![Onto innovation™ logo]

Corporate Social Responsibility Report

2020 Report | April 2021

BUSINESS OVERVIEW | SUSTAINABLE ENVIRONMENT | SOCIAL PROGRAMS | PRODUCT RESPONSIBILITY

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Introduction

This report has been prepared using the Global Reporting Initiative (GRI) Sustainability Guidelines: Core Option

This 2020 Report is the first published report for Onto Innovation (NYSE: ONTO) after being formed out of a merger between Nanometrics Incorporated and Rudolph Technologies, Inc. on October 25, 2019. After one year of integration activities, Onto Innovation collected the data for this report. Please note that any data presented prior to 2020 should be considered as collective proforma data. This first report begins a journey to add additional sustainability information in future editions.

This report builds on our 2020 interim report published in September 2020, which included specific ESG practices, social programs, Standards of the Sustainability Accounting and Standards Board, the Responsible Business Alliance Code of Conduct, industry norms, and Onto Innovation's internal policies that were also used as guidance for this Sustainability Report.

In addition, we will continue to provide updated information in a range of reports, documents, and filings, such as our Annual Report on Form 10-K, and through our active participation in industry groups, community organizations, environmental initiatives, and Onto Innovation's charitable matching program, to name a few.

Since this is Onto Innovation's inaugural annual report, it does not contain any restatements of information or changes in reporting. We recognize there is room for improvement in disclosure and goal setting. We will work on these as we develop later reports, which will be published on a periodic basis. All reasonable efforts will also be made to identify and compare variations between reports.

This report was audited by the Company's internal auditors. While there is currently no plan to seek external assurance for this report, we do not preclude the possibility of seeking external assurance for later Sustainability Reports where appropriate.

For any questions, please reach out to investors@ontoinnovation.com.

Business Overview

CEO Message

Michael Plisinski

After receiving positive feedback regarding the interim sustainability report we published in September 2020, I am very happy to introduce Onto Innovation's first annual report outlining the milestones we have achieved in 2020 and our initiatives related to our focus and management of environmental and social policies in the coming years. After the merger of Nanometrics and Rudolph Technologies in 2019, our responsibility and impact on environmental and social issues have become part of our normal course of business. The world has changed dramatically since Rudolph Technologies was founded in 1940 and Nanometrics was founded in 1975. As Onto Innovation looks ahead to the next 20 years, we recognize that we have a responsibility to continue making process control solutions that our customers depend on to lower their defects and waste and reduce energy consumption, while increasing their manufacturing efficiency and yields. By focusing on improving yield and efficiency for our customers, Onto Innovation helps reduce the overall environmental impacts of the global semiconductor industry.

We believe social topics are important and our company has an opportunity to affect positive change starting with our local communities in which we operate around the globe. We do this through employee education, mindful recruitment, and strategic investments and matched giving. We've had a solid history of supporting many of our local communities with holiday gift and food donations as well as fundraisers benefiting those who are disadvantaged. Moving forward, we look to continue these while also building on earlier relationships with STEM mentoring programs as well as disadvantaged youths.

We recognize that we need a healthy environment to provide the foundation for a stable economy and society for both current and future generations. We are striving to fulfill our duty to protect the environment, and as such we will tackle nine broad areas that are fundamental to maintaining a world that will support our long-term sustainable growth. Our five-year goal is to reduce our environmental impact by reducing: our carbon footprint; peak energy use; hazardous materials landfill; packaging materials; and fresh water. In the same period our goal is to increase: utilization of renewable energy; biodegradable packaging; equipment life cycle; measuring greenhouse gas emissions from our equipment; and overall sustainability materiality assessment. Our overall goal is to reduce our environmental impact by 30% in five years. Our vision is to transform our entire business to help drive a more efficient and low-carbon future, to support our customers and communities to achieve more, with less impact.

It's truly exciting to be part of a company that can make such a difference in the world. We solve critical challenges in semiconductor processing that allow our customers to enable smart grids, solar power, electric vehicles, and autonomous driving to reduce carbon footprints. With this first annual report, we are now able to outline how we will apply the innovative spirit of our team to create broader solutions so that we leave the next decades better than the last.

About Onto Innovation

Onto Innovation (NYSE: ONTO) is a leader in process control, combining global scale with an expanded portfolio of leading-edge technologies that include: Un-patterned wafer quality; 3D metrology spanning chip features from nanometer scale transistors to large die interconnects; macro defect inspection of wafers and packages; elemental layer composition; overlay metrology; factory analytics; and lithography for advanced semiconductor packaging. Our breadth of offerings across the entire semiconductor value chain help our customers solve their most difficult yield, device performance, quality, and reliability issues. Onto Innovation strives to optimize customers' critical path of progress by making them smarter, faster and more efficient. Headquartered in Wilmington, Massachusetts, Onto Innovation supports customers with a worldwide sales and service organization. Additional information can be found at www.ontoinnovation.com.

While Onto Innovation does not explicitly apply the Precautionary Principle or approach (102-11), we do strive to promote and maintain our organization in a safe and environmentally responsible manner through a focus on mitigating against any potential injury to employees, damage to property or equipment as well advancing environmentally sound operations.

Manufacturing/R&D Facilities

Massachusetts: HQ
16 Jonspin Road
Wilmington, Massachusetts 01887

Minnesota
4900 West 78th Street
Bloomington, Minnesota 55435

California
1550 Buckeye Drive
Milpitas, California 95035

New Jersey
550 Clark Drive
Budd Lake, New Jersey 07828

Oregon
9025 NE Von Neumann Drive, Suite 100
Hillsboro, Oregon 97006

20706 NE High Desert Lane
Bend, Oregon 97701

Washington
35030 SE Douglas Street, Suite 100
Snoqualmie, Washington 98065

Arizona
3280 E. Hemisphere Loop, Suite 146
Tucson, Arizona 85706

Texas
1100 W. Campbell Road
Richardson, Texas 75080

China
Room 1110, Smart Valley Building
No. 218 Hong Qi Road
NanKai District, Tianjin 300190

BUSINESS OVERVIEW | SUSTAINABLE ENVIRONMENT | SOCIAL PROGRAMS | PRODUCT RESPONSIBILITY

Vision, Mission, and Core Values

VISION

Advancing Manufacturing Innovation.

Faster. Smarter. Together.

Passion
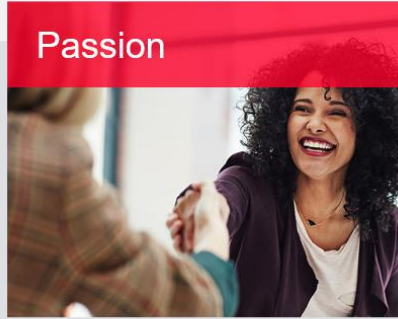
Integrity

Collaboration

Results

MISSION

To deliver comprehensive process solutions to the world's advanced manufacturers through collaboration and innovation.

Key Market Segments

Semiconductor Advanced Nodes
- Logic and Memory Wafer Fabs: Metrology and Inspection

Advanced Packaging and Specialty Devices
- Back-End Packaging: 2D/3D Inspection, Substrate Lithography
- Specialty Device Wafer Fabs: Metrology and Inspection
- Wafer Manufacturing: Elemental composition, Edge/Back-side Inspection

Software and Services
- Metrology and Inspection Tools: Analytical Software
- Wafer Fabs: Fabwide Software
- Service Contracts, Tool Upgrades, Refurbishment

MARKET BREAKDOWN OF REVENUE

2019　　　　2020
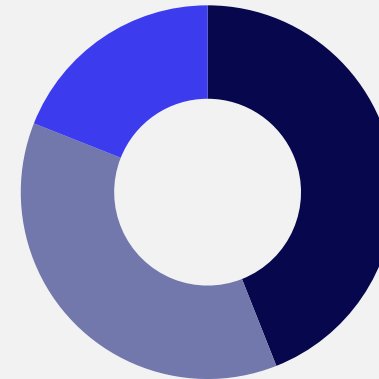
- Advanced Nodes
- Advanced Packaging & Specialty Devices
- Software & Services

GEOGRAPHIC BREAKDOWN OF REVENUE

2019　　　　2020

- China
- Taiwan
- S. Korea
- USA
- Japan
- Europe
- SE Asia

BUSINESS OVERVIEW　　SUSTAINABLE ENVIRONMENT　　SOCIAL PROGRAMS　　PRODUCT RESPONSIBILITY

Corporate Governance

Our Board of Directors and management are committed to responsible corporate governance to ensure that Onto Innovation is managed for the long-term benefit of its stakeholders.

The Board of Directors and management review published guidelines and recommendations of institutional stakeholder organizations and current best practices of similar public companies. The Board and management periodically evaluate and, when appropriate, revise Onto Innovation's corporate governance policies and practices to comply with the requirements of the Sarbanes-Oxley Act of 2002 and the rules and listing standards issued by the Securities and Exchange Commission ("SEC") and New York Stock Exchange ("NYSE).

