



ESG Report Camtek Ltd.

2022



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Letter From the CEO



I am pleased to introduce Camtek's 2022 environmental, social, and governance (ESG) report. This is our first publication on ESG-related topics and represents a significant milestone for us as a company. Social responsibility and corporate governance have been pillars of our business since our inception. With the publication of this report, we cement our commitment to sustainability, and are proud to provide a dedicated space to share our progress and ESG-related activities.

Global demand for semiconductors continues to grow, driven largely by demand for electronics such as smartphones and the proliferation of applications including the Internet of Things and cloud computing. Continued growth is expected with the enhancements of existing products, the introduction of the 5G networks and the inclusion of emerging technologies such as Artificial Intelligence (AI), as well as rapid growth in automotive, electrical and autonomous vehicles and industrial electronics. In the face of such demand and the associated increase in environmental and social impact, there is a need for all actors in the industry to take meaningful steps towards sustainability.

Camtek's systems inspect semiconductor wafers for defective dies and ensure the high quality of products used by end-users, thereby reducing the costs, waste, and greenhouse gas emissions associated with replacing defective products.

This commitment to environmental sustainability extends to our facilities. Our manufacturing process is non-polluting, and we are constantly investing in efforts to reduce our footprint, whether that is through optimization campaigns such as our recent switch to LED lighting at our facilities, or the installation of charging stations on site so we can transition our fleet to hybrid/electric vehicles.

In addition to these efforts, we are also steadfast in our belief in the power of human connections. We have always believed in fair employment and fostering a positive working environment, and employees can now enjoy onsite activities such as HIIT, pilates, or basketball. At our facilities in Israel, the presence of team members that are well past retirement age is a testament to the strength of the bond we all share.

This is also the approach we take with our customers. For us, 'customers first' is not just a slogan, and we back it up with comprehensive training, support and customer service packages.

Finally, we have longstanding partnerships with our local communities, in Israel and around the world. We donate our time and contribute to the economic growth of our surroundings. A standout part of these activities is our investment in education – our high school training programs and intensive internships for students. We believe that by building the next generation of tech workers within the communities where we operate, we are safeguarding their future, and ours.

Rafi Amit
CEO

ESG AT CAMTEK	ENVIRONMENT	SOCIAL	GOVERNANCE

About This Report

This report represents the first sustainability reporting from Camtek Ltd., a publicly traded company (Symbol: CAMT) with securities listed on NASDAQ and the Tel Aviv Stock Exchange (TASE). The company is headquartered in Israel and has eight subsidiaries around the world.

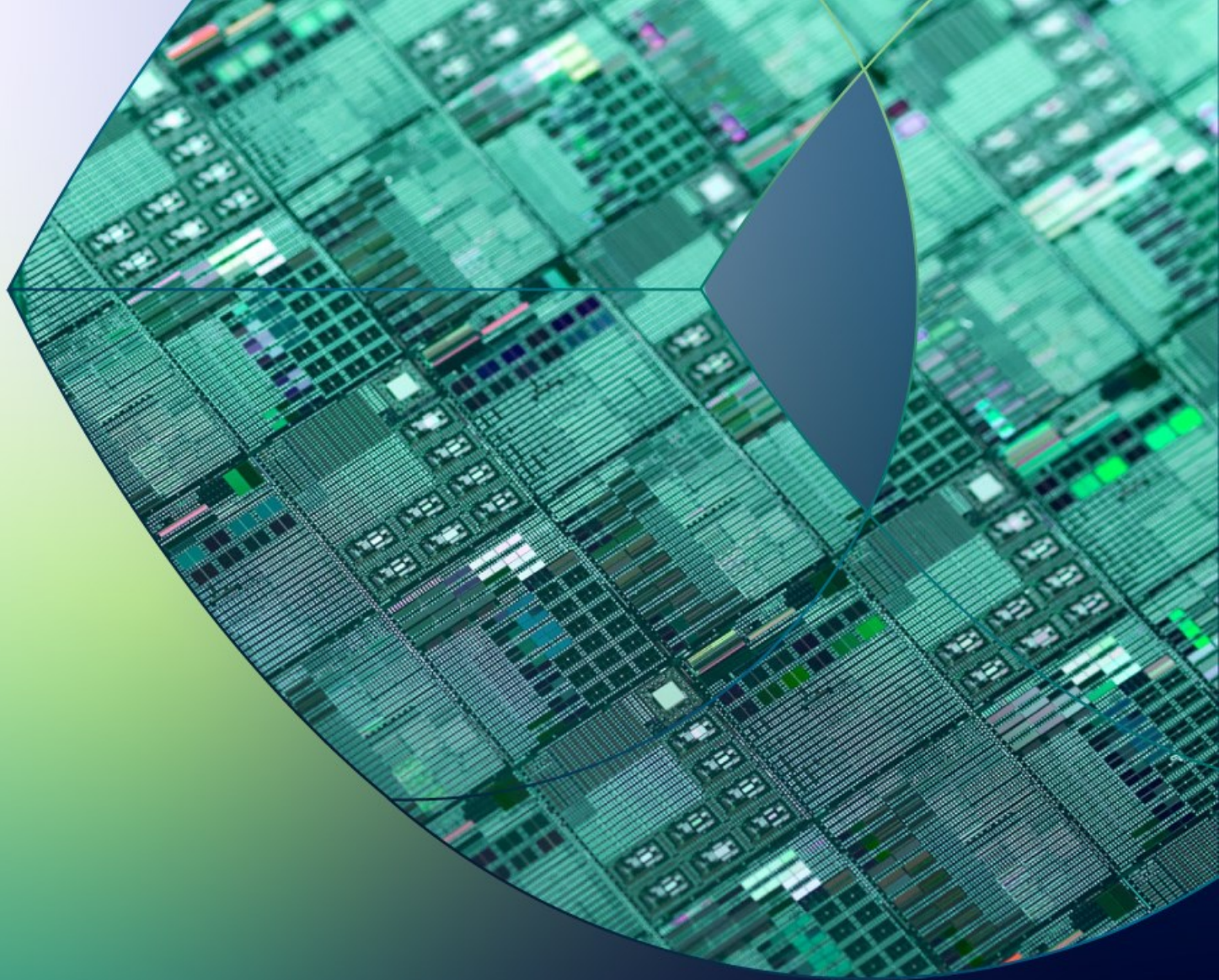
Camtek Ltd. has reported the information cited in this GRI content index for the period January 1st, 2022 to December 31st, 2022 with reference to the 2021 GRI Standards and the SASB Semiconductors industry standard version 2018-10. The organizational boundaries of this report are the entirety of the global operations of Camtek Ltd. and its subsidiaries.

Shibolet ESG provided support and consultancy services to prepare the report. The process was led by Navoneli Glick (N.Glick@Shibolet-esg.com) and Dr. Liad Ortar (L.Ortar@Shibolet-esg.com).

For questions regarding this report or Camtek's environmental, social, and governance activities, please contact Iris Hirsch (irish@camtek.com).

Introduction

Camtek is a leading developer and manufacturer of high-end inspection and metrology equipment for the semiconductor industry.



About Camtek

Camtek's systems inspect IC and measure IC features on wafers throughout the production process of semiconductor devices, covering the front and mid-end and up to the beginning of assembly (Post Dicing). Camtek's systems inspect wafers for the most demanding semiconductor market segments, including Advanced Packaging, Heterogenous Integration (HI), Compound Semiconductors, Memory, CMOS Image Sensors, Power, RF and MEMS, serving the industry's leading global IDMs, OSATs, and foundries.

Camtek's world-class sales and customer support infrastructure is organized around eight subsidiaries based in the US, Europe, Japan, China, Hong Kong, Taiwan, Korea and Singapore.



History

- 1987** Company establishment as an AOI company for the PCB industry
- 1988 – 1993** VSCAN – First semi-automated inspection system for the PCB industry
- 1994** \$1M sales
- 1995** First company subsidiaries establishment
- 1993 – 1999** 2V20, 2V50 – first fully automated inspection for PCB
- 2000** IPO on NASDAQ
- 2001** Pegasus – First fully automated AOI for IC inspection (BGA, CSP, etc.)
- 2002** Acquisition of Inspectech: New offering to the Semiconductor market; Dragon - First AOI for PCB with automated material handling
- 2003** Falcon - First AOI for the Back-end Semiconductor industry
- 2006** Over \$100M sales
- 2008** Gannet - First AOI for Front End of Semiconductor industry (wafers in process)
- 2009** Acquisitions of Printar (PCB manufacturing process) and SELA (failure analysis market)
- 2009** China operational site (CIT) establishment; First Condor – Next generation of AOI for the Back End of the Semiconductor industry

History

- 2011** CIT new facility establishment; Phoenix – launch of next generation PCB AOI
- 2014** Launch of the Eagle product line designed to support the fast-growing Advanced Packaging market
- 2017** Divestiture of the PCB business unit and becoming a pure play Semiconductor company
- 2018** Record semiconductor revenues of over \$120M
- 2018** Receiving Texas Instruments Supplier Excellence Award
- 2019** Chroma, a Leading Taiwanese Corporation, acquired 20.5% of Camtek
- 2020** Despite the COVID-19 challenges, managed to grow revenue by 16% YoY and raise ~\$80M in a secondary
- 2021** Record revenue of \$270M-70% increase YoY; Raised \$200M in a convertible notes offering
- 2022** Another record revenues year for Camtek with \$321M, a 19% increase YoY and record profitability of 28% operating margin

