

**COHU, INC.**  
**AUDIT COMMITTEE CHARTER**  
(revised March 22, 2017)

**I. Purpose and Authority**

The Audit Committee (the "Committee") of the Board of Directors (the "Board") of Cohu, Inc. ("Cohu"):

- (a) assists the Board in fulfilling its responsibilities for general oversight of: (1) Cohu's accounting and financial reporting processes and the audit of Cohu's financial statements, including the integrity of Cohu's financial statements, (2) Cohu's compliance with legal and regulatory requirements, (3) the independent registered public accounting firm's qualifications and independence, (4) the performance of Cohu's independent registered public accounting firm and internal audit function, and (5) risk assessment and risk management;
- (b) prepares the report required by the proxy rules of the Securities and Exchange Commission (the "SEC") to be included in Cohu's annual proxy statement; and
- (c) has the additional duties and responsibilities as are enumerated in and consistent with this charter.

The Committee has the authority to retain and terminate advisors and obtain advice and assistance from outside legal, accounting or other experts as the Committee deems necessary to carry out its duties, and the Committee will receive appropriate funding, as determined by the Committee, from Cohu for payment of compensation to the outside legal, accounting or other advisors employed by the Committee or ordinary administrative expenses that are necessary or appropriate in carrying out the Committee's duties.

**II. Membership and Independence**

The Committee will consist of at least three directors, each of whom will be independent under applicable SEC and stock exchange listing standards, as determined by the Board and as required by the Cohu Corporate Governance Guidelines. Each member of the Committee must meet the applicable stock exchange financial literacy and expertise requirements as determined by the Board. At least one member of the Committee will be an "audit committee financial expert" as determined by the Board in accordance with the SEC rules and have past employment experience that results in the individual's "financial sophistication" as referred to in applicable stock exchange rules. In addition, no Committee member may have participated in the preparation of the financial statements of Cohu or any of Cohu's current subsidiaries at any time during the past three years. The entire Committee or any individual director on the Committee may be removed with or without cause by the affirmative vote of a majority of the Board upon the recommendation of the Nominating and Governance Committee.

**III. Meeting and Procedures**

The Board may designate a Chairman of the Committee (the "Chairman") who must have accounting or financial expertise. In the absence of such designation, the Committee may designate the Chairman by majority vote of the Committee. From time to time the Chairman may establish such other procedures as are necessary for the conduct of the business of the Committee. The Committee will meet at least four times each year in conjunction with Cohu's quarterly earnings releases with additional meetings called as the Committee deems appropriate. The Chairman is responsible for the agenda, including input from management, staff and other Committee and Board members as appropriate. A majority of the Committee members will be present to constitute a quorum for the transaction of the Committee's business. The Committee will meet regularly in separate executive sessions and also in private sessions with management and the independent registered public accounting firm to facilitate full communication. The Committee will be given open access to Cohu's CEO, CFO, internal audit function,

Cohu executives and the independent registered public accounting firm, as well as Cohu's books, records, facilities and other personnel.

#### **IV. Delegation of Authority**

The Committee may create a subcommittee of the Committee consisting of one or more directors on the Committee and may delegate any of its duties and responsibilities to such subcommittee, unless otherwise prohibited by applicable laws or listing standards. The Committee may delegate any of its duties and responsibilities to one or more directors on the Committee, another director or other persons, unless otherwise prohibited by applicable laws or listing standards. Any subcommittee, director or other person will provide a written or oral report to the Committee regarding any activities undertaken pursuant to such delegation. The Committee may terminate any such subcommittee and revoke any such delegation at any time.

#### **V. Duties and Responsibilities**

The following will be the recurring duties and responsibilities of the Committee in carrying out its oversight functions. These duties and responsibilities are set forth below as a guide to the Committee with the understanding that the Committee may alter or supplement them as appropriate under the circumstances to the extent permitted by applicable laws or stock exchange listing standards or by direction of the Board. The Committee will:

1. Review and reassess annually the adequacy of this charter and submit any recommended changes to the charter to the Nominating and Governance Committee and the Board for approval. The Committee will also conduct an annual self-evaluation of the Committee's performance and processes and will report the results of such self-evaluation to the Nominating and Governance Committee and the Board.
2. Appoint, evaluate and compensate the independent registered public accounting firm, which will report directly to the Committee, and oversee the rotation of the independent registered public accounting firm's lead audit and concurring partners, with applicable time-out periods, in accordance with SEC regulations. The Committee will determine whether to retain or, if appropriate, terminate the independent registered public accounting firm and such firm will report directly to the Committee. The Committee is responsible for recommending the independent registered public accounting firm for approval by the stockholders, if appropriate.
3. Review and approve in advance, in accordance with applicable SEC and stock exchange rules, the scope of the annual independent audit, other audit services and audit fees, establish policies for the independent registered public accounting firm's activities and any fees beyond the core audit, approve in advance all non-audit services to be performed by the independent registered public accounting firm that are not otherwise prohibited by law and associated fees, and monitor the usage of and fees paid to the independent registered public accounting firm. The Committee may delegate to the Chairman of the Committee the authority, within agreed limits, to pre-approve audit-related and permissible non-audit services not prohibited by law to be performed by the independent registered public accounting firm. The Chairman will report any decisions to pre-approve such services to the full Committee at its next meeting.
4. Review with the independent registered public accounting firm their annual written statement delineating all relationships or services between the independent registered public accounting firm and Cohu and individuals in financial reporting oversight roles at Cohu that may reasonably be thought to bear on their independence, or any other relationships or services that may impact their objectivity and independence and discuss with them the potential effects of any such relationships or services on their independence.
5. Set clear hiring policies for employees or former employees of the independent registered public accounting firm, and monitor compliance with such policies.