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                         Board of Directors
                                |
                      Chief Executive Officer                    Internal Audit
                                |
   ┌──────────┬──────────┬──────────┬──────────┬──────────┬──────────┐
Field        Human      Investor    Legal     Strategic  Manufacturing  Finance &
Operations   Resources  Relations             Marketing  Operations   Administration
                                |
             ┌──────────────────┼──────────────────┐
         Metrology          Wafer Business      Inspection         EHS      Information
         Business                               Business                    Technology
             |                     |
        Lithography           Enterprise
        Business           Software Business
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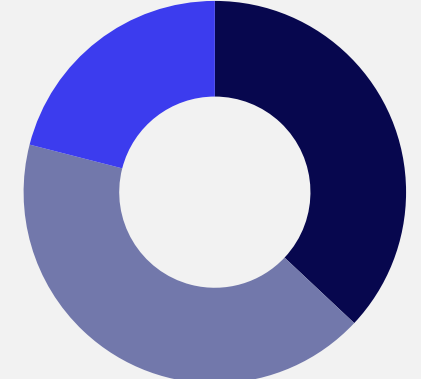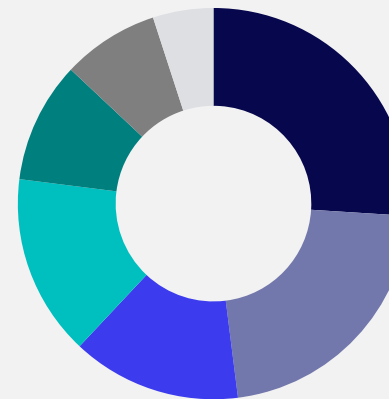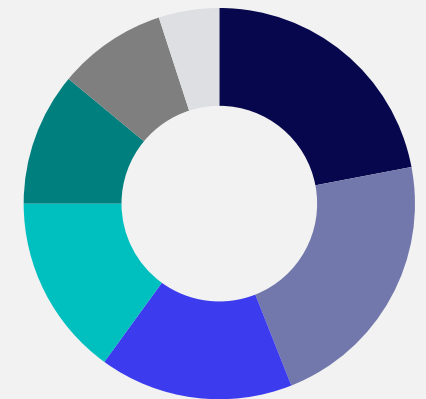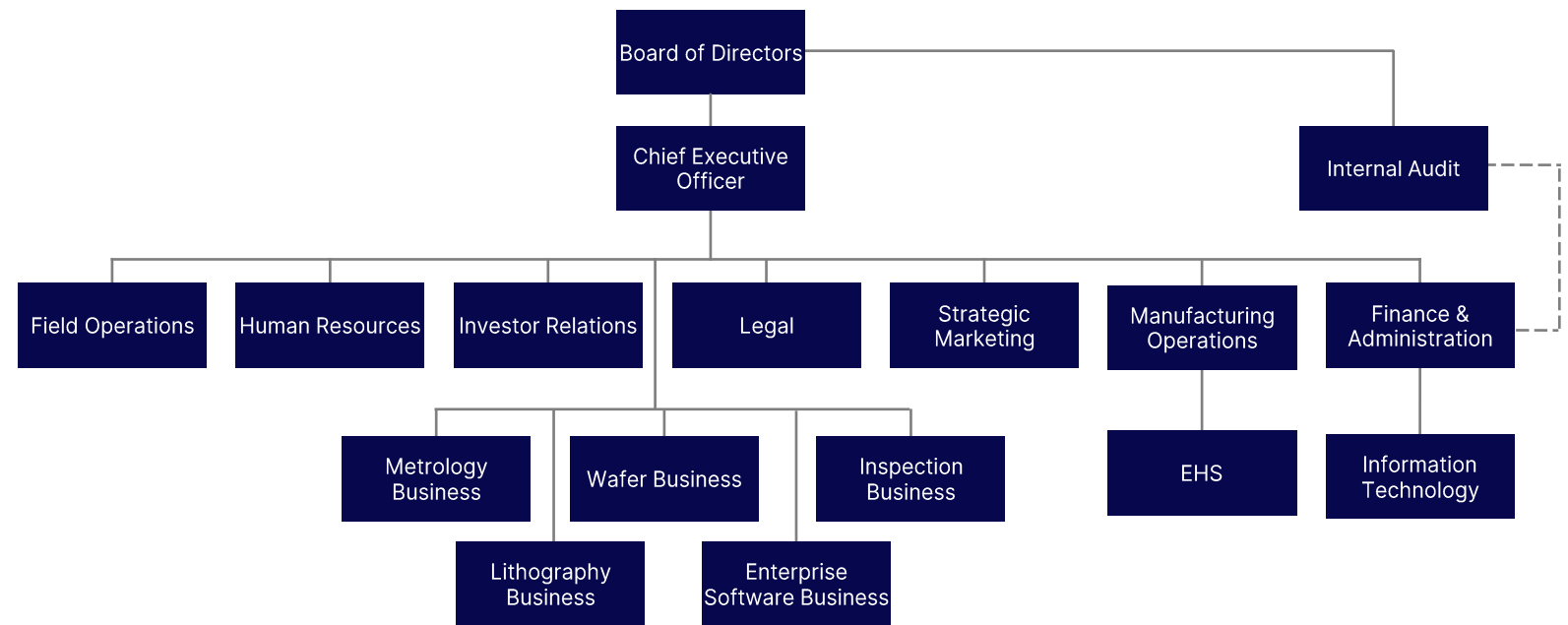
Onto Innovation's Corporate Governance Guidelines require that a majority of the Board of Directors to be independent in accordance with NYSE listing standards. Currently, eight out of Onto Innovation's nine directors are independent, and none serve on more than two other public company boards. Onto Innovation undergoes an annual Board, committee and individual director self-evaluation process. The independent directors, guided by the independent Chairman of the Board, meet regularly without management present in Executive Session and as one of the array of issues addressed in such sessions perform an annual performance assessment of the Chief Executive Officer.

Corporate Governance

The Board of Directors of Onto Innovation sets high standards for the company's employees, officers and directors. Implicit in this philosophy is the importance of sound corporate governance.

Review the full corporate governance summary

Business Conduct and Ethics

The Code of Business Conduct and Ethics establishes basic principles to guide everyone at Onto Innovation because we recognize that our company's continued success depends upon our commitment to conduct business with honesty, integrity and in compliance with the law everywhere we operate.

Review the full code of business conduct and ethics

Identifying Our Material Difference

Stakeholder Engagement

We aim to have genuine conversations with all our stakeholder groups to understand their concerns and listen to their ideas. To ensure communication with our industry peers, Onto Innovation has been a long-standing member of SEMI since 1977. We regularly communicate with the following stakeholder groups in our daily operations:

Employees

Our talented employees are the lifeblood of Onto Innovation and we are committed to building a corporate culture of shared values where employees can thrive. Management regularly engages with employees in all-hands meetings, small group meetings and one-on-one meetings. Employees also provide feedback to management through regular employee surveys.

Investors

We reach out to investors on a frequent basis to report business performance. We also receive feedback on a wide range of issues, including business strategy, compensation, and governance. In addition to formalized investor outreach, including attending conferences and non-deal roadshows, we also value informal conversations with our investors through conference calls and in-person meetings.

Suppliers

Our products are comprised of highly technical components, which require skilled and specialized suppliers. We are committed to working with our suppliers to ensure compliance with applicable laws and norms for fair employment and safety through supplier screening practices. We are also committed to membership in the Responsible Business Alliance (RBA) in 2021 to require a set of environmental and social initiatives from our preferred suppliers.

Customers

We are proud to be a leading manufacturer of advanced process control solutions for our customers. We endeavor to maintain our leading position at the top of semiconductor manufacturers by ensuring customer satisfaction. We do so by endeavoring to respond swiftly to their concerns, providing rigorous training to users of our systems and keeping our customers updated on system safety and optimization.

Communities

Onto Innovation has facilities in many locations around the world. We see ourselves as an important part of the communities where we operate and have supported local community engagement at many levels. Our employees play an important role in this engagement whether in disaster relief assistance or through community support. We aim to be a responsible member of all the communities in which we operate.

Identifying Our Material Difference

Materiality Assessment

We have identified key issues of focus for the company as we advance our sustainability journey. The views of our company stakeholders, including both management and our Board of Directors, were solicited regarding over two dozen ESG topics in order to identify those topics most relevant to our employees. In performing the assessment, our stakeholders were asked to indicate for each topic:

Current Impact

Essentially a measure of severity (i.e. if the worst occurred today and the company were to find itself facing a material issue related to the topic, how significant would the impact be to the company).

Relevance

Essentially a measure of likelihood (i.e. to what extent Onto Innovation may face this as an issue in the conduct of its business).

The top three topics for each of the ESG categories as ranked by these company stakeholders are reflected on the chart.