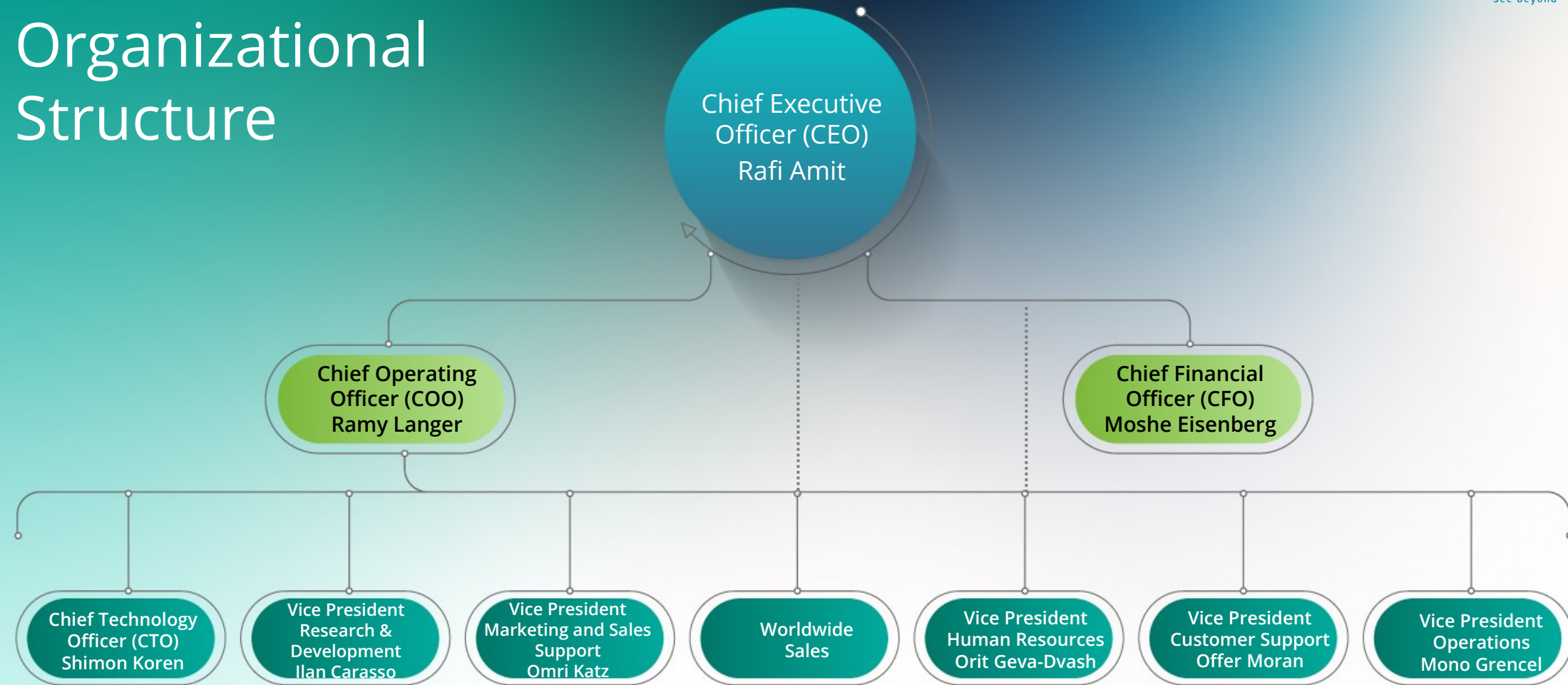
ESG AT CAMTEK	ENVIRONMENT	SOCIAL	GOVERNANCE
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Culture and DNA



ESG AT CAMTEK	ENVIRONMENT	SOCIAL	GOVERNANCE
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Organizational Structure



ESG AT CAMTEK	ENVIRONMENT	SOCIAL	GOVERNANCE
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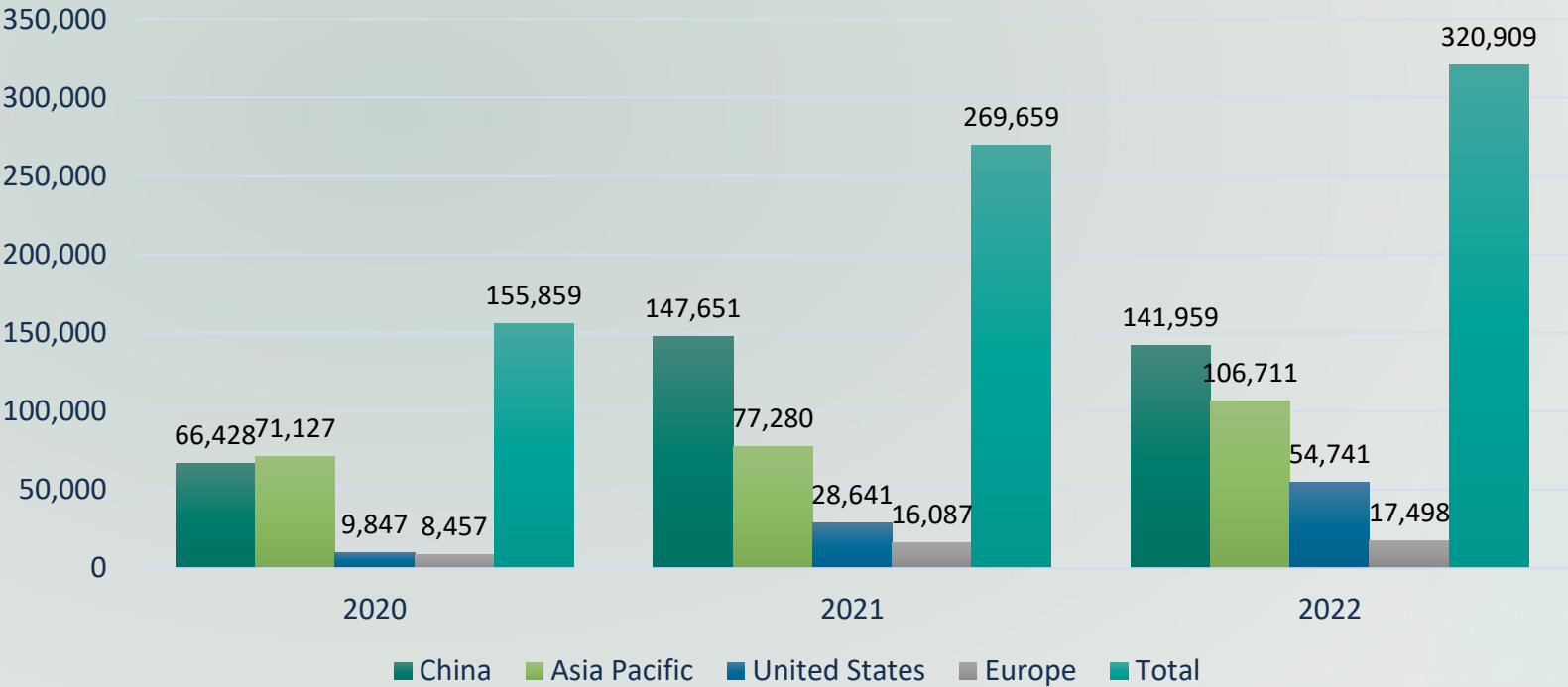
Products



Camtek’s inspection and metrology systems can detect defective ICs reliably at high-throughput, ensuring that only known-good-die are delivered to its customers’ final products.

With the growth in advanced packaging technologies, which have proven to be the most effective solutions for high-end products, Camtek provides various inspection and metrology technologies that can be tailored to its customers’ needs quickly and efficiently, helping them to meet the most stringent demands of defect-free products as well as supporting demand growth and time to market.

Sales Distribution by Geography (U.S. Dollars (In thousands))



