



2023

Environmental, Social,  
and Governance Report

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## Report Outline

At Ceva, through our Environmental, Social, and Governance (ESG) strategy, we have identified a set of factors that aid us in managing both risks and opportunities with respect to our operations and performance and that of our customers, suppliers, and other partners. We leverage this strategy to operate our business in an ethical and sustainable manner. For us, ESG means not just adopting environmentally responsible practices, but also operating in a manner that encourages employee retention, is mindful of social issues and other factors that are important to all stakeholders, and ensures that short-term profits don't turn into long-term liabilities.

## About Ceva

At Ceva, we are passionate about bringing new levels of innovation to the smart edge. Our wireless communications, sensing and Edge AI technologies are at the heart of some of today's most advanced smart edge products. From Bluetooth connectivity, Wi-Fi, UWB and 5G platform IP for ubiquitous, robust communications, to scalable Edge AI NPU IPs, sensor fusion processors and embedded application software that make devices smarter, we have the broadest portfolio of IP to connect, sense and infer data more reliably and efficiently. We deliver differentiated solutions that combine outstanding performance at ultra-low power within a very small silicon footprint. Our goal is simple — to deliver silicon and software IP to enable a smarter, safer, and more interconnected world. This philosophy is in practice today, with Ceva powering more than 17 billion of the world's most innovative smart edge products from AI-infused smartwatches, IoT devices and wearables to autonomous vehicles and 5G mobile networks.

Our headquarters are in Rockville, Maryland with a global customer base supported by operations worldwide. Our employees are among the leading experts in their areas of specialty, consistently solving the most complex design challenges, enabling our customers to bring innovative smart edge products to market. Ceva is a sustainability- and environmentally-conscious company, adhering to our Code of Business Conduct and Ethics. As such, we emphasize and focus on environmental preservation, recycling, the welfare of our employees and privacy — which we promote on a corporate level, as well as share with our customers, suppliers and partners. At Ceva, we are committed to social responsibility, values of preservation, and consciousness towards these purposes.



## A Message from Our CEO

Dear readers,

I am pleased to present our 2023 report on our ESG initiatives. 2023 was a transformational year for Ceva, as we set the stage for the next phase of growth for the company. It was also an important year for our ESG initiatives, which we believe are an integral component to the successful execution of our strategy. As the leading semiconductor IP company developing ultra-low power technologies that enable smart edge devices to connect, sense and infer data more reliably and efficiently, our role within the semiconductor industry has never been more important than it is today. With more than 1.6 billion devices powered by our IP in 2023 alone, and more than 17 billion devices to date, our inherently low power solutions are designed once and used by many to have a direct, positive impact on our planet and its people.

At its core, Ceva is an R&D company, constantly pushing the boundaries of what intelligent, connected devices can contribute to our daily lives. As such, our engineers are the heart and soul of the company and we strive to ensure their working environment is one which helps them thrive, to the betterment of all our employees, our customers, partners, and investors. Adopting best practices and upholding our Sustainability Policy and Code of Business Conduct and Ethics, we operate with integrity and responsibility, and are mindful of compliance with relevant laws and regulations across our global operations. Our ESG report outlines Ceva's approach toward ESG, progress toward our sustainability goals, and efforts that support a global vision for a more environmentally responsible future.

**Amir Panush, CEO**

## Ceva's Approach to ESG

At Ceva, we believe that effectively managing Environmental, Social, and Governance risks and opportunities can help Ceva as a company operate more sustainably and better achieve our customers' expectations.