TOPIC MATERIALITY ASSESSMENT

Product Sustainability
Product Responsibility
Intellectual Property
Ethics and Compliance
Talent / Career Management
Export Controls and Compliance
Energy Management
Packaging and Materials
Waste Management

Relevance (likelihood)
High
Medium
Low

Current Impact (severity)
Low
Medium
High

Environmental Topic
Social Topic
Governance Topic

In consideration of the external environment that is rapidly evolving, we will continue to work with our stakeholders to assess key issues that the company should address through its business.
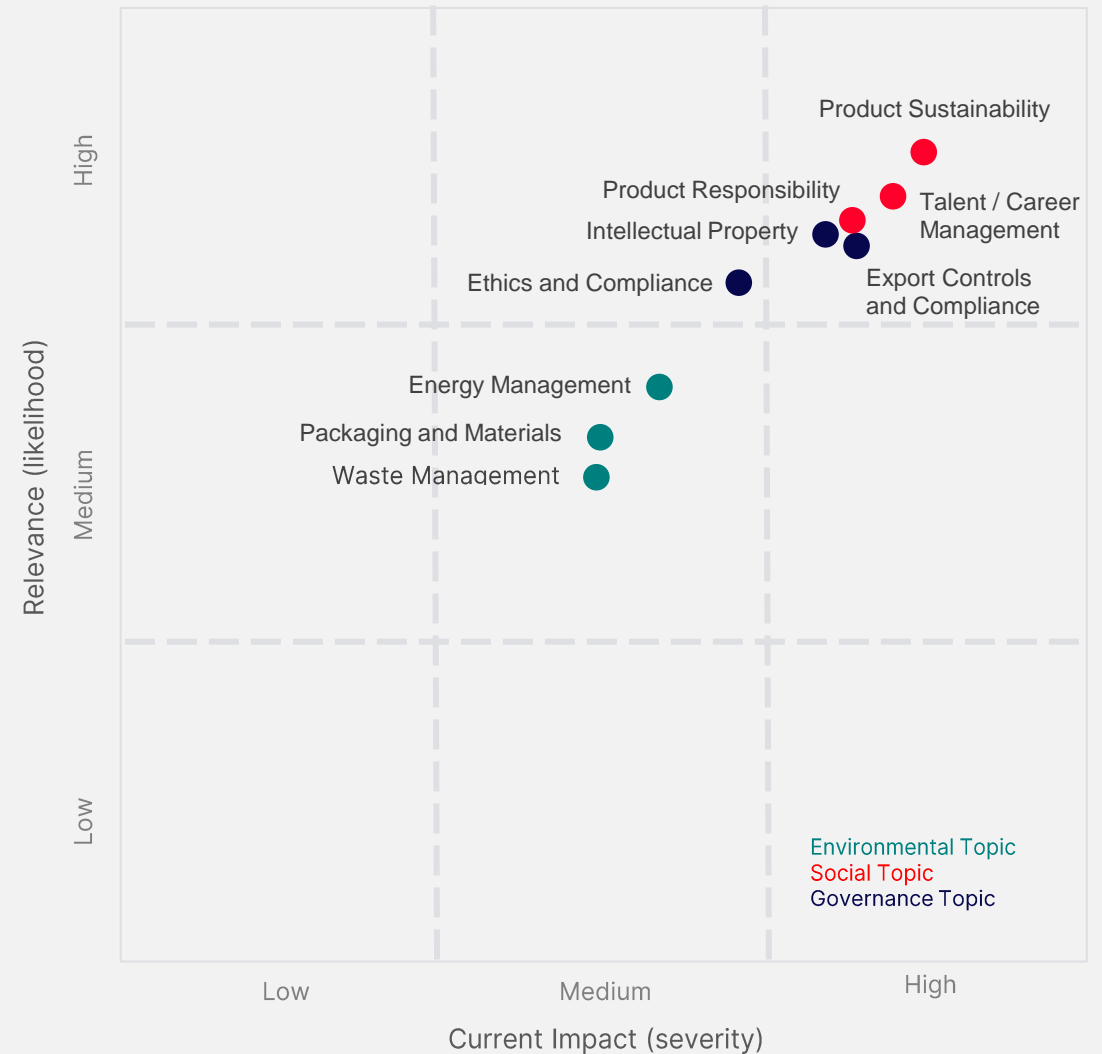
Identifying Our Material Difference

Key Topics

Environmental	Inside Onto	Industry Influence	Global Impact
Packaging and Materials	●	●	●
Energy Management	●		●
Waste Management	●		●
Social			
Product Sustainability	●	●	
Talent / Career Management	●		
Product Responsibility		●	
Governance			
Export Controls and Compliance	●	●	
Intellectual Property	●	●	
Ethics and Compliance	●	●	

Sustainable Environment

Sustainable Environment Initiatives

"Our goals are to initiate dynamic solutions to reduce greenhouse gas (GHG) emissions in our operations and to help our customers minimize their impacts by providing the most resource efficient products and services possible."

| Ensuring Safe Work Environments	Maximizing Energy Efficiency and Reducing Greenhouse Gas Emissions	Designing for the Environment
Establishing environmental, health, and safety (EHS) policies and procedures, evaluating chemicals against stringent safety parameters and employing appropriate engineering controls when warranted	Reducing our impact on the environment by conserving energy throughout our operations and supporting renewable energy sources	Designing safe, long-lasting, reusable or recyclable products to minimize the use of natural resources and allow our customers to create sustainable products
Reducing Waste	Conserving Natural Resources	Risk Assessment and Management
Reducing product and packaging waste through material minimization, reuse and recycling	Minimizing our resource consumption by using recycled materials, green energy and reducing our carbon footprint	The purpose of risk management is to identify and evaluate the hazards and risks faced by the organization, and to responsively monitor and manage those risks. As part of our formal risk management process, we monitor potential environmental, health and safety regulatory issues. All identified risks will be addressed based on assigned risk level.

Climate Change

"Our goals are to initiate dynamic solutions to reduce greenhouse gas (GHG) emissions in our operations and to help our customers minimize their impacts by providing the most resource efficient products and services possible."

Our climate change management approach:

- Implementing energy conservation measures across our facilities

- Conducting energy audits and monitoring energy consumption

- Purchasing renewable energy

- Enhancing our product offerings to enable customers to reduce their GHG emissions

- Encouraging and enabling employees and business partners to reduce GHG emissions associated with their jobs and commutes

- Start tracking and our efforts and Scope 1 (direct emissions), Scope 2 (electricity consumption) and Scope 3 (other relevant indirect emissions—air travel) GHG emissions annually

- Advocating for local, national and international policies that help reduce GHG emissions

Carbon Footprint

"We initiated a plan to reduce our comprehensive carbon footprint by 30% over the next five years compared to our aggregated baseline established."
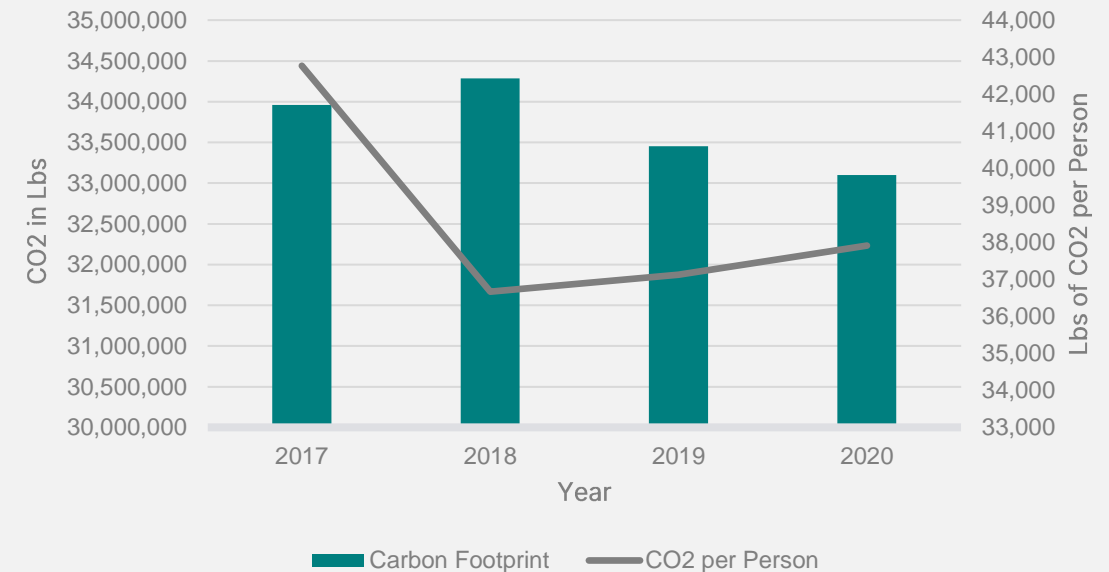
Source: EPA model utilized with other assumptions
Due to pandemic and special circumstances in 2020, carbon footprint calculations may not be accurately representing transportation and travel related activities.

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Renewable Energy

We prioritize the use of renewable energy, starting with our domestic sites. We are transitioning to 30% renewable energy by 2025 for the electricity at our offices, manufacturing, and laboratories, which will reduce facilities' emissions.

Whether designing a tool, an operating system, or a manufacturing process, we consider the environmental impact—alongside cost, durability, form, and functionality.