ESG AT CAMTEK	ENVIRONMENT	SOCIAL	GOVERNANCE

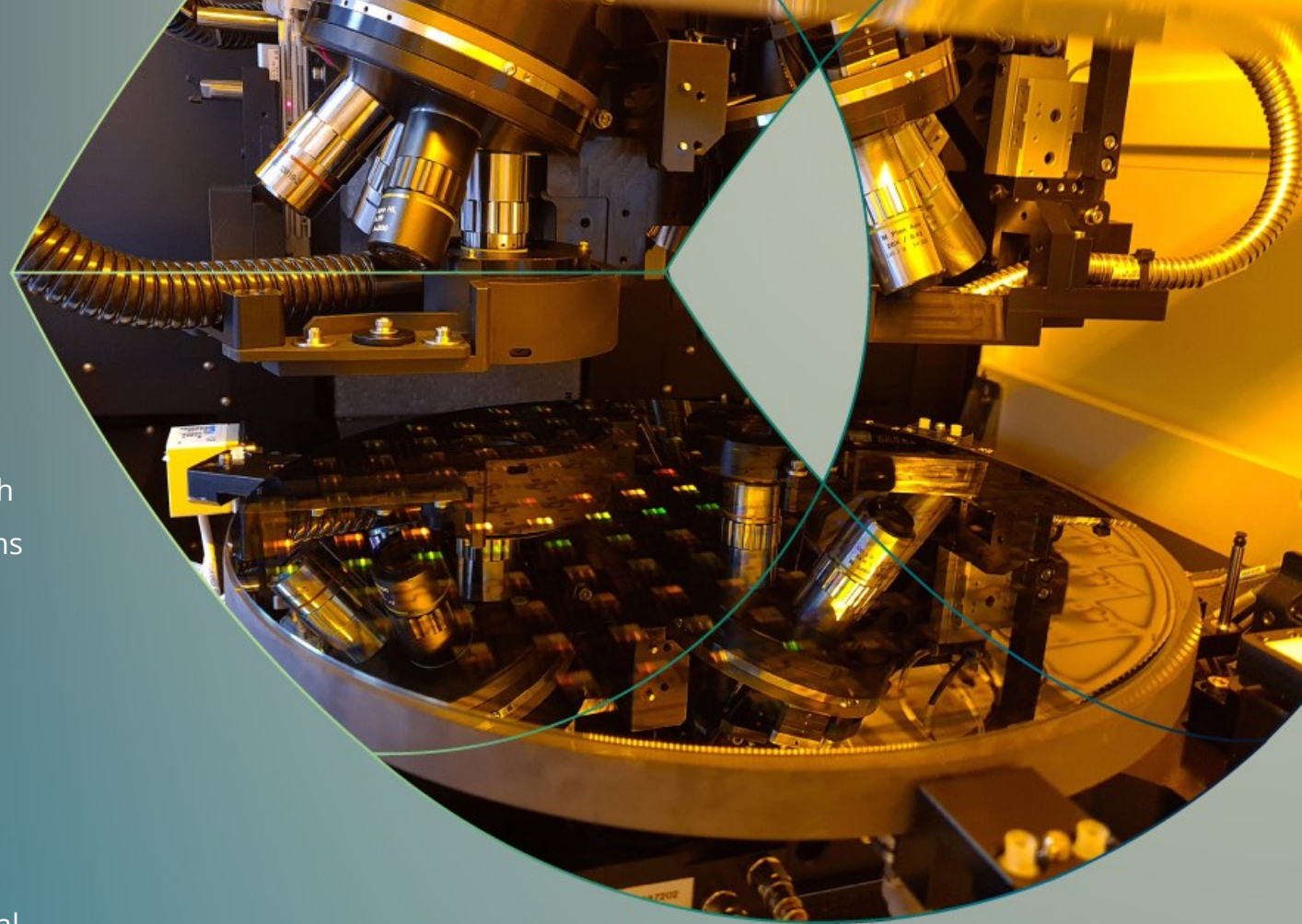
Innovation

Innovation is at the heart of Camtek, ensuring being always with and ahead of its customers' roadmap, bringing creative solutions and supporting new ventures.

With a comprehensive patent portfolio, our innovative technologies help our customers to significantly improve their yield, the end-product reliability, and ensure that defect free products are delivered to the market on time.

A winning combination of performance and flexibility together with ease of operation and reliability, delivers the optimal capital investment to our customers.

Our innovations have made us one of the technological leaders in the field of inspection and metrology in the semiconductor market segments we serve.



Responsive

To ensure the best support to our customers, the local team in each territory is completely independent and is capable of installing systems, adding new features and providing the full range of services required by our customers.

A robust organizational structure enables fast responses to arising industry needs and challenges. The software-based, modular architecture of Camtek's systems can address unique customer requirements with a high degree of customization, while providing easy and cost-effective field upgrade packages for installed equipment.



ESG at Camtek

Vision

At Camtek, social responsibility and corporate governance are an essential part of our corporate culture. We constantly dedicate efforts to enrich and improve not only individuals' lives, but also strive for a better society and believe that environmental, social responsibility and corporate governance are essential for a healthy and balanced corporate culture.



Materiality Assessment

The process of preparing this report was grounded in a comprehensive review of Camtek’s existing and potential impacts on the environment and all its stakeholders, whether they occur as a direct result of its business activities, or through its business relationships.

To evaluate Camtek’s actual and potential impacts, the ESG team reviewed existing policies and procedures, considered benchmark reports of industry peers, interviewed executive and managers, and engaged with various stakeholders, including employees, and suppliers. Site visits of two major suppliers were also conducted.

Once the material topics were identified, they were ranked according to their relative significance. The final list of material topics thus represents the most pressing topics for Camtek. They are as follows (categorized according to the GRI labels for simplicity):



301 Materials

302 Energy

305 Emissions

305 Supplier Environmental Assessment

401 Employment

402 Health and Safety

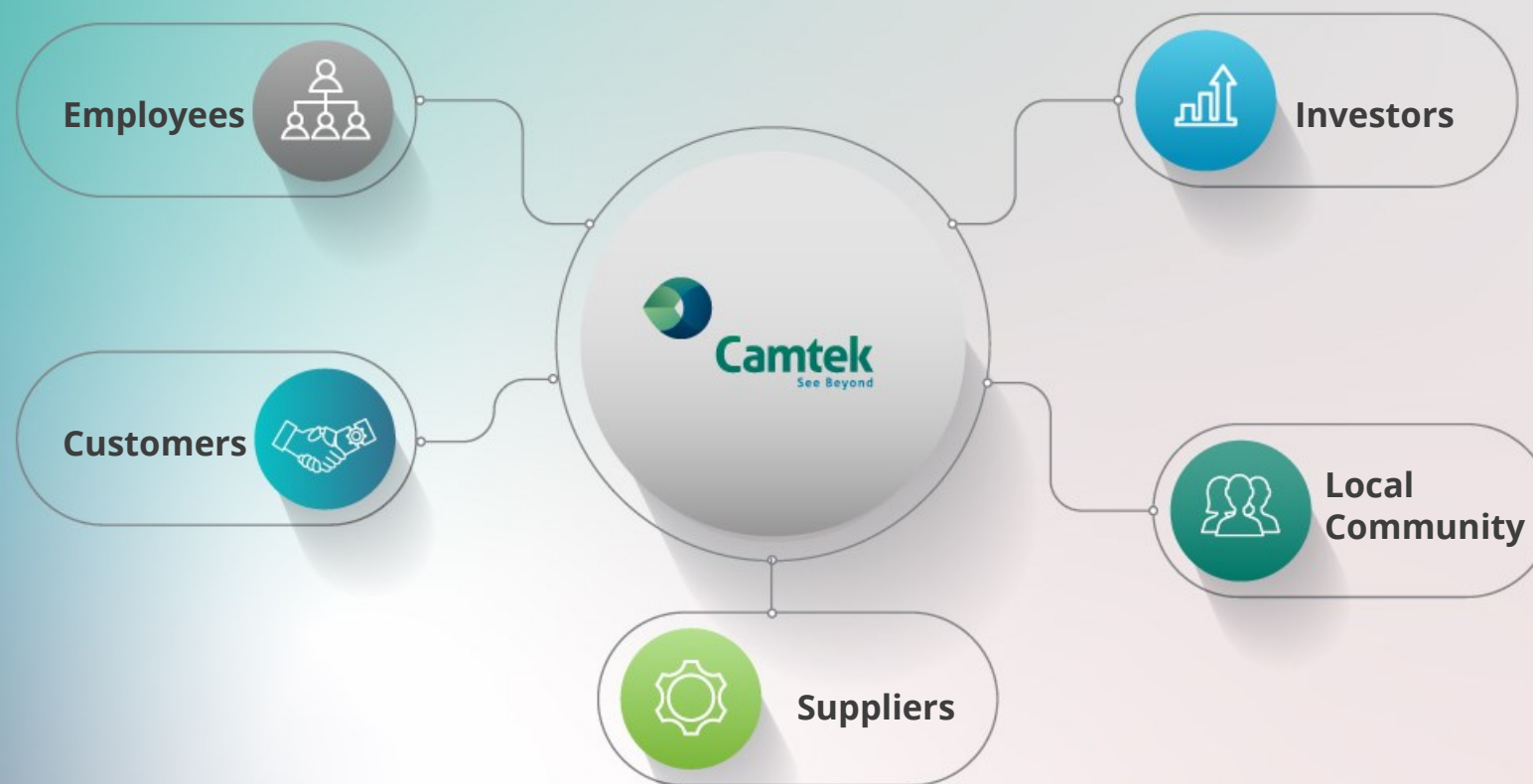
404 Training and Education

414 Supplier Social Assessment

To be transparent, when available, information on additional topics was included as well. For a full list of the material topics considered, please refer to the GRI Index at the end of this report, which also includes Alignment with the SASB semiconductors industry standard.

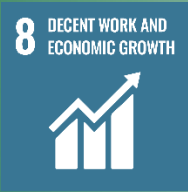
Stakeholder Approach

Camtek regularly engages with the following stakeholders in its daily operations and considers their input and feedback a central pillar of its operational decision-making and success.



Sustainable Development Goals

Camtek recognizes the critical importance of the United Nations General Assembly's 17 sustainable development goals (SDGs) that form a roadmap for countries to reach sustainable development and is proud to contribute to them through its global business activities.