Ceva first began publishing its policies around sustainability in 2019, and we continue to recognize the importance of integrating ESG considerations into our core business strategy and to prioritize operating in an environmentally, socially, and ethically responsible manner. This means aligning ESG goals with the overall objectives of the company. This process includes:

- **Identifying and engaging with key stakeholders, including employees, shareholders and shareholder advisory firms.** Reviewing their voting guidelines, stewardship principles and ESG policies, understanding their concerns and incorporating their feedback into decision-making processes.
- **Recognizing that ESG issues pose both risks and opportunities.** Assessing and managing these risks and identifying and taking advantage of these opportunities to protect and grow the company's long-term sustainability.
- **Communicating ESG efforts to investors.** Many institutional investors are increasingly considering ESG factors in their investment decisions.
- **Staying informed about relevant ESG disclosure requirements and standards.** Starting now to prepare for compliance with regulations that will apply to us, including with respect to new climate disclosure rules promulgated by the U.S. Securities and Exchange Commission.
- **Fostering a culture of innovation to find new ways to improve ESG performance.** Periodically reassessing and updating ESG practices to stay ahead of emerging trends.
- **Extending ESG considerations to the entire supply chain** by requiring suppliers to comply with our Code of Business Conduct and Ethics.
- **Educating employees about the importance of ESG and how their roles contribute to the company's ESG objectives.** Fostering a culture of responsibility and sustainability.

## Environmental



Ceva is committed to operating in an environmentally responsible manner, recognizing our responsibility to our customers, shareholders, suppliers, employees, and society at large.

We strive to protect the environment through sound business and operations management practices and decisions.

Ceva looks at every opportunity to conserve energy, reduce consumption of natural resources, preserve air and water quality, manage waste properly, and reuse and recycle.

We strive to comply with strict regulatory and industry standards at all our locations of business and expect all our employees, vendors and visitors to act in an environmentally responsible manner and prevent pollution. We recognize that this is a constant commitment, and we endeavor to improve our operations through constant assessment with the goal of environmental sustainability in mind.

At Ceva, we pride ourselves on our minimal environmental footprint. Our core business activities continue to revolve primarily around engineers designing software, which require no manufacturing or related processes. In addition to operating all of our offices in an environment-first manner, we utilize cloud-based infrastructure for much of our computing needs, which further minimizes energy consumption and waste generation, as it leverages shared computing resources efficiently.

### Environmental Responsibility in Action

The tenets of our environmental initiative are:

**People:** Promoting a people-first culture and sustaining an employee culture that embraces environmental stewardship, including educating our employees on sustainability at home, work and in the community at large.

**Environmental controls:** Reducing energy usage and carbon footprint, and minimizing our impact on the environment, including using environmentally friendly products whenever possible, properly disposing of hazardous materials in accordance with regulatory requirements, and going completely paperless for client-facing work.

**Resource conservation measures:** Eliminating wasteful practices wherever possible, including retrofitting our office spaces for energy efficiency and water conservation, using energy saving lighting and establishing other energy reduction programs and projects. As an example, over the last few years, we have changed all our office lighting to energy efficient LED bulbs and have seen significant energy savings and improvement in lighting quality in our employees' workspaces. In addition, we do not use water in our product development processes, and only use water for kitchens and bathrooms, which all have low flow valves.

**Recycling:** Promoting and managing recycling programs to reduce waste. For example, our IT teams in all our offices worldwide recycle unwanted electronic goods as required, using specialized local recycling companies in each region. Furthermore, in some locations, we employ initiatives to recycle electronics in novel ways, as well as paper, plastic bottles and cans. In our Israel office, for example, once a year, we invite our employees to take home any old IT equipment for their personal use, reducing their need to buy similar equipment for their homes, and we also donate some of this equipment to the needy. Across our Israel, Ireland and UK offices, we shredded over 1,600 kg of paper in 2023.

**Energy-efficient technology:** Our products are designed for low power consumption. We set and track targets for energy consumption for each of our hardware and software technologies.

## CO2 Emissions Management

At Ceva, we believe the most effective way to control carbon dioxide emissions is by not producing them. By the nature of our business as a technology licensing company with no manufacturing facilities or business, our direct carbon footprint is limited to that created by our small team of 424 employees in 2023. Further, one of the key features of the IP we develop is that each generation of our semiconductor technology enables significantly more computing power while consuming less energy.