Our approach to climate change:

Renewable energy
• Transition to renewable energy

Low carbon design
• Transition product materials, manufacturing processes to low carbon alternatives

Energy efficiency
• Reduce on-peak energy use

*Provider data indicates renewable energy comprises 10% of our 2020 U.S. energy use. In the base year 2019, our percentage of renewable energy sources in the U.S. was 5%. Sources: PG&E, Xcel, Reading, Pacific Power, Constellation, Jersey Central Data, etc.
** PG&E, National Grid, CenterPoint Energy, Cascade Energy, etc.*

Domestic Sites and Renewable Energy*

Legend:
- Budd Lake, NJ
- Tucson, AZ
- Snoqualmie, WA
- Austin, TX
- Hillsboro, OR
- Bend, OR
- Richardson, TX
- Milpitas, CA
- Bloomington, MN
- Wilmington, MA
- Renewable Energy (0% to 10%)

Natural Gas Consumption**
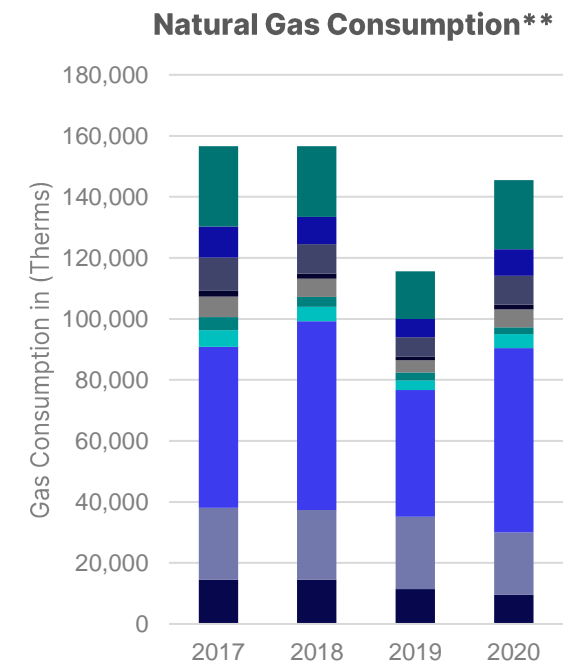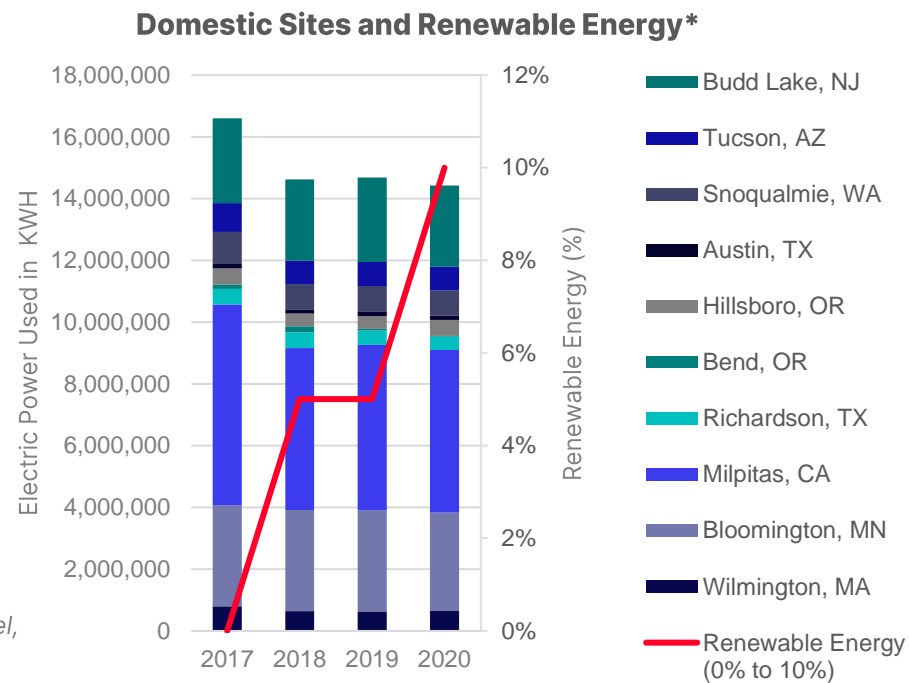
Energy Conservation

"Our 2025 goal is to increase our energy efficiency beginning with manufacturing sites and expanding such usage globally. We will be managing our overall energy on-peak consumption by controlling our on-peak usage."

We plan on accomplishing this through a variety of efforts:

- Routine monitoring of our energy use
- Conducting energy audits
- Optimizing utilities used in our operations
- Making sure that any new equipment is as energy efficient as possible

Overall energy use from our major sites remains stable with about 12% energy use reduction since 2017.

Manufacturing Complex Sites

ELECTRICITY USAGE (KWH)

12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
0

2017   2018   2019   2020

■ Wilmington, MA   ■ Bloomington, MN   ■ Milpitas, CA
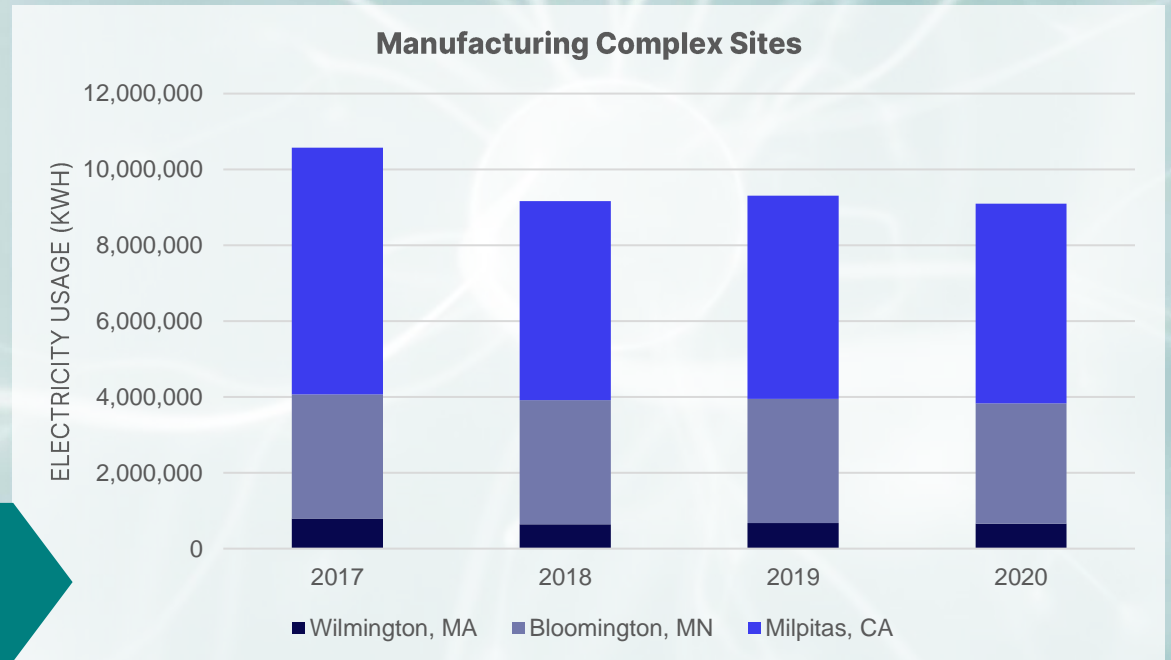
Source: PG&E, Xcel, Readings

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Water Use Reduction

"Our 2025 sustainability goal is to reduce freshwater use by 30%."

Initial steps we've taken:

- Landscaping on our major sites have been improved and/or replaced with low water usage plants, grasses and trees and/or recycle water is used
- Recycled water with a drought-resistant and sustainable water source for landscape irrigation, thus directly reducing freshwater demand

Further improvements to be implemented:

- Irrigation system control upgrades
- Low flow water fixtures for new construction and renovations
- Recycled water to be used when possible

Water Usage by Selected Sites

Legend:
- Wilmington, MA
- Bloomington, MN
- Milpitas, CA
- Richardson, TX
- Bend, OR
- Hillsboro, OR
- Austin, TX
- Snoqualmie, WA
- Tucson, AZ
- Budd Lake, NJ
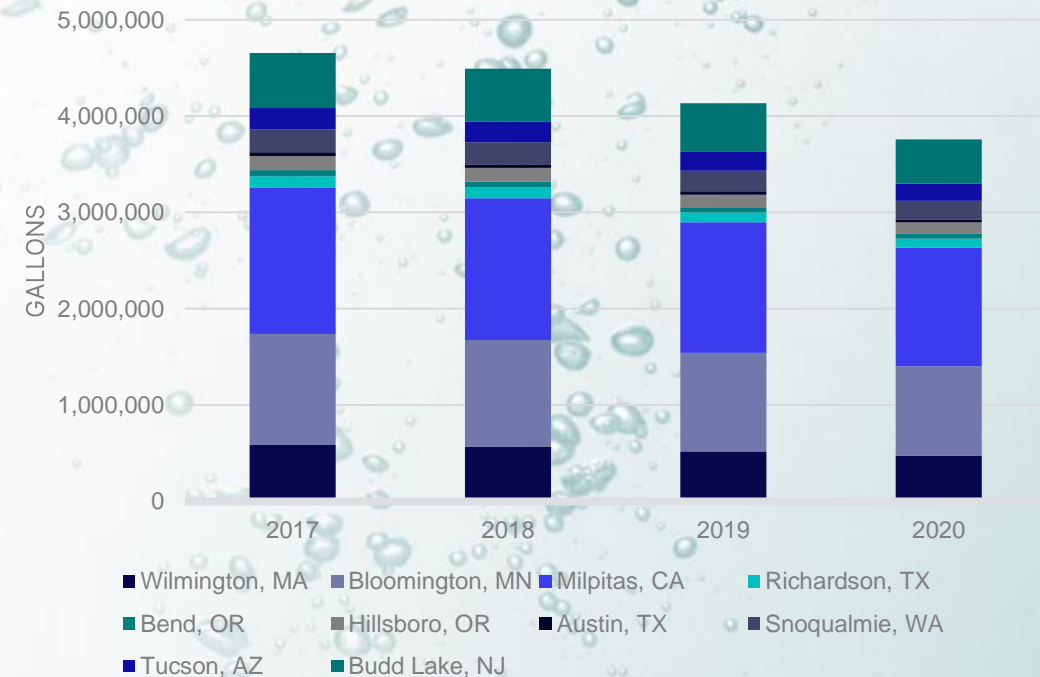
Water usage in the past four years in U.S. based on major manufacturing site.