Goal	Indicator	Our activity
 4 QUALITY EDUCATION	4.4	We support the technological literacy of high school students to help them transition into the job market.
 8 DECENT WORK AND ECONOMIC GROWTH	8.1,	We provide local jobs, contract local suppliers, and contribute to training the next generation.
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.2, 9.5	We promote manufacturing employment in Israel, and we invest in research and development

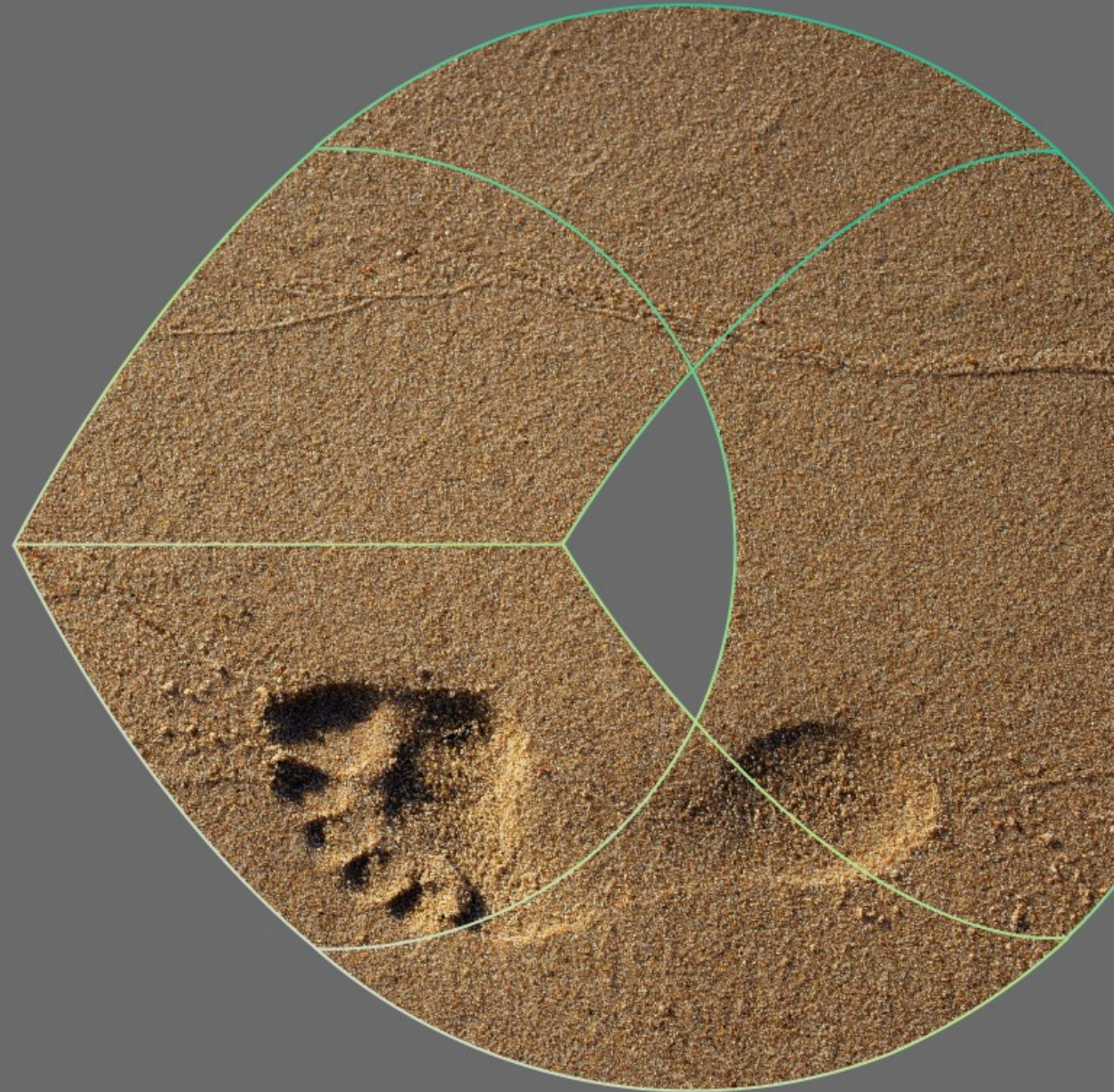
**SUSTAINABLE
DEVELOPMENT
GOALS**

Environment

As part of its commitment to protecting the environment Camtek is constantly seeking to reduce consumption of electricity and water and eliminate or minimize the negative environmental impacts of its business activities. The company's environmental management and sustainability policy are available on the website.



Carbon Footprint

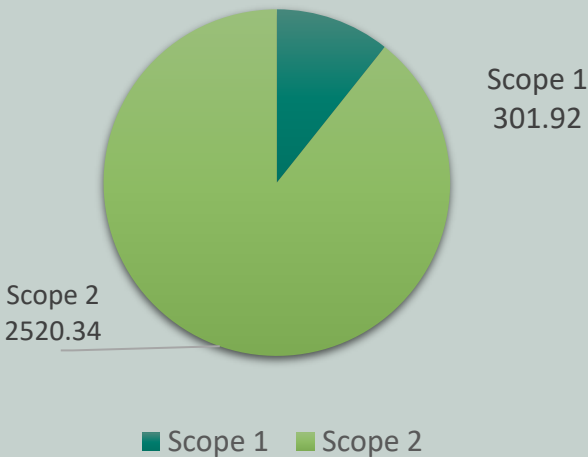


Carbon Footprint

Camtek’s operations are non-polluting—No greenhouse gases (GHG), air pollutants, or environmental nuisances are released into the environment during the product manufacturing process. The facilities also do not adversely affect the surrounding biodiversity. In addition, Camtek does not have a delivery service for its products, reducing the significance of Scope 1 transportation related GHG emissions. As a result, the main footprint of Camtek’s operations results from its energy consumption, with a small contribution from the fleet of leased vehicles that it controls.

In 2022, Camtek’s Scopes 1 and 2 carbon footprint was 2,832 tCO2e.

Camtek Carbon Footprint 2022 (tCO2e)



Given the vast number of suppliers, calculating Camtek’s Scope 3 GHG emissions is a significant challenge that will be gradually overcome in future reports.



Energy



Energy

Reducing Energy Needs

Camtek is connected to the main electric grid, and sources 100% of its electricity consumption. **In 2022, the company's energy consumption was 3,883,419.21 kWh.**

To lower Camtek's carbon footprint, the company is exploring the possibility of sourcing renewable energy through two possible options:

- The installation of solar panels on a new building currently under construction
- The purchase of renewable energy once the Israeli market for green electricity supply opens in 2024.

In addition, Camtek conducts electricity savings campaign, such as the recent replacement of all its lightbulbs with LED.

Finally, Camtek monitors the electrical consumption of its systems, and invests significantly in reducing their energetic needs, despite the growing computing requirements of evolving models.

Today, the average electrical consumption of Camtek's systems is 1100 kilowatt/hour (10 Amp) when operating.



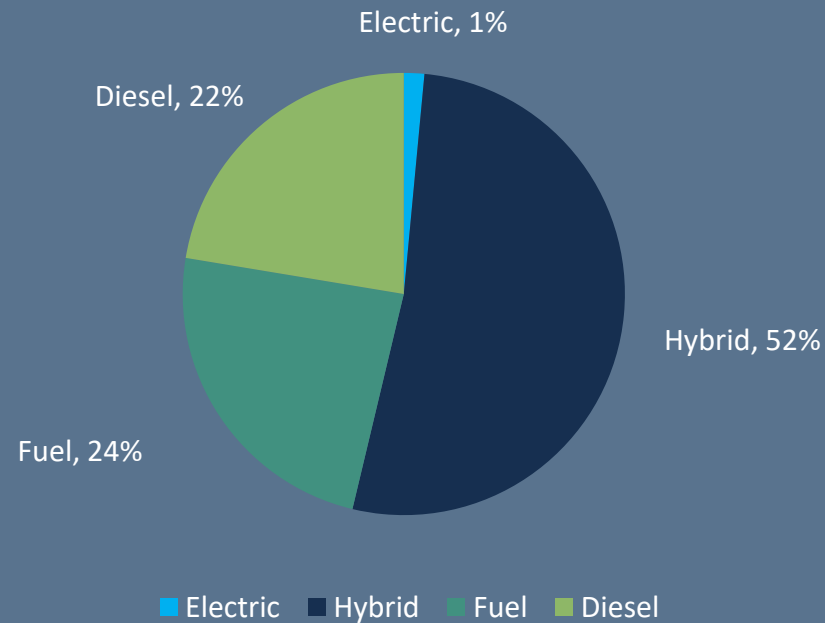
Transportation



Transportation

Camtek leases 67 vehicles and owns a small number of forklifts and additional transportation vehicles. The company consumed a total of 122,470 litres of benzene/diesel.

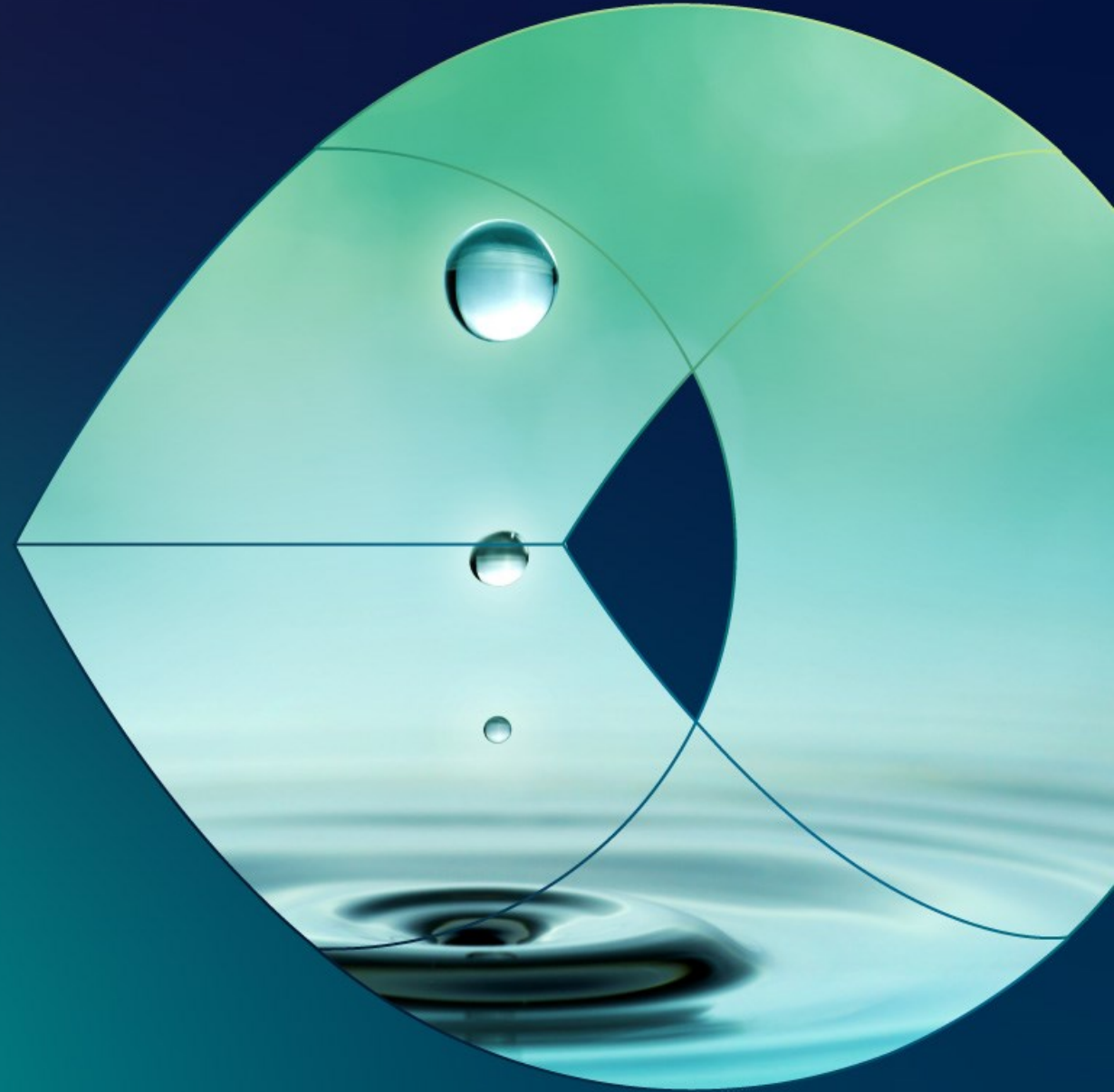
Camtek Leased Vehicles (end of 2022)(%)