To reduce carbon emission even further, Ceva has a hybrid-working policy to enable our employees to work from home. Currently, all of our employees participate and work remotely on average two days a week, which directly reduces our greenhouse gas emissions by fewer individuals commuting to work.

At our U.K. and Ireland locations, we encourage employees to cycle to and from work through our participation in the Bike to Work scheme, which offers tax incentives for the purchase of a commuter bike. In addition, at our Israel office, we have a special employee bike storage place and washrooms for the use of our employees cycling to work.

Our China, Taiwan, France, Israel and Mountain View, California offices include charging stations for electric vehicles.

The company-wide adoption of virtual video conferencing, and a dedicated VPN for our R&D engineers enables the streamlining of collaboration efforts. We also encourage our sales and marketing teams to utilize video conferencing to connect with customers where possible and reduce customer-related travel. Nevertheless, with hundreds of customers located around the world, it's no surprise that air travel is the most significant part of our company's carbon footprint.



We are committed to operating our offices in an energy efficient manner. In our major offices in France, Ireland and the USA, our office spaces are fitted out with LED lighting and where possible, light sensors, thereby cutting the power consumption in each location. In our Israel office, we retrofitted 4,800 square meters of office space with LED lighting, resulting in annual energy savings of 271,000 kilowatt hours.

## Social

### People

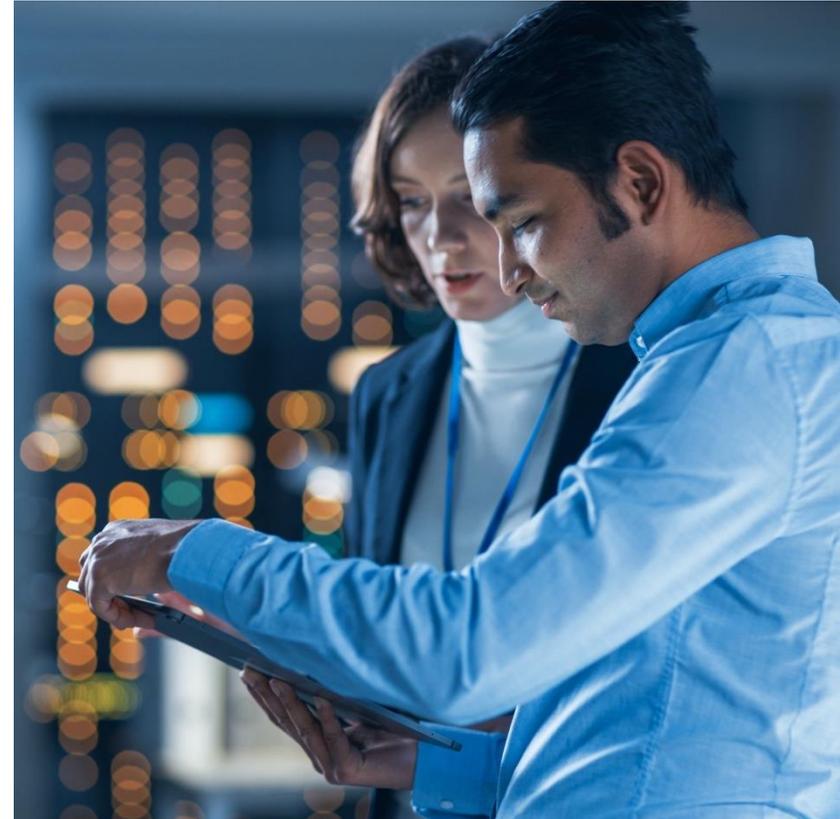
Innovate by challenge, driven by passion, together by choice. Ceva is renowned for its technology, but it's the people that make us shine. Our employees are heartfelt, flexible, and committed people, teaming up to shape and create a smarter tomorrow. We're Ceva and we're in it.