Waste Management

Onto Innovation carefully monitors and manages hazardous and nonhazardous waste generation as a result of our operations. We report our impact and have operational progr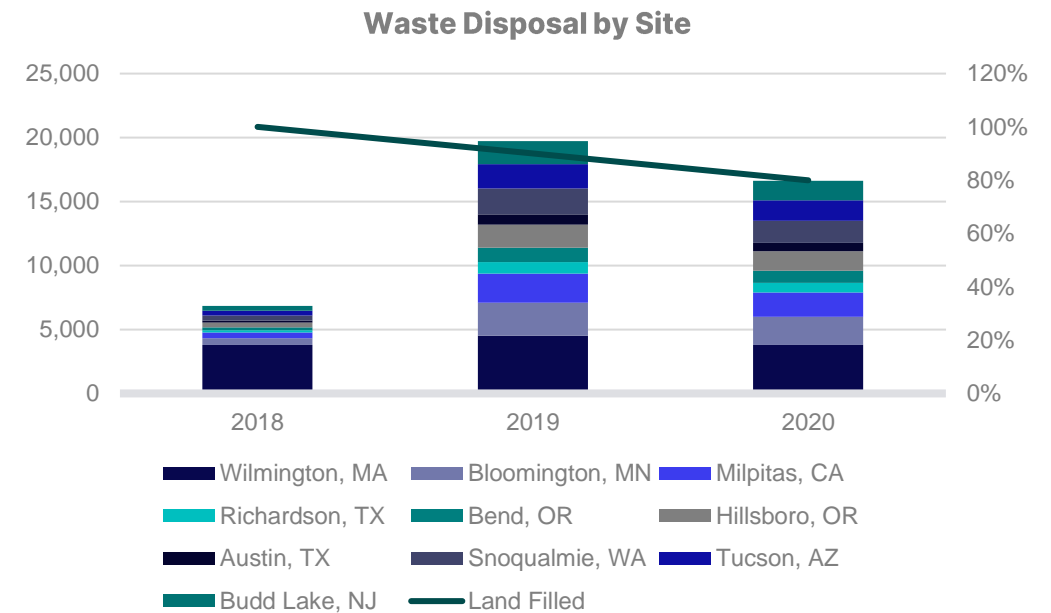ams in place to ensure that we comply with applicable laws and regulations. Solid waste at Onto Innovation sites is segregated with the primary intention of diverting waste from landfills and other disposal sites through recycling and reuse.

Our goal is to reduce hazardous waste landfill by about 30% by 2025.

We manage waste in the following ways:

- Source separation by providing appropriately-marked containers for employees to separate recyclable materials
- Composting options and offering compostable service wares
- Reducing paper waste by implementing print on demand and encouraging the use of online documentation
- Packaging re-designs to reduce the overall packaging content for shipping tools and other products
- Increasing recycled materials on our packaging
- Reusing or repurposing materials identified to have continued life or valuable use elsewhere in the business
- Capturing wood waste for recycling when crating materials are no longer useable
- Collection and recycling of the various metal and electronic waste streams

Waste Disposal by Site

Legend:
- Wilmington, MA
- Bloomington, MN
- Milpitas, CA
- Richardson, TX
- Bend, OR
- Hillsboro, OR
- Austin, TX
- Snoqualmie, WA
- Tucson, AZ
- Budd Lake, NJ
- Land Filled

Source: CERS Data and waste vendor assumptions

Packaging and Materials

"Our products require proper protection during transport because they are sensitive to environmental elements, improper handling and contact with chemicals. However, we are committed to shipping sustainably."

Wood packaging materials (crates)
Our goal is to utilize wood that is harvested legally, and that forests are managed and replenished while maintaining biodiversity.

- We prohibit the use of fumigation via methyl bromide for all wood packaging materials, since methyl bromide is toxic to humans and depletes the ozone layer.
- All incoming crates will be diverted from landfills by being either reused or recycled into other products.

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Impact to the Environment

Onto Innovation's commitment for decreased impact to the environment:

Reduce our carbon footprint by 30% compared to our aggregated baseline established

Increase our use of renewable energy: about 30% of our energy will be purchased from renewable sources

Reduce our on peak energy use

Reduce hazardous waste/materials landfills by 30%

Increase recycled and/or biodegradable materials in our packaging

Use life-cycle assessments to estimate the greenhouse gas emissions associated with the different lifecycle stages of our products and to help prioritize the best ways to reduce these emissions

Establish a breakdown of greenhouse gas emissions by life-cycle phase for various Onto Innovation products

Identify our environmental impact through annual sustainability materiality assessments. We will establish priorities and implement initiatives.

Reduce freshwater use by 30%

Social Programs

Employee Health and Safety

We have implemented safety programs across our organization based on our core values and corporate culture. A safe and healthy work environment not only minimizes work-related injuries and illnesses but also enhances the quality and consistency of Onto Innovation's products and services while improving employees' retention and engagement.

Ongoing employee input and education are essential to identifying and solving health and safety opportunities in the workplace. We are committed to providing our employees with equal opportunity, fair treatment and an environment free from unlawful discrimination.

Our safety culture is established through the execution of a proactive system by selecting, developing, and expecting employees to proactively recognize and manage risks, meet compliance requirements, and continually improve. Our robust health and safety policies help us meet applicable state and federal regulations such as OSHA regulations. Some of our initiatives to sustain employee health and safety include EHS training for new hires, annual re-training, safety committees, Report a Hazard portal in addition to a hotline phone number and routine inspection and audit processes.

We believe in safety through awareness, recognition, and teamwork. Therefore, we have a rigorous health and safety program that uses awareness, recognition, risk assessment/management, and teamwork to reinforce that safety is the responsibility of every employee, contractor, customer, supplier, and visitor. We believe that all workplace injuries are preventable. With continued investment in injury prevention and education programs, we strive to achieve an incident-free workplace and ensure that our employees return home safe every day. Our Injury Illness Prevention Plan is designed to report incidents comprehensively and escalate them to managers at the appropriate level. We track all incidents and near misses.

Our overall incident rate is less than 0.6 which puts us significantly better than the industry average.

Employee Health and Safety

Our culture of safety is fostered by selecting, developing, and expecting employees to proactively recognize and manage risks, meet compliance requirements, and continually improve.

We aim to protect the health and safety of everyone throughout our entire operation, including in our offices, manufacturing sites, R&D labs, and our field teams working at customer sites.

Our rigorous health and safety program includes:
- Awareness
- Recognition
- Risk assessment and management
- Teamwork

These measures reinforce that safety is the responsibility of every employee, contractor, customer, supplier, and visitor.

We believe that all workplace injuries and safety incidents are preventable.

Through injury prevention and education programs, we strive to achieve an incident-free workplace and ensure that our employees return home safe every day.

Our 2020 global recordable injury rate was 0.52. The most common injuries, which represent approximately 90% of all injuries in 2020, include strains and sprains/pain.

Aggregated Incident Rate*
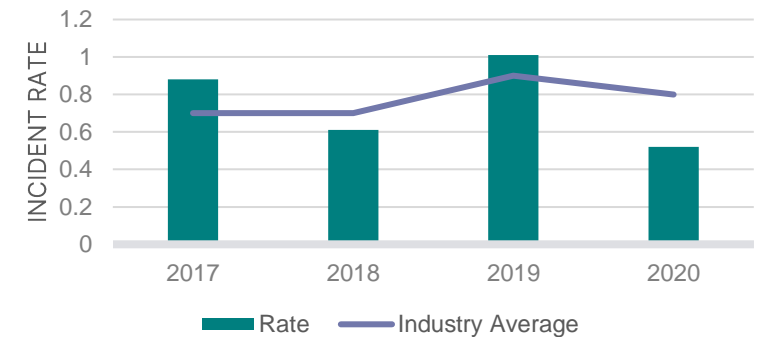
*Source: Aggregated OSHA Logs per 100 full time employees

Incidents by Quarter and Type (2020)

Corporate Culture

Onto Innovation team members are involved in all aspects of our business. The company's core values of Passion, Integrity, Collaboration and Results unite the team and are a common goal and foundation to everything that is done.

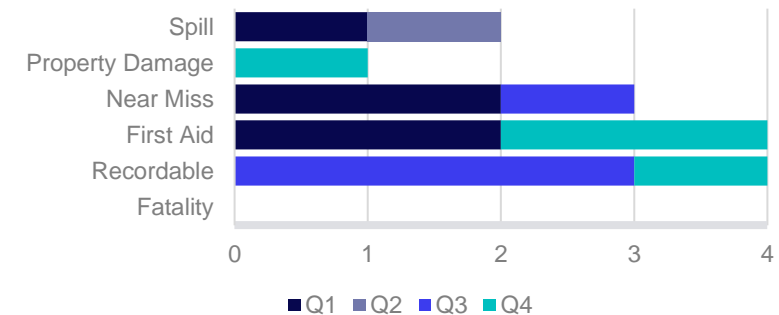To ensure a mutually respectful relationship between employee and the company, Onto Innovation develops policies and practices aimed at treating all employees fairly and communicating the organization's expectations of them.

Ongoing and open communication is critical to the success of the business and Onto Innovation employees. The Company has varied communication vehicles and channels to not only share updates on the business but also provide opportunities for employees to ask questions, share observations and make recommendations.

Onto Live is a small-group informal Q&A series featuring rotating executives

Whole-self Benefits

Career

Physical

Mental

Financial

Community

All full time Onto Innovation employees across the globe are eligible for generous benefit plans for themselves and eligible dependents. These vary across global regions and are benchmarked regularly to ensure the company is providing not only competitive but also wholistic coverages and protections. The Company pays the majority, or all, of the costs for these benefits.