To further reduce the GHG emissions resulting from vehicle use, Camtek launched a campaign to transition its entire fleet to hybrid and electric vehicles. To facilitate this process, the company is installing 20 charging stations, and once completed, will exchange 20 benzene fueled company vehicles with electric alternatives.



Water & Effluents



Water & Effluents

Camtek does not consume water as part of its production process, nor does it create any effluents.

Our offices are connected to the main water network, and all of the water that is consumed onsite is for corporate office use.

In 2022, our water consumption was 13,593.36m³.

Similarly, the only sewage we create is from our sanitary facilities and it goes to the standard municipal sewage system.



Waste



Waste

There are no hazardous substances used in Camtek's production process, and the company has no industrial waste.



Cardboard packaging

The only waste generated in any significant quantities is cardboard packaging and it is all being collected for recycling after processing into bales by a compactor (2.5 – 4 tons per month).

There is also a small amount of paper waste from Camtek's shredder.



Mixed Waste

Mixed waste is generated mainly from the dining room, and it is being collected by the local authority (24 m3 every week).

Camtek is in the process of building a new cafeteria and will consider how to minimize waste and maximize sorting and recycling in the new facility, as well as composting options.



New Building Construction

During the construction process, the solid and construction waste generated is all being diverted to recycling and authorized landfills by the building contractor, with the company's supervision.



Social



Social

At Camtek, social responsibility is an essential part of the company's corporate culture, with an ethical and moral focus in every aspect.

The company aims to enrich and improve employees lives and enhance society as a whole, and believes social responsibility is essential for a healthy and balanced corporate culture.

Camtek supports a wide range of health, education, social and community activities that affect and involve its employees and the community's well-being.



Employees



Overview

Camtek offers its global workforce a complete employee experience that includes an inclusive approach, competitive compensation packages, extensive welfare and wellbeing activities, and career development opportunities and feedback mechanisms that support, challenge, and reward employees. The goal is for employees to feel that the company offers them all the possibility of realizing all their professional aspirations, while ensuring a safe and healthy work environment for them and for their families.

At the end of 2022, Camtek employed 451 people, 285 at the headquarters in Israel, and 166 in the 8 subsidiaries around the world.

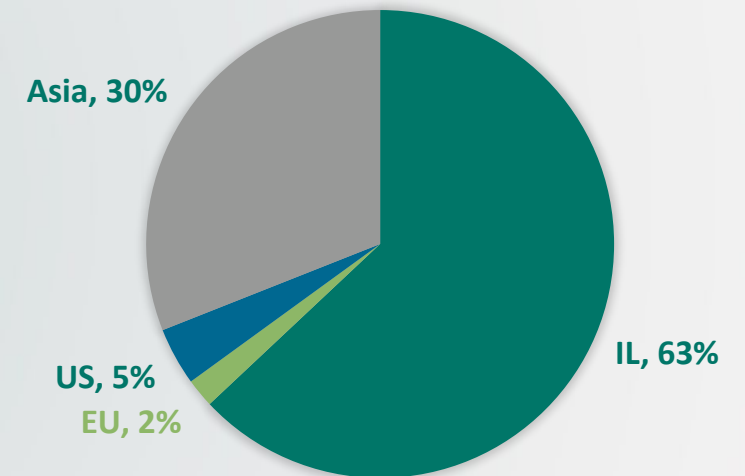
72

contract employees in Israel, and another 17 around the world. Their main tasks are consulting, programming, cleaning, and guard duties.

56

new employees

EMPLOYEES ACCORDING TO REGION



2022 Milestones

Camtek is proud that:

1

Seven people have chosen to continue working at Camtek past the retirement age,

2

This year, 'friendly referrals' continued to be a major recruitment channel in Israel (40% of new recruits in 2022, and 45% in 2021)

3

Our CEO, Rafi Amit, was ranked 24 in the prestigious list of Israel's top 50 managers by Calcalist, an Israeli daily business newspaper and website.

These 3 milestones are a testament to Camtek's investments in fostering a safe and supportive environment where each and every one of its employees can feel supported, cared for, and empowered to grow and excel.

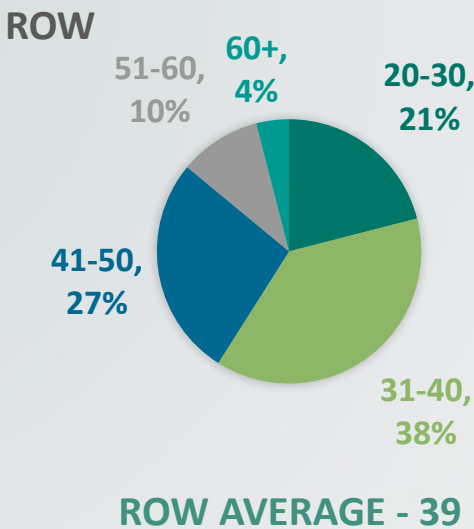
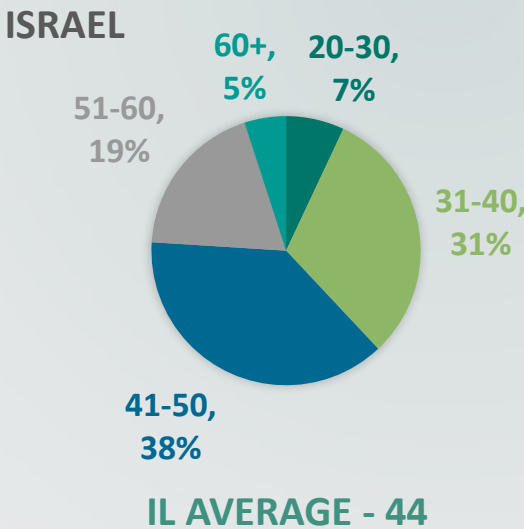
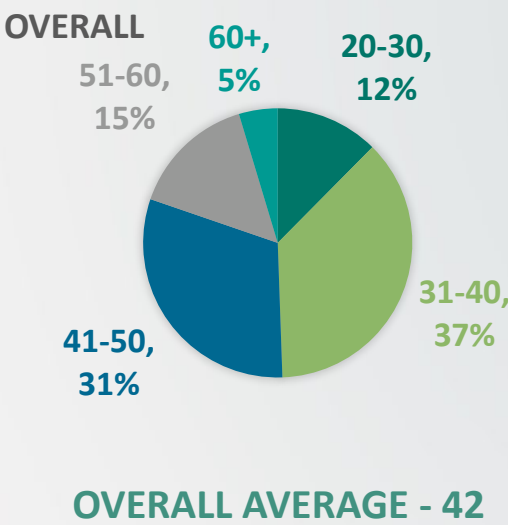
Inclusion at Camtek

Camtek strives to foster an open and inclusive environment. The company embraces employees of all ages, genders, ethnicities, and socio-economic backgrounds, and the recruitment process focuses exclusively on the professional experience and qualifications of applicants.

Camtek is also proud that its global headquarters are located in Israel's peripheral areas, offering significant livelihood opportunities to populations living in locations with fewer prospects for gainful employment. By doing so, Camtek is contributing to reducing Israel's spatially defined economic disparity, which is among the largest in the OECD.

Creating an age-friendly environment

The company features individuals in their 20s and at the start of their Camtek career as well as those that are over 60 and have been at the company for decades. The average age of employees in 2022 is 42 (44 in Israel and 39 in the rest of the world).