Our global team of experts are masterminds, passionately working together to create and improve the innovative technologies breakthroughs through complex missions. We offer a truly rewarding work environment, full of professional growth, new skills to acquire, social benefits, fun, and an all-around unique experience of work and people.

Smart technology is created by smart people, meaning us. Ceva employees are the sharpest ones. An elite group of innovative, tech-savvies, and experts, making Ceva the leader we are.

We have three main company values and these were developed to help us deliver commitments made to employees and customers:

- **Respect for the individual:** This means treating everyone with dignity and as individuals. Having an open atmosphere where communication gives everybody the opportunity to contribute. Ensuring all employees commit to the company policy on equality. We strive to advance diversity and inclusion through various talent acquisition programs to attract, retain and develop a diverse, highly skilled work force. We are also committed to a respectful work environment free of physical and verbal harassment. We work to minimize the risks associated with the tasks our employees perform, and we take our responsibility for our employees' health and safety very seriously.



- **Ethics and professionalism:** This means committing to an environment of trust and honesty. Ensuring our employees act with integrity in all aspects of business, understand company policies and procedures, and respect the values and culture of our diverse workforce.
- **Business and customer focus:** Our engineering teams strive to achieve the highest quality designs and support success for themselves, the company as a whole and our customers. This success translates into technology leadership, employee satisfaction and business achievements, together with our customers.

As of December 31, 2023, we had 424 employees worldwide. Of these employees, 248 are located the Middle East, 33 in North America, 31 in Asia, and 112 in Europe.

## People Development

Ceva has training policies and career development plans at all of our R&D locations. Each year, employees have the opportunity to go through Ceva's performance review and yearly goal planning process. This involves summarizing the previous year and setting objectives for the year ahead. It also allows a structured and open dialog between managers and employees.

We have both professional and managerial promotion paths in Ceva. We encourage managerial training both in growth and skillset. We conduct annual reviews which help assess, identify and priorities both personal and team development and growth.

Ceva's organization culture can be described as an open, interactive and team-oriented work philosophy where everyone's contribution is welcome and valued. The teamwork ethic comes with a responsibility to provide the best outcome for each goal and the complete satisfaction that comes when it is achieved.

## Communication

Ceva promotes open communication with its employees in the forms of:

- Quarterly all-hands meeting with the CEO, CFO and COO.
- Newsletter & Ceva News emails and HR Bulletins.
- Worldwide SharePoint Portal dedicated to Ceva's employees.

## Health and Safety

Ceva endeavors to ensure, as far as is reasonably practicable, the health, safety and welfare of all employees while at work, and to provide whatever information, training and supervision is necessary for this purpose. Ceva endeavors to protect persons not in our employment who may be affected by our activities and minimize their exposure to risk. This will be accomplished by giving safety the same level of importance as other management activities.

All employees have the responsibility to co-operate with management to achieve a safe and healthy workplace, and to take reasonable care of themselves and others. It is the responsibility and duty of all employees to comply with this safety policy and to exercise due caution and care.

Ceva has many employee focused policies designed for an employees health and safety and well-being. The following polices are a small example of them:

- Human Rights Policy
- Equal Opportunities Policy
- Harassment Policy

## Diversity, Equality and Inclusion

We incorporate equality, diversity, and inclusion throughout Ceva.

We work to ensure that our business practices support diversity and inclusion to build an innovative workforce and to strive toward having our organization reflect the complexion of our customers and suppliers.