6. Review with management and the independent registered public accounting firm:

(a) Cohu's annual audited and quarterly financial statements contained in Form 10-Q and 10-K, including Cohu's disclosures in "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other relevant information prior to the public release or filing of such information;

(b) the results of the independent registered public accounting firm's annual audit and quarterly reviews, including the communications required by the Public Company Accounting Oversight Board ("PCAOB"), the schedule of unadjusted audit differences and the independent registered public accounting firm's opinions on Cohu's annual financial statements and internal control over financial reporting;

(c) the independent registered public accounting firm's judgments on the quality, not just the acceptability, and consistent application of Cohu's accounting principles and practices, the reasonableness of significant judgments, clarity of disclosures and underlying estimates in the financial statements;

(d) major issues concerning accounting principles and financial statement presentation, including changes in accounting principles or application thereof, significant judgment areas, and significant and complex transactions;

(e) any disagreements between management and the independent registered public accounting firm, about matters that individually or in the aggregate could be significant to Cohu's financial statements or the independent registered public accounting firm's report, and any serious difficulties the independent registered public accounting firm encountered in dealing with management related to the performance of the audit and management's response;

(f) memorandums and analyses prepared by management or the independent registered public accounting firm setting forth significant financial reporting and accounting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.

7. Recommend to the Board whether the audited financial statements should be included in Cohu's Annual Report on Form 10-K.

8. Review and discuss earnings press releases (with particular attention to the use of "pro forma" or "Non-GAAP" information), as well as corporate policies with respect to financial information and earnings guidance provided to analysts.

9. At least annually, obtain from and review a report by the independent registered public accounting firm describing (a) the independent registered public accounting firm's internal quality control procedures, and (b) any material issues raised by the most recent internal quality-control review, or peer review, or by the PCAOB, any governmental or professional inquiry or investigation within the preceding five years regarding any audit performed by the independent registered public accounting firm, and any steps taken to deal with any such issues.

10. Review the adequacy and effectiveness of Cohu's disclosure controls and procedures.

11. Review the adequacy and effectiveness of Cohu's internal controls, including any significant deficiencies in such controls and significant changes or material weaknesses in such controls reported by the independent registered public accounting firm, the internal audit function or management, any special audit procedures adopted in light of significant or material control deficiencies and any fraud, whether or not material, that involves management or other Cohu employees who have a significant role in such controls.

12. Review the adequacy and effectiveness of Cohu's information security policies and the internal controls regarding information security.

13. Assure that procedures are established for the receipt, retention and treatment of complaints on accounting, internal accounting controls or auditing matters, as well as for confidential, anonymous submissions by Cohu's employees of concerns regarding questionable accounting or auditing matters and compliance with the Cohu Code of Business Conduct and Ethics.
14. Receive and, if appropriate, respond to attorneys' reports of evidence of material violations of securities laws and breaches of fiduciary duty and similar violations of U.S. or state law.
15. Review significant risks or exposures relating to litigation and other proceedings and regulatory matters that may have a significant impact on Cohu's financial statements.
16. Review the results of significant investigations, examinations or reviews performed by regulatory authorities and management's response.
17. Review and approve on an on-going basis all "related party transactions," as defined in SEC and stock exchange rules and other applicable rules and regulations for potential conflict of interest situations.
18. Conduct or authorize investigations into any matters within the Committee's scope of responsibilities.
19. Consider such other matters regarding Cohu's financial affairs, its controls, and the independent audits of Cohu as the Committee, in its discretion, may determine to be advisable.
20. Report regularly to the Board with respect to the Committee's activities.
21. Coordinate, as appropriate, with the Compensation Committee regarding cost, funding and financial impact of equity compensation and benefits.
22. Annually review and assess the adequacy of and work with Cohu management to address issues related to the Cohu Code of Business Conduct and Ethics (the "Code") including assessing compliance with the Code and implementing appropriate disciplinary action for any officer or director who is found to have violated the Code.
23. Review the overall cost, scope, qualifications, resources, activities, reports, organizational structure and effectiveness of the internal audit function and approve the appointment, replacement, reassignment or dismissal of the head of such function. The internal audit function shall have unimpaired and direct access to the Committee.