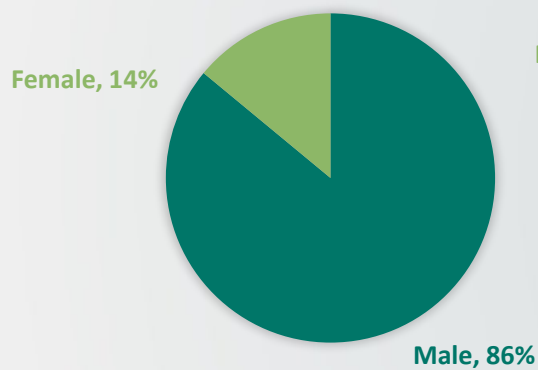


Tackling the industry's gender imbalance

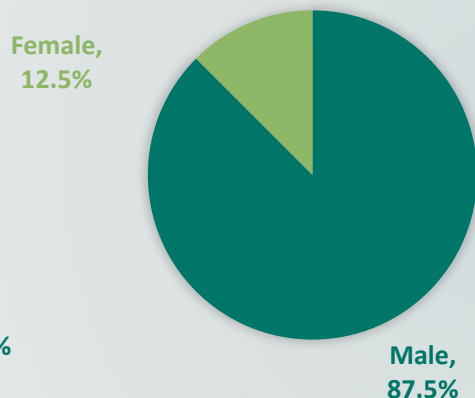
The semiconductors industry continues to see a major underrepresentation of women in the workforce. **14% of Camtek's workforce are women, and 15% in Israel.** The company recognizes the great disparity in female representation and is investing efforts to address it.

Among these activities are the company's equal pay strategy, and efforts to promoting the inclusion of minorities and women in the high-tech sector. Camtek hopes that such efforts will bear fruit in the coming years.

OVERALL



MANAGEMENT



Celebrating International Women's Day with an excursion to the beautiful north of Israel

As outlined in the Code of Ethics and Business Conduct, Camtek has zero tolerance for any kind of harassment or discrimination. There were no reported incidents of discrimination in 2022

Compensation, Welfare, and Wellbeing

Compensation at Camtek

Camtek provides its employees with competitive salaries, performance-based bonuses, and social benefits. In Israel, these include contributions to national insurance and pension plans. The company also takes part in periodic salary surveys and offers employees personal pension consulting.

All the salaries at Camtek are significantly above the minimum wage in the countries of operation



Welfare and Wellbeing

To support the mental, physical, and emotional health of employees, Camtek offers a combination of on- and off-site activities, benefits, and attractive events for the whole family.

Camtek also offers additional flexible working arrangements possible on a case-by-case basis.

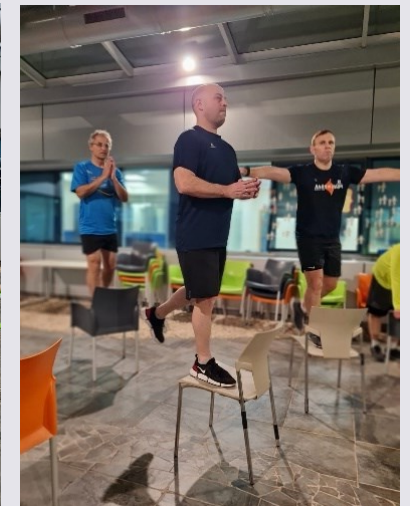
Some of Camtek's activities in 2022:



Camtek also has dedicated running and basketball teams



Events are also hosted onsite such as the viewing of the 2022 World Cup



Employees can relax and stay in shape by joining free weekly HIIT and Pilates classes onsite

Welfare and Wellbeing

Some of Camtek's activities in 2022:



Team bonding excursions such as our software team's fun day of pizza, beer, and laser tag, or our algorithm group's rafting adventure



Family friendly events such as Camtek Cinema to catch a movie with treats and gifts for all employee children joining the first grade



Celebrating holidays together (here: Hanukkah in Israel)

Welfare and Wellbeing

Navigating Countries and Cultures:

At Camtek, creating a global sense of connection and belonging is crucial. The company invests significant efforts into overcoming the barriers of physical distance and cultural differences. Team members from around the world travel between subsidiaries, and annual dinners bring people closer together.



Annual dinner for all the six Camtek offices in Asia)



Camtek China colleagues visiting and learning at the R&D site in Israel (in the picture: Evan M., Hai, Lucius, and Leo being welcome by Camtek COO Ramy Langer)



Dr. Simon Liu, Camtek Taiwan GM giving a talk at Camtek HQ in Israel



First annual GM Meeting in 3 years in Phuket, Thailand

Career Development

Empowering the growth of Camtek's people is key to the company's success. Career development at Camtek is based on the following five pillars.



Career Development

Manager and Employee Development

Camtek invests in the growth and abilities of employees and managers to excel in their organizational tasks. This is achieved through internal training courses and workshops such as:

- Team Leaders workshop – 20 employees in 2022
- Interview skills – 54 employees trained in 2022
- Interfaces workshop
- Personal coaching
- Debrief program

Performance review

The company has an annual performance evaluation process, as well as mid-years for some. In 2022, 100% of Camtek's eligible employees received performance reviews, with a significant number also conducting mid-year appraisals.



Team leaders workshop

Career Development

Training

To complement the technical skillsets of employees, and stay at the cutting edge of technological developments, Camtek provides internal training for its global workforce, sends team members to international conferences and events, and sponsors external courses (19 such courses in 2022). More in-depth information on this pillar will be provided in future reports.



Team Leaders Training

During this training, our team leaders received important management tools



Orientation week at Camtek

All of 2022's 56 new employees took part in orientation training

Career Development

Communication

Camtek's commitment to its values of informality and transparency are underpinned by built-in opportunities for regular open dialogue. To this effect, the company organizes round table meetings and quarterly gatherings to provide all employees with a platform to express themselves and have a voice.

Internal Mobility

To retain growing employees over time Camtek promotes internal mobility. In 2022, 4 employees changed position, and 9 were promoted to managers.

Stories of Growth: Peret Shabso, Application Support Team Leader



"My journey has quite a few steps, it all started in the application development department . My next stop was the support department and finally, after that I moved to the Pre-Sales Application Group where I'm currently the team leader."

"There is a high level of mobility at Camtek, [...] the opportunities for advancements are at the palm of your hand, and there is broad support from the managers and colleagues to take initiatives and try new things."

Health and Safety



Safety and Health Management

Camtek Ltd. operates a safety and health management system in order to maintain a safe working environment and to prevent, to the extent possible, work accidents and adverse effects on the health of the employees, contract workers, and any other visitor to the site. Camtek has an integrated quality policy and conducts periodic risks assessment.

As the main operations of the company relate to electricity usage, the company hires external risk auditors to conduct electrical risk assessments. All related electrical work at the company is performed by certified electricians.

The second major risk is associated with remote operation. As part of Camtek's daily activities, machines are operated remotely. When putting a machine to action from remote without direct observation, there is a risk that at the same time, someone is conducting various technical tasks inside the machine, jeopardizing their safety. To avoid these incidences, a special safety protocol was prepared, and suitable signs are hung in front of the machine.

Camtek has a safety mobile app through which the company's safety delegates (representatives from each department) can report in real-time on any safety-related incident.

There are no hazardous materials in the facility. The full health and safety policy can be found [here](#).

During 2022 there were no safety-related accidents or illnesses.

Safety Training

Upon arrival, each new employee receives personal training on the company's safety policy. They receive a full set of the company's guidelines and a specific safety guidance according to their designated role. Once a year all employees are asked to 'refresh' their acquaintance with the guidelines and undergo a knowledge test.

Health

Camtek subsidizes complementary private insurance for workers and their families in Israel, and abroad for employees.

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Supply chain

In addition to reducing its own company impact and investing in social responsibility, Camtek extends its commitment to environmental and social sustainability and good governance to its entire supply chain, both its suppliers upstream, and customers downstream

Supply Chain: Customers

Putting Customers First

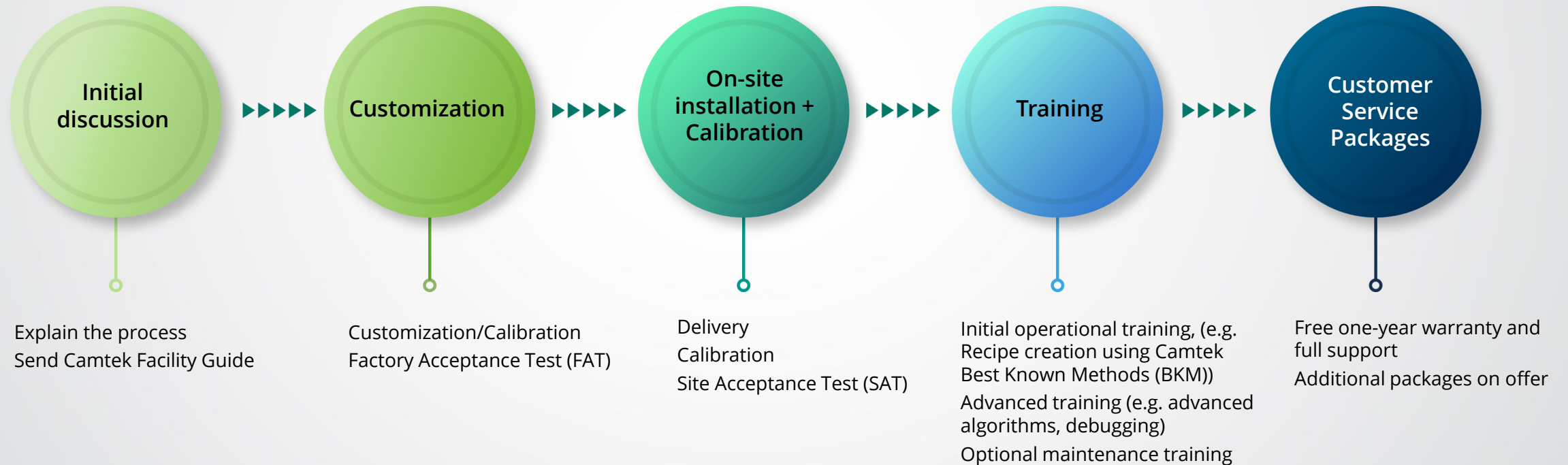
Camtek has established a global distribution and support network throughout the territories in which the company sells, installs, and supports its products, including the Asia Pacific region, North America and Europe. The company believes that this is an essential factor in customers' decision to purchase its products. Camtek also primarily utilizes its own employees to provide these customer support services.