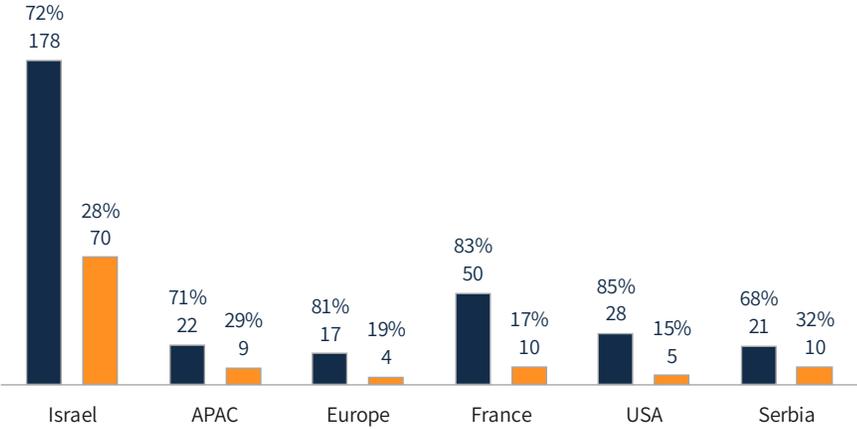
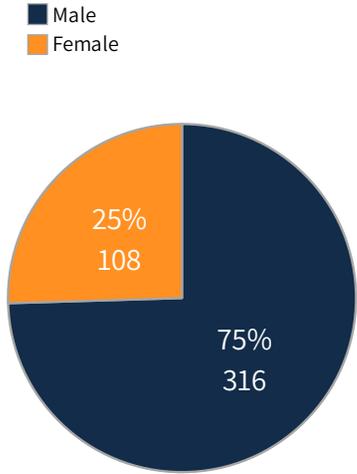
We value a range of diverse perspectives with reference to our business model and specific needs, including, but not limited to, gender, age, race, language, cultural background, educational background, industry experience, professional experience and veteran and active armed service status or other similar characteristics.



With regards to board diversity, our board is made up of three female and five male members, each of whom contribute unique expertise and capabilities that benefit the company. Amir Panush was recently added to the board in his role as CEO, and we believe this will enable to further prosper as we look ahead.

The graphs below outline Ceva’s employee gender analysis for 2023, where you can see female representation in our workforce overall is 25% as of December 31, 2023 (108 out of 424 employees). Our percentages for new women hires are similar, with women constituting 19% of new hires in 2023.

### Ceva Employee Gender Analysis - 2023



## Impact and Local Communities

Ceva believes that empowering our employees to give back to our community is central to our culture and values. We believe in supporting initiatives that improve the communities where we work and where our employees live.

As one example, in our Israeli subsidiary we purchased pots and herbs for workers from "Fresh Pot" — a social enterprise that employs people with disabilities. We also handed out to all our employees, bags with our new logo, to enhance team spirit, unite solidarity and the Ceva group success. In addition, in 2023 we implemented community volunteering programs to further improve employee morale.



Ceva purchased pots and herbs for workers from "Fresh Pot," a social enterprise that employs people with disabilities.



Ceva family donated 57 computers to families from Kibbutz Alumim and Netiv HaAsara who were forced to flee their homes since October 7th.

Various teams came together to **assist and volunteer** in the **agricultural fields** that have been impacted since October 7th.



Ceva purchased products directly from the **southern settlements** for its employees to support and assist the economy in the southern region that has been affected since October 7th.



Ceva family gathered to **volunteer and donate to Israel's southern communities**. Together we packed over **60 boxes full of essential** items and wholehearted support.

### Community Organizations We Work With



#### Bakery Yaldoduss

Neva Hanna in Kiryat Gat is a warm home for 120 children, ages 4-18, from a difficult socioeconomic background who are unable to grow up at home. Ceva donates to the association by purchasing holiday gifts from Bakery Yaldoduss.



#### Sindyanna of Galilee

A female-led non-profit that actively promotes the concepts of “business for peace” and Fair Trade in Israel. We achieve this by selling Arab producers’ olive oil and other premium products in the international marketplace according to Fair Trade principles, and then channeling all the profits back into Arab women education.



#### Studio Andjoy

Specializes in the design and creation of flower arrangements and quality gifts. The studio employs dozens of people with disabilities and trains them in various capacities, without receiving external.



#### Chimes Israel

Works to improve the quality of life of people with special needs with 25 programs for more than 1,400 children and adults.

