports to the Nominating and Governance Committee of the Board of Directors on a quarterly about our ESG efforts.

Best Practice Monitoring

- We **regularly evaluate our governance practices** against the recommendations of Institutional Shareholder Services, Glass-Lewis, the BlackRock Investment Stewardship Guidelines, and the governance recommendations of other institutional investors.

- We conduct bi-annual outreach to our shareholders to **solicit governance input**.

- Our **commitment to aligning with best practices** also permeates our Environmental and Social policies and practices.
Related Materials

- Conflict Minerals Report
- Conflict Minerals Policy
- CMRT (Conflict Mineral Reporting Template)
- ISO14001 Registrations
- REACH Standards Compliance
- RoHS Standards Compliance
- Code of Conduct
- RBA Code of Conduct
- Whistleblower Hotline
- Corporate Governance Policies
- Human Rights Policy

Primary Supply Chain Partner ESG Websites
- UMC
- TSMC
- Samsung
- Advanced Semiconductor Engineering (ASE)

Lattice Executive Leadership Team
Lattice Board of Directors
Board of Directors Committee Charters
- Audit Committee
- Compensation Committee
- Nominating/Governance Committee