Onto Innovation values the whole-self wellness of its employees. Whole-self wellness includes not only physical wellness but also nutrition, mental well being, ergonomics and financial well being. The company sponsors ongoing wellness initiatives including health and wellness education and training, wellness activities and friendly competitions.

Employee Workforce Profile

In 2020, our workforce was greater than 1,200 employees across the Americas, Europe and Asia.

The company is committed to diversity of thought and of our workforce. To continue and further achieve this, Onto Innovation has been an active participant and leader in workforce diversity programs and initiatives partnering with SEMI, McKinsey & Company as well as the Massachusetts High Technology Council.

Global Employee Gender 2020

16%
84%
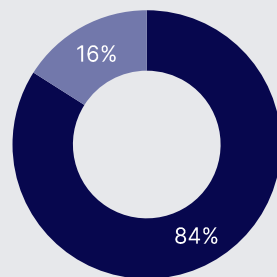
■ Male ■ Female

Our gender diversity goal is to increase our global female representation by 25% to 20% of the employee population by 2025.

Regional Locations

4%
36%
60%

■ U.S. ■ Asia Pacific ■ Europe

Our employees are not represented by, or subject to, a collective bargaining agreement or union.

Talent and Career Management

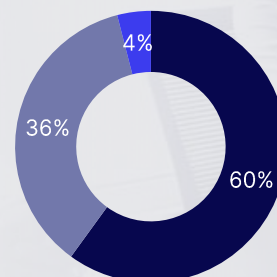**At Onto Innovation, our employees are our strength, and their talent continues to set us apart.**

We conduct an annual employee engagement survey to not only take the pulse of our talent but also learn where we should be focusing our efforts moving forward. Through our annual employee engagement survey, our team members have highlighted some of Onto Innovation's strengths to be including: knowing what is expected of them, having the opportunity to do their best, and that they and the Company are committed to quality.

Giving and receiving feedback, as well as planning for the development of our employees, is a cornerstone of the Company. Ongoing feedback and development conversations occur in addition to regularly scheduled more formal discussions on performance as well as professional and personal development.

Onto Innovation is proud of and recognizes its employees and team members for their strong and lasting contributions especially during the recent COVID-19 pandemic.

WE SUCCEED, GROW AND PROSPER TOGETHER AS A TEAM.

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Giving

To maximize the impact of employee charitable giving, we provide matching funds to the charitable organizations employees personally support.

Our Contributions

Launched in January of 2020, the Onto Innovation team has contributed to over 160 various non-profit organizations. Our company match program has doubled these gifts to further reinforce their impact and reach. In 2020, our total contribution was $88,580, including matching funds.

Employees' Matching Focus

- Education
- Community
- Wellness
- Environment

18%
30%
37%
16%
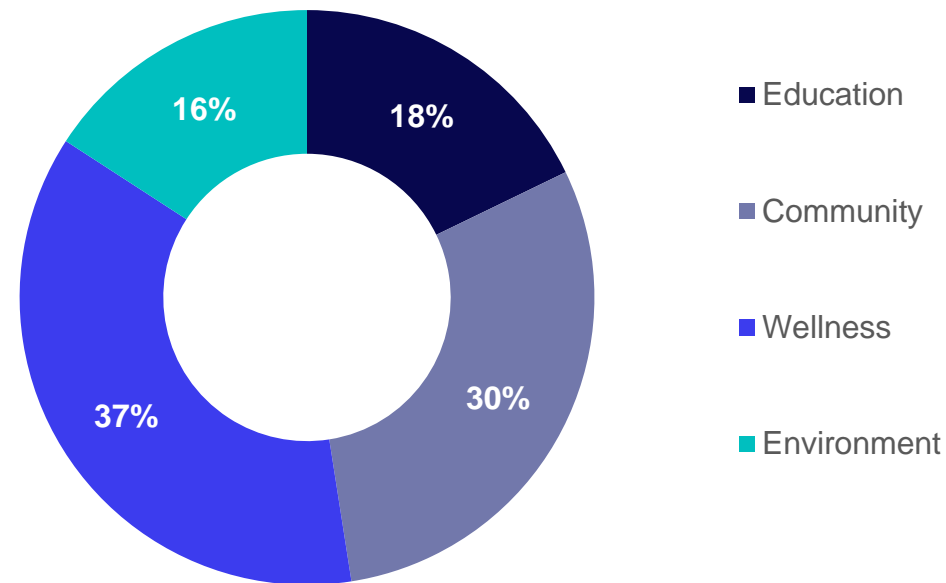
Human Rights

As a global company, we are committed to enhancing the well-being of people and communities around the world.

Our Employees

Our employees' human rights are respected across our global operations and we are committed to abiding by the international human rights standards defined by the United Nations Global Compact and the Universal Declaration of Human Rights. We aspire to create an inclusive and respectful work environment; one in which employees recognize each other's worth and dignity.

Our Community

As an employer and a corporate citizen, we are aware of our role in the communities in which we operate. We believe in respecting human rights of world and local communities and we respect the rights of local communities and those who live and work there consistent with international human rights standards. We strive to create positive impacts on adjacent communities through local engagement and charitable programs.

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Ethics and Compliance

Fair Labor Practices

All employment must be in full compliance with all applicable laws and regulations, including those concerning hours, compensation, opportunity, and working conditions. We respect each employee's right to make an informed decision, free of coercion, about membership in associations.

Against Child Labor

We support, follow, and comply with child labor laws across our operations and value chain. Our approach is consistent with the ILO labor standards outlined in ILO Conventions No. 138 and 182.

Against Forced Labor and Anti-Human Trafficking

We do not accept or condone any aspect of forced or compulsory labor. We strictly prohibit our employees, suppliers and other business partners from engaging in human trafficking-related activities

Non-Discrimination and Anti-Harassment

We base employment decisions on merit, considering qualifications, skills and achievements. We do not tolerate discrimination or harassment, and our Harassment- and Bullying-Free Workplace Policy further outlines our expectations.

Protecting Privacy

We are committed to protecting the privacy of those who entrust us with their personal information, including our customers, consumers, website visitors, employees and all those who do business with us. Whenever possible, we explain how personal information can be corrected, updated or deleted. We keep personal information secure.

Export Controls and Compliance

As a supplier to the global semiconductor manufacturing community, Onto Innovation exports systems and related components to our customers around the world.

By its very nature, this results in our company being subject to the array of regulations which directly impact the export of our tools. At Onto Innovation, our management is committed to ensuring compliance with these laws, and as a result, the company has established processes, procedures and audits to safeguard against possible violations.

How we manage export controls and compliance:

We actively review the classification and licensing status of our equipment and related parts.

We maintain appropriate records and assess potential risks within our processes to drive compliance within this vital functional area.

Management of the Legal and Regulatory Environment

We believe that managing and promoting an ethical and fully compliant legal and regulatory environment is an integral part of our business operations, which ultimately benefits our company, our people and our society.

To this end, Onto Innovation complies with all applicable laws and regulations pertaining to the protection and safety of our employees and of the environment in which we operate. The Company's senior management and EHS play a leading role in this regard, but responsibility for EHS compliance lies with all employees. Onto Innovation's EHS policies and training materials are readily available to all employees and are posted on our intranet site.

A chain of command for the resolution of EHS issues has been established, as follows:

> Director, EHS → Senior Vice President, Operations → Chief Executive Officer → Board of Directors

Onto Innovation's Board of Directors has ultimate oversight of our environmental, health, safety and sustainability matters. In particular, the oversight of possible EHS violations has been assigned to the Board's Audit Committee, while oversight of the company's environmental, social and governance initiatives has been assigned to the Board's Governance Committee.

These topics appear as recurring items in Board committee meeting agendas and are discussed and considered on a periodic basis, in detail and in earnest. It is a stated goal of the Onto Innovation Board to stay current on trends, legislation and key shareholder requirements pertaining to social responsibility matters, environmental sustainability and good corporate governance practices.

Supply Chain Management

Onto Innovation's hardware systems start with our suppliers' products. When they do well, we do well. It follows naturally that we are committed to working with them to ensure their continued viability, which in turn reduces risks in the material that we obtain. For this report, we focus on direct suppliers. They fall into three categories: companies that provide high technology commercial products; manufacturers that assemble according to our specifications; and manufacturers that provide custom designed components.

Given the limited number of companies that produce our highly specialized parts and components, we pay special attention to the creation of lasting relationships with our suppliers. Our partnerships help us by reducing industry volatility and facilitating the development of current and future technology. As an example, we have worked with 25 of our top 30 suppliers for over 10 years.