The company provides all customers with a hands-on experience where dedicated Camtek employees guide the installation process from the initial assessments of the customer's site and required customizations, through the installation and calibration of the system upon delivery, and finally including training so the customer can get up and running as quickly as possible.

After this initial process, Camtek generally provides a 12-month warranty to all customers. In addition, for a fee, the company offers service and maintenance contracts commencing after the expiration of the warranty period. Under these service and maintenance contracts, Camtek provides prompt local, on-site customer support. The company's experienced local teams have been able to install and support customers throughout the pandemic with virtual support, as needed, from experts in the headquarters in Israel.

Supply Chain: Customers

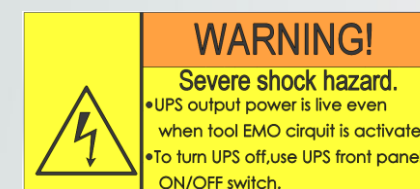
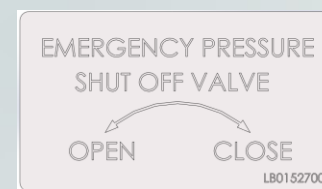
The Camtek Customer Experience



Supply Chain: Customers

Customer Health and Safety

In addition to Camtek's hands-on approach during the installation process and the safety elements of the training courses provided, the company also labels its systems to ensure safe handling. Below are some examples of Camtek system safety labels.



Supply Chain: Procurement

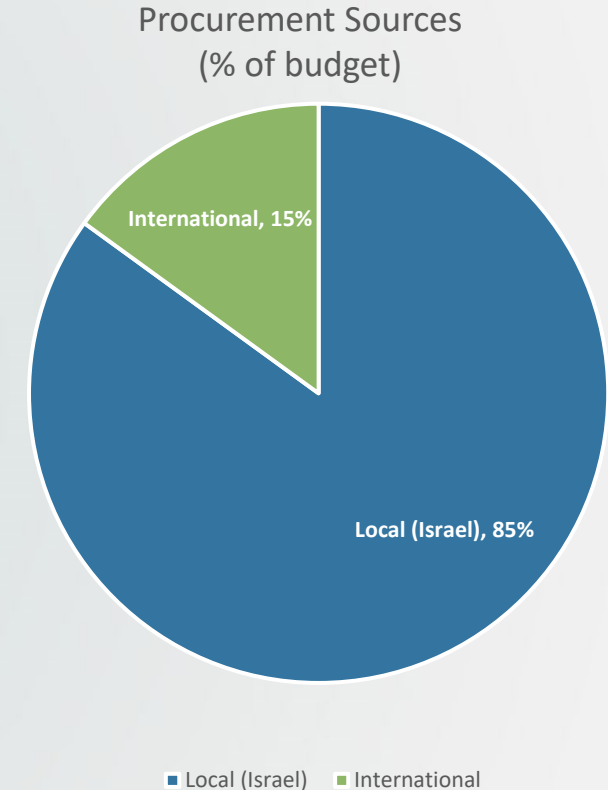
Sustainable Procurement

Camtek recognizes the responsibility that it has over its entire supply chain, with an emphasis on the responsible sourcing of the materials that make up its systems.

The company is committed to supporting the aims and objectives of the Dodd-Frank Act concerning conflict minerals sourcing by working to educate the suppliers and manufacturers of its products about conflict minerals, and helping our suppliers understand the due diligence steps they can take to investigate the source of any conflict minerals in the products Camtek manufactures. More details can be found in the company [conflict minerals policy](#) on the website.

The company is also increasing its efforts to assess the social and environmental actions of its suppliers, most of which are multinational companies with established ESG policies and practices. During the preparation of this report, Camtek's ESG advisors Shibolet ESG **reviewed the ESG practices of four of Camtek's main suppliers** (covering **49% of the procurement budget**) and conducted an **ESG onsite visit of one supplier** location. All four of these multinational companies were found to have robust ESG policies and practices, including the disclosure of related information in annual ESG reports organized according to globally recognized standards.

This commitment to sustainable procurement also includes concerted efforts to procure locally as much as possible. In 2022, **85% of Camtek's procurement budget went to local suppliers**



Community



Community

Camtek is an involved member of the community of the neighboring city of Midgal HaEmek. The company has longstanding relationships with various schools and non-profits. The company's social contributions are focused on education, environmental preservation, funding various programs, donating goods, and providing other services, with the involvement of our dedicated and caring employee volunteers. Below are of the highlights.



Volunteering hours
in 2022



Employees took
part in volunteering
activities in 2022



Community

Some of Camtek's Community Activities:



As part of holiday celebrations, Camtek employees distribute food to the community's senior citizens in need through local non-profits



Camtek employees renovating the apartment of a single mother of three in Migdal Haemek for Good Deeds day



Volunteer activities with other schools

Community

Training the Next Generation

ORT Rogozin High School Program

For many years, Camtek has adopted the technical program of the local ORT Rogozin Migdal HaEmek High School. As part of this program, Camtek employees from different departments provide high school students with key skills and knowledge in a series of lectures and practical sessions at the company's site and at the high school itself. The students then put together assemble an electronic kit as their end of year project.



Community

Training the Next Generation

Internships at Camtek

As part of Camtek's commitment to training the next generation, the company is proud to invest significant resources in supporting interns that are studying in their senior year.

"Being a student at Camtek exceeds all my goals and expectations. It's all that I was looking for in a job. I'm involved in a field where I see myself developing and growing, this job is not just "another line on my resume". At work, I learn a lot every day and I feel that I'm getting support in a way that suits me very well." – Dorin Shteyman

"Being a student at Camtek is a great privilege; working in a growing, developing company that looks for new challenges every day- it's great fun! I feel that I'm in a place that encourages my personal growth." –Stav Dayagi



Dorin Shteyman



Stav Dayagi

Governance



Governance

Camtek is a publicly traded company whose securities are listed on the NASDAQ and Tel Aviv Stock Exchange. As such, the company is committed to ethical business practices and compliance with all applicable standards, laws and regulations. The company also believes that maintaining high standards of Corporate Governance is important for its business success.



Compliance

Camtek holds an ISO9001 (quality management) certificate and is currently preparing for ISO14001 (environmental management) and ISO45001 (Occupational health and safety management) audits, which are scheduled to be conducted in 2023.

In addition, Camtek has been a member of SEMI since 2009. Camtek is also a member of the Israeli Society for Quality (ISQ).



Board of Directors

The board of directors at Camtek is made up of the following eight individuals.

Rafi Amit

Director and Chief Executive Officer

Age: 74

Moty Ben-Arie

Chairman of the Board of Directors*

Age: 68

Orit Stav

Director

Age: 52

Yotam Stern

Director

Age: 70

Leo Huang

Director

Age: 69

I-Shih Tseng

Director

Age: 61

Yael Andorn

External Director

Age: 52

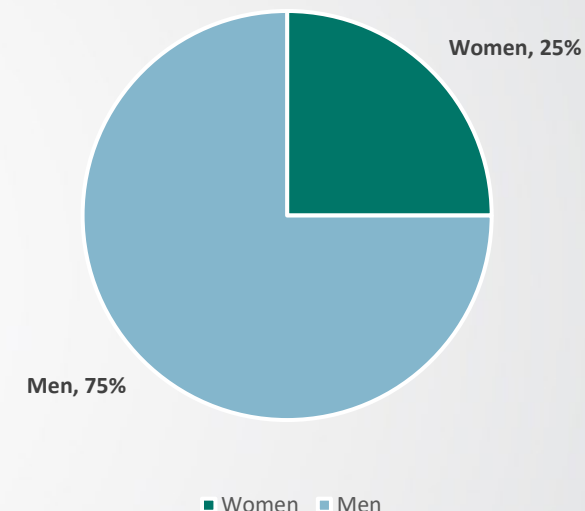
Yosi Shacham-Diamand

External Director

Age: 69

* Moty Ben Arie serves as Camtek's Chairman of the Board of Directors as of January 1, 2023

Camtek Board According to Gender



The board functions through several committees.

For more details regarding Camtek's board of directors, including committees, nomination, terms, compensation, and skills of directors, please refer to the latest [annual 20F filing](#).

ESG Oversight

Camtek considers ESG topics to be critical to the company's long-term success. As a result, the matters are managed by the highest authority – the board of directors. At the board level, Environmental, Social, and Governance is overseen by Orit Stav. Ongoing operational aspects of ESG are overseen by the Global Marketing and Internal Communications Manager who reports them to the CFO Finance who then updates the board on a regular basis.

In 2023, the Board will receive training on ESG-related topics.

Management of ESG matters at Camtek

Board of Directors *(led by Orit Stav)*

Chief Financial Officer (CFO)

Global Marketing and Internal Communications Manager

Risk Management

Camtek integrates risk-based thinking into its decision-making processes and quality management system, as part of its Sarbanes-Oxley practice and as required ISO 9001:2015 and reports extensively on its risk factors in the annual 20F filing. Accordingly, this means that risks are managed at all levels of Camtek's operations, beginning from the highest level and its consideration at board and committee meetings and the internal auditor's report, and extending all the way to being integrated into daily operations, as evidenced by Camtek's ISO 9001:2015 certification.