All new suppliers are required to undergo screening and verification, which includes a questionnaire on their social impacts and governance. Our current questionnaire is designed to identify enterprises owned by women, veterans, and minorities, as well as small businesses, in support for these specific groups. In addition, we conduct onsite audits for critical suppliers looking deeper into their process and quality controls, management accountability, and compliance with environmental and social regulations. One of our goals is to promote the local economy. Currently, U.S. suppliers represent about 65% of our annual spend.
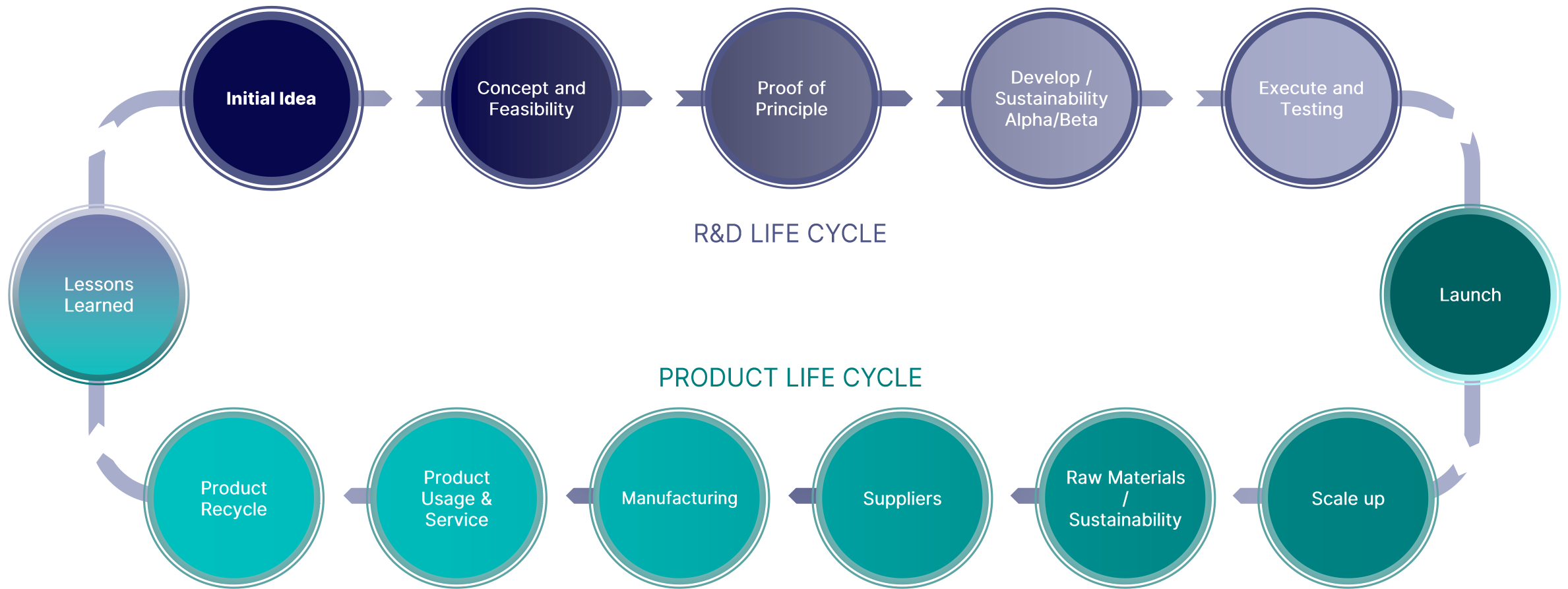
Product Responsibility

Product Responsibility Overview

The entire life cycle of a product – from the raw materials used, commercial (third-party) components, product development, production, and life extensions – is a responsibility we take seriously.

Design for Sustainability	Raw Materials	Suppliers	Manufacturing	Useful Life	Life Extensions	Trade-In Recycle
Onto Innovation practices both R&D life cycle as well as product life cycle concepts. R&D design for sustainability: Systems, Sub-Systems, Purchased Components, Raw Materials.	Materials comply with applicable global standards. Onto Innovation utilizes Responsible Mineral Initiatives (RMI) to address issues related to the responsible sourcing of minerals in our supply chains.	Onto Innovation utilizes RBA's, Code of Conduct standards to ensure that working conditions our industry are a key component, our supply chains are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible and conducted ethically.	Onto Innovation collaborates with its customers around the globe to deliver comprehensive, state-of-the-art inspection, measurement, data analysis and lithography solutions for semiconductor manufacturing and advanced packaging processes that accelerate product and process development, increase yields and reduce costs to enable its customers to be first-to-market with premium products at premium prices.	The actual average lifetime of tools in the field is >10 years, with over 1,200 units of age 20 years or more. Onto Innovation enables these extended lifetimes with refurbishment and upgrades.	Technology upgrades allow customers to access new, smaller design nodes without new equipment purchases, reducing materials impact and cost of ownership. Productivity upgrades have the same effect by increasing tool throughput or uptime, to reduce the total number of tools and utilities needed.	Tool upgrades improve tool availability by 1.1%. At a typical throughput of 107 wph and $2K per wafer, this can generate an additional $20.5M in revenue per year for a customer. Onto Innovation recycles materials such as aluminum, steel, copper, polycarbonate, PTFE, PVC, polyurethane that are used as part of the tool manufacturing process.

Designed for Sustainability

R&D LIFE CYCLE

Initial Idea → Concept and Feasibility → Proof of Principle → Develop / Sustainability Alpha/Beta → Execute and Testing → Launch

PRODUCT LIFE CYCLE

Scale up → Raw Materials / Sustainability → Suppliers → Manufacturing → Product Usage & Service → Product Recycle → Lessons Learned

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Raw Materials

- Our products are currently exempted from RoHS compliance per the Large Stationary Industrial Tools (LSIT) exception. Nevertheless, Onto Innovation does meet RoHS requirements on a best-efforts basis.

- Onto Innovation products and product packaging sold into or delivered into The European Economic Area (EEA) do not contain Substances of Very High Concern (SVHC) from the REACH Candidate List in a concentration above 0.1 percent weight by weight (w/w), based upon the Company's best knowledge.

- Onto Innovation is committed to sourcing conflict-free materials and we have asked our suppliers to join us in this commitment. As part of our commitment, we have voluntarily started to adopt the Responsible Business Alliance (RBA) Code of Conduct. Onto Innovation also will begin requiring our next tier suppliers to acknowledge and implement the RBA Code.

Product Safety and Quality

Onto Innovation collaborates with its customers around the globe to develop innovative, data-driven solutions that increase the yield and profitability of their microelectronics and display manufacturing operations.

Onto Innovation collaborates with its customers around the globe to develop innovative, data-driven solutions that increase the yield and profitability of their microelectronics and display manufacturing operations. Onto Innovation's comprehensive, state-of-the-art measurement, inspection, data analysis and lithography solutions for semiconductor manufacturing and advanced packaging processes accelerate product and process development, increase yields and reduce costs to enable its customers to be first-to-market with premium products at premium prices. Onto Innovation emphasizes the need to consider safety during the product design process, rapidly investigate and solve product safety issues that occur on our equipment and continuously improve product safety performance.

Onto Innovation products are designed with the safety of the end-user in mind, according to applicable regulatory and industry standards such as SEMI S2/S8 and CE. With a global base of customers, we are mindful to comply with standards in regions where our customers are based.

We combine the scale of a global leader with an expanded portfolio of leading-edge technologies that include: unpatterned wafer quality; 3D metrology spanning the chip from nanometer-scale transistors to micron-level die-interconnects; macro defect inspection of wafers and packages; metal interconnect composition; factory analytics; and lithography for advanced semiconductor packaging. The breadth of this portfolio allows us to collaborate with customers about their process yields and process variations from bare silicon wafers through the wafer fab to the final back-end packaging. Onto Innovation's software brings understanding of how individual processes affect the overall product, enabling customers to improve product quality and reliability. We are committed to earning and maintaining the trust of our customers by always meeting their expectations and requirements. We pursue customer satisfaction through three key strategies: the use of problem solving tools such as the 8D methodology, a culture of continual improvement, and close customer engagement.

Onto customers can count on us for a seamless user experience. We are dedicated to addressing customer feedback and responding to incidents expeditiously. Whenever a safety incident is reported for a particular system, we share mitigation measures or solutions with other customers who have purchased the same system to prevent the recurrence of similar problems.

Our Milpitas, CA and Bloomington, MN Wilmington, MA, Budd Lake, NJ, and Snoqualmie, WA locations are ISO 9001:2015 certified, a testament to our commitment to continually improve Onto products, services and processes.

Upgrades and Reuse

With over 10,000 operational units in our installed base, support for these tools to extend their lifetimes greatly reduces the environmental impact of our customers' operations.

- We design systems for an expected design lifetime of 10 years for typical customer usage
- Actual average lifetime of tools in the field is over 10 years
- Over 1,200 operational units at customer sites for 20 years or greater.
- We enable these extended lifetimes with refurbishment and upgrades.

Refurbishment

For manufacturers with non leading-edge node applications, e.g. sensors, IOT devices, power and analog devices, this enables economical production and reduces the environmental impact of a new tool build. These refurbished systems will also use repaired or refurbished parts as appropriate to further reduce material consumption and customers' cost of ownership.

Upgrades

- Technology upgrades allow customers to access new, smaller design nodes without new equipment purchases, reducing materials impact and cost of ownership.
- Productivity upgrades have the same effect by increasing tool throughput or uptime, to reduce the total number of tools needed.
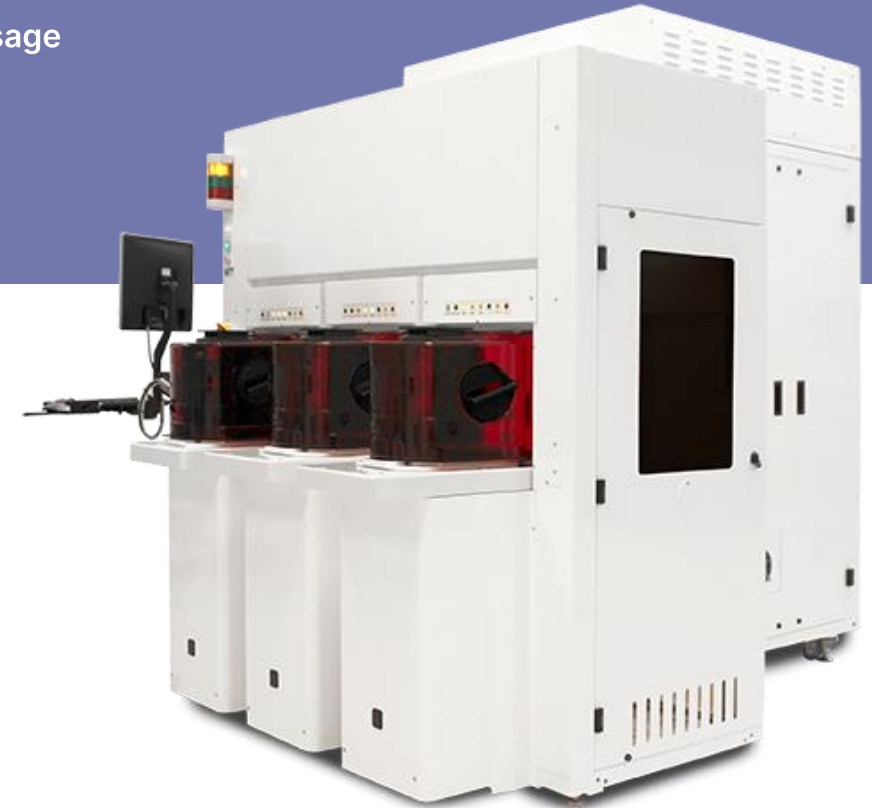
Information Security

We rely heavily on information technology systems in all aspects of our operations. Data security plays an integral role in the protection of our robust patent portfolio. We are cognizant that the loss of intellectual property, especially to overseas competitors, can impact our company and our industry. In handling supplier and customer information, which are important for their respective businesses, we are rigorous about maintaining the privacy of these stakeholder groups. Over the course of the reporting period, no substantiated complaint concerning privacy was received.

Our Information Security Group, under the stewardship of the vice president of information technology, monitors and runs multiple layers of information security defense mechanisms to ensure that Onto Innovation's employees, suppliers and customers are able to create and transfer critical information with peace of mind.

All employees who handle information are required to familiarize themselves with the company's information security policies. In addition, employees participate in mandatory training regarding their personal role in information security to identify phishing emails, social media hacking attempts, and awareness of other attempts to gain access to the Company's information. Where necessary, external assurance is sought to examine and test our information security systems.

Protecting Customer Intellectual Property and Information

Onto Innovation's success depends to a great degree upon innovation, technological expertise and our ability to adapt our products to new technology. As a result, we have a policy of seeking patents on inventions governing new products or technologies as part of our ongoing research, development, and manufacturing activities. Equally as important is our drive to recognize and respect the intellectual property of our customers and competitors.

Onto Innovation's efforts to protect our customer intellectual property includes:

- The entry by all employees of a confidentiality agreement upon employment which includes provisions to protect the intellectual property and confidential information they may receive while performing their responsibilities, including that from customers and suppliers.

- Ongoing employee training to assure awareness of the requirements to recognize and protect customer confidential information.

- Onto Innovation's careful assessment and review as part of its technology development process of the intellectual property of third parties to help assure that potential infringement is avoided.

- Onto Innovation has incurred no monetary losses since its inception related to any alleged or actual anti-competitive behavior including that related to enforcement of laws and regulations on price fixing, anti-trust behavior (e.g., exclusivity contracts), patent misuse or infringement, or network effects and bundling of services and products to limit competition.

GRI Standard	General Disclosures		Section of Report and / or Explanation for Omission	Page
	Organizational Profile			
GRI 102: General Disclosures 2016	102-1	Name of the organization	About the Report	3
	102-2	Activities, brands, products,and services	About Onto Innovation	6
	102-3	Location of headquarters	About Onto Innovation	6
	102-4	Location of operations	About Onto Innovation	6
	102-5	Ownership and legal form	About Onto Innovation	6
	102-6	Markets served	About Onto Innovation	8
	102-7	Scale of the organization	About Onto Innovation	8
	102-8	Information on employees and other workers	Employee Workforce Profile	27
	102-9	Supply chain	Responsible Value Chain	34
	102-10	Significant changes to the organization and its supply chain	Responsible Value Chain	3
	102-11	Precautionary Principle or Approach	Sustainability Governance	6
	102-12	External Initiatives	Responsible Business Alliance (RBA)	34
	102-13	Membership of Associations	Industry Memberships	11

GRI Standard	General Disclosures		Section of Report and / or Explanation for Omission	Page
GRI 102: General Disclosures 2016	**Strategy**			
	102-14	Statement from senior decision-maker	President & CEO's Statement	5
	Ethics and Integrity			
	102-16	Mechanisms for advice and concerns about ethics	Onto Innovation's Vision and Mission	7
	Governance			
	102-18	Governance Structure	Sustainability Governance	9
	Stakeholder Engagement			
	102-40	List of stakeholder groups	Stakeholder Engagement	11
	102-41	Collective bargaining agreements	Workforce Profile	27
	102-42	Identifying and selecting stakeholders	Stakeholder Engagement	11
	102-43	Approach to stakeholder engagement	Stakeholder Engagement	11
	102-44	Key topics and concerns raised	Stakeholder Engagement	11

GRI Standard	General Disclosures		Section of Report and / or Explanation for Omission	Page
GRI 102: General Disclosures 2016	Reporting Practice			
	102-45	Entities included in the consolidated financial statements	2020 Onto Innovation Annual Report & 10-K	-
	102-46	Defining report content and topic Boundaries	About the Report	12
	102-47	List of material topics	Materiality Assessment	13
	102-48	Restatements of information	About the Report	3
	102-49	Changes in reporting	About the Report	3
	102-50	Reporting period	About the Report	3
	102-51	Date of most recent report	2020	3
	102-52	Reporting cycle	Annually	3
	102-53	Contact point for questions regarding the report	About the Report	3
	102-54	Claims of reporting in accordance with the GRI Standards	About the Report	3
	102-55	GRI content index	GRI Content Index	43-49
	102-56	External assurance	Onto Innovation has not sought external assurance for this Sustainability Report	3

GRI Standard	Environmental Disclosures		Section of Report and / or Explanation for Omission	Page
	Energy Management			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	17
	103-2	The management approach and its components	Energy Usage and GHG	17
	103-3	Evaluation of the management approach	Energy Usage and GHG	18
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Energy Usage and GHG	18
	302-5	Reductions in energy requirements of products and services	Energy Usage and GHG	15
GRI 305: Emissions 2016	305-2	Energy indirect (Scope 2) GHG Emissions	Energy Usage and GHG	16
	305-4	GHG emissions intensity	Energy Usage and GHG	16
	Water & Effluents			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	19
	103-2	The management approach and its components	Water Management	19
	103-3	Evaluation of the management approach	Water Management	19
GRI 303: Water 2016	303-1	Water Withdrawal by Source	Water Usage	19
	Effluents & Waste			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	20
	103-2	The management approach and its components	Waste Management	20
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GRI 306: Waste	306-2	Waste by type and disposal method	Waste Management	20

GRI Standard	Social Disclosures		Section of Report and / or Explanation for Omission	Page
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	103-2	The management approach and its components	Occupational Health and Safety	24
	103-3	Evaluation of the management approach	Occupational Health and Safety	24
GRI 403: Occupational Health and Safety 2016	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Occupational Health and Safety	25
	Employment and Labor Practices			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	26
	103-2	The management approach and its components	Employment and Labor Practices	26
	103-3	Evaluation of the management approach	Employment and Labor Practices	26
GRI 401: Employment	401-2	Benefits provided to fulltime employees that are not provided to temporary or parttime employees	Employment and Labor Practices	26
	Environmental Compliance			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	33
	103-2	The management approach and its components	Environmental Compliance	33
	103-3	Evaluation of the management approach	Environmental Compliance	33
GRI 307: Environmental 2016	307-1	Non-compliance with environmental laws and regulations	Environmental Compliance	33
	Supplier Social Assessment			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	34
	103-2	The management approach and its components	Supply Chain Management	34
	103-3	Evaluation of the management approach	Supply Chain Management	34
GRI 414: Supplier Social Assessment 2016	414-1	New Suppliers that were screened using social criteria	Supply Chain Management	34

GRI Standard	Economic Disclosures		Section of Report and / or Explanation for Omission	Page
	Materials			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	38
	103-2	The management approach and its components	Product Design & Lifecycle Management	38
	103-3	Evaluation of the management approach	Product Design & Lifecycle Management	38
GRI 301: Materials 2016	301-3	Reclaimed products and their packaging materials	Product Design & Lifecycle Management	38
	Customer Health and Safety			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	39
	103-2	The management approach and its components	Product Quality & Safety	39
	103-3	Evaluation of the management approach	Product Quality & Safety	39
GRI 416: Customer Health & Safety 2016	416-1	Assessment of health & safety impacts of products & service categories	Product Quality & Safety	39
	Product Service and Innovation			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	40
	103-2	The management approach and its components	Product and Service Innovation	40
	103-3	Evaluation of the management approach	Product and Service Innovation	40
Non-GRI topic specific disclosure		Percentage of revenue invested into R&D	Product and Service Innovation	40

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GRI Standard	Economic Disclosures		Section of Report and / or Explanation for Omission	Page
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	103-2	The management approach and its components	Data Security	41
	103-3	Evaluation of the management approach	Data Security	41
GRI 203: Indirect Economic & Social Impacts 2016	203-2	Assessment of the health and safety impacts of product and service categories	Data Security	41
GRI 418: Customer Privacy 2016	Customer Privacy			
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security	42

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Corporate Social Responsibility Report