Ethics and Human Rights

Camtek is committed to the highest levels of ethics and business conduct, as embodied by its values of respect and transparency, and promotion of diversity and inclusion. The company has a [Code of Ethics and Business Conduct](#) published on the company website, and expects that all employees will adhere to it.

In addition, Camtek has a [conflict minerals policy](#) that is publicly available on its website.

Policies are reviewed annually, and include guidelines for reporting concerns.

There were no reported breaches of ethical or business conduct in 2022.



Information Security

Camtek abides by all the laws and regulatory frameworks for data and privacy protection in the various jurisdiction where it is active. The company has also implemented network security-related technological, operational and organizational measures and drafted an internal global information technology security policy. This policy, which follows industry best practices and focuses on Camtek's network and information security, was reviewed by the audit committee and board of directors.

In addition, the company has purchased a cyber-liability insurance policy to cover certain security and privacy damages.



Reinforcing Information Security

In 2022, Camtek has taken significant steps to reinforce information security measures and comply with data protection regulations, while continuing to proactively address emerging cyber risks.

- **Proactive Measures:** Implemented robust network security measures, including advanced threat detection systems and firewalls.
- **Enhanced Policies:** Developed a comprehensive policy that aligns with industry best practices, outlining guidelines for secure data handling, access controls, and incident response protocols.
- **Cyber Incident Preparedness:** Strengthened Camtek's cybersecurity posture by investing in state-of-the-art technologies, conducting regular security assessments, and enhancing incident response capabilities.
- **Compliance Efforts:** Actively monitored and ensured compliance with evolving regulations by regularly reviewing and updating internal processes and procedures to safeguard customer and employee data.
- **European Compliance:** Demonstrated commitment to data privacy by aligning European subsidiaries with GDPR requirements, including the proper collection, control, processing, and disclosure of personal data.

Data Tables & Indexes

Data Tables

Table 1: Employees according to type of contract and gender

Reporting period	General	Female	Male
Number of employees (HC)	451	64	387
Number of permanent employees	451	64	387
Number of full-time employees (HC / FTE)	445	60	385
number of part-time employees (HC / FTE)	6	4	2

Table 2: Employees according to type of contract and region

Reporting period	Taiwan	Israel	USA	China	Europe	HK	Japan	Singapore	Korea
Number of employees (HC / FTE)	25	285	20	62	9	8	2	15	25
Number of permanent employees (HC / FTE)	25	285	20	62	9	8	2	15	25
Number of full-time employees (HC / FTE)	25	279	20	62	9	8	2	15	25
Number of part-time employees (HC / FTE)		6							

ESG AT CAMTEK	ENVIRONMENT	SOCIAL	GOVERNANCE
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GRI Index

Table 1: GRI data tables with reference to the GRI 2021 Universal Standard.

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 2: General Disclosures 2021	2-1 Organizational details	4	
	2-2 Entities included in the organization's sustainability reporting	4	
	2-3 Reporting period, frequency and contact point	4	
	2-6 Activities, value chain and other business relationships	6	
	2-7 Employees	32-36	
	2-8 Workers who are not employees	32	
	2-9 Governance structure and composition	10, 57-58, 2022 20F pp. 35-38	
	2-10 Nomination and selection of the highest governance body	2022 20F pp. 41-44, 47	
	2-11 Chair of the highest governance body	58, 2022 20F p. 16	
	2-12 Role of the highest governance body in overseeing the management of impacts	59	
	2-13 Delegation of responsibility for managing impacts	59	
	2-14 Role of the highest governance body in sustainability reporting	59	
	2-15 Conflicts of interest	2022 20F p. 51, Code of Ethics and Business Conduct pp. 5-7	
	2-17 Collective knowledge of the highest governance body	59	
	2-19 Remuneration policies	Annual 20F pp. 48-49	
	2-20 Process to determine remuneration	Annual 20F pp. 46-47, 48-49	
	2-22 Statement on sustainable development strategy	14	
	2-23 Policy commitments	61, Code of Ethics and Business Conduct	
	2-27 Compliance with laws and regulations	57	
	2-28 Membership associations	57	
	2-29 Approach to stakeholder engagement	16	

GRI Index

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 3: Material Topics 2021	3-1 Process to determine material topics	15	
	3-2 List of material topics	15	
	3-3 Management of material topics	15	

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2022 F20 p. 24	
	201-2 Financial implications and other risks and opportunities due to climate change	2022 F20 pp. 6-8	

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	49	

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 302: Energy 2016	302-1 Energy consumption within the organization	22	TC-SC-130a.1
	302-4 Reduction of energy consumption	22	
	302-5 Reductions in energy requirements of products and services	22	

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	26	
	303-3 Water withdrawal	26	TC-SC-140a.1
	303-5 Water consumption	26	TC-SC-140a.1

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GRI Index

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	20	TC-SC-110a.1
	305-2 Energy indirect (Scope 2) GHG emissions	20	
	305-5 Reduction of GHG emissions	20-22	TC-SC-110a.2

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	28	
	306-2 Management of significant waste-related impacts	28	
	306-3 Waste generated	28	TC-SC-150a.1
	306-4 Waste diverted from disposal	28	TC-SC-150a.1
	306-5 Waste directed to disposal	28	

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	32	
	401-3 Parental leave	32	

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	44	TC-SC-320a.1
	403-2 Hazard identification, risk assessment, and incident investigation	44	
	403-3 Occupational health services	44	
	403-5 Worker training on occupational health and safety	44	
	403-6 Promotion of worker health	44	
	403-8 Workers covered by an occupational health and safety management system	44	
	403-9 Work-related injuries	44	
	403-10 Work-related ill health	44	

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GRI Index

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	40-41	
	404-3 Percentage of employees receiving regular performance and career development reviews	41	

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	34, 58	

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	34	

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	51-55	

GRI Standard	Disclosure	Location	SASB Ref. No:
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	48	

ESG AT CAMTEK	ENVIRONMENT	SOCIAL	GOVERNANCE
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SASB Semiconductors Industry Standard

Table 1:
Sustainability
Disclosure
Topics &
Accounting
Metrics

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT	CODE	LOCATION
Greenhouse Gas Emissions	(1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds	Quantitative	Metric tons (t) CO ₂ -e	TC-SC-110a.1	20
	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	20-24
Energy Management in Manufacturing	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	TC-SC-130a.1	22
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m ³), Percentage (%)	TC-SC-140a.1	26
Waste Management	Amount of hazardous waste from manufacturing, percentage recycled	Quantitative	Metric tons (t), Percentage (%)	TC-SC-150a.1	0
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.1	44
	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	Quantitative	Reporting currency	TC-SC-320a.2	0
Recruiting & Managing a Global & Skilled Workforce	Percentage of employees that are (1) foreign nationals and (2) located offshore	Quantitative	Percentage (%)	TC-SC-330a.1	Not applicable
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	Percentage (%)	TC-SC-410a.1	Not applicable
	Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops	Quantitative	Various, by product category	TC-SC-410a.2	Not applicable
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	TC-SC-440a.1	Not applicable
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	Reporting currency	TC-SC-520a.1	0

ESG AT CAMTEK	ENVIRONMENT	SOCIAL	GOVERNANCE
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SASB Semiconductors Industry Standard

Table 2:
Activity Metrics

ACTIVITY METRIC	CATEGORY	UNIT	CODE	LOCATION
Total production ⁸	Quantitative	See note	TC-SC-000.A	Confidential
Percentage of production from owned facilities	Quantitative	Percentage (%)	TC-SC-000.B	100%

Notes and Disclaimers

In addition to historical facts, this report contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties and include information about possible or assumed future results of our business, financial condition, results of operations, liquidity, plans and objectives. In some cases, you can identify forward-looking statements by terminology such as "may," "might," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "seek," "believe," "estimate," "predict," "potential," "continue," "contemplate," "possible" or the negative of these terms or similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to those discussed in the Risk Factors of our Annual Report on Form 20-F. You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. The estimates and forward-looking statements contained in this annual report speak only as of the date of this annual report. Except as required by applicable law, we undertake no obligation to publicly update or revise any estimates or forward-looking statements whether as a result of new information, future events or otherwise, or to reflect the occurrence of unanticipated events.

Additionally, this report contains statements based on estimates and assumptions, which may require substantial discretion and forecasts about costs and future circumstances, as well as standards and metrics (including standards for the preparation of any underlying data) that are still developing and internal controls and processes that continue to evolve. We may also rely on certain third-party information in certain of our disclosures, which involves certain important risks. For example, third-party information may change over time as methodologies and data availability and quality continue to evolve.

These factors, as well as any inaccuracies in the third-party information we use, including in our estimates or assumptions, may cause results to differ materially and adversely from estimates and beliefs made by us or third parties, including regarding our ability to achieve any goals.

While we are not aware of any material flaws with the information we have used, except to the extent disclosed, we have not undertaken to independently verify this information or the assumptions or other methodological aspects underlying such information.

While certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with or reporting under the U.S. federal securities laws and regulations, even if we use the word "material" or "materiality" in this report or related statements. Moreover, given the uncertainties, estimates, and assumptions required to make some of the disclosures in this report, and the timelines involved, materiality is inherently difficult to assess far in advance and we may not be able to anticipate in advance whether or the degree to which we may not be able to meet our plans, targets, goals, or other evolving expectations.

As a final note, website and document references throughout this report are provided for convenience only, and the content on the referenced websites or documents is not incorporated by reference into this document.

ESG AT CAMTEK	ENVIRONMENT	SOCIAL	GOVERNANCE
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Thank you