## Corporate Governance

We are committed to the highest standards of corporate ethics and diligent compliance with financial accounting and reporting rules. Our Board provides independent leadership in the exercise of its responsibilities. Our executive officers oversee a strong system of internal controls and compliance with corporate policies and applicable laws and regulations. Our employees operate in a climate of responsibility, candor, and integrity.

Key highlights of the Board and corporate governance practices are:



- We have an independent chairman of the board;
  - All of our directors, other than our current CEO are independent;
  - All of our board members are up for election annually;
  - We have a majority voting standard for the election of directors;
  - We have a board of directors with deep industry expertise;
  - We have enhanced diversity on our board with the appointment of three female directors in the last seven years, one of whom is Asian American;
  - We periodically review succession planning for our Chief Executive Officer and other Board and key management members;
- 
- We have a robust stockholder engagement program;
  - We have no stockholder rights plan in place;
  - Our board committees regularly review and update, as necessary, the committee charters, which clearly establish the roles and responsibilities of each such committee, and such charters are posted on our website for review;

- Our board generally has an executive session among our non-employee and independent directors before and/or after every board meeting;
- Our board enjoys unrestricted access to the company's management, employees and professional advisers;
- We have a code of business conduct and ethics that is reviewed regularly for best practices and is posted on our website for review;
- We have a clear set of corporate governance guidelines that is reviewed regularly for best practices and is posted on our website for review;
- We maintain an anonymous whistleblower hotline accessible on our website;
- We focus on employee engagement and retention;
- We are committed to corporate and social responsibility;
- We provide board oversight and leadership on environmental, social and governance issues;
- We have adopted a sustainability policy covering, data privacy and security, resource conservation and recycling, environmental policy and employees, which is posted on our website for review;
- We conduct an annual say-on-pay vote;
- Our charter documents have no supermajority voting provisions;
- Our insider trading policy prohibits hedging, pledging or shorting of our stock by all of our employees, including executive officers, and directors;
- We have adopted a compensation recoupment policy applicable to our executive officers;
- None of our board members is serving on an excessive number of public company boards;
- We have established stock ownership requirements for our named executive officers and all of our directors to ensure that their interests remain aligned with the interests of the company and our stockholders;
- There are no family relationships among any of our directors or executive officers;
- Our board performs an annual self-assessment, led by the chair of the nomination and corporate governance committee, to evaluate its effectiveness in fulfilling its obligations; and

- Our corporate governance documents do not contain a supermajority standard for the approval of a merger or a business combination, which transaction requires the affirmative vote of a majority of the outstanding shares.

BOARD TENURE		AGE	
0-5 years	3	40-50 years	1
6-10 years	1	50-60 years	1
10+ years	3	60+ years	5

BOARD REFRESHMENT	GENDER DIVERSITY
3 (of 7) new Directors appointed in last 4 years.	43 %

Our Board of Directors has established an Audit Committee, a Compensation Committee, and a Nominating and Corporate Governance Committee as well as an investment Committee and Strategy Committee. The configuration and responsibilities of each committee are described below.

## Nominating and Corporate Governance Committee

The purpose of the Nominations and Governance Committee of the Board is to:

- Recommend to the Board the persons to be nominated for election as directors at any meeting of stockholders;
- Develop and recommend to the Board a set of corporate governance principles applicable to the Company; and
- Oversee the evaluation of the Board and management.

## Audit Committee

The Audit Committee oversees our accounting and financial reporting processes and our audits of the financial statements. In so doing, the Committee endeavors to maintain free and open means of communication between the directors, the independent auditors and financial management. In addition, the Audit Committee reviews the policies and procedures adopted by the company to fulfill its responsibilities regarding the fair and accurate presentation of financial statements in accordance with generally accepted accounting principles and applicable rules and regulations of the Securities and Exchange Commission and the Financial Industry Regulatory Authority (the “FINRA”) (formerly the National Association of Securities Dealers, Inc.) or any successor entity) applicable to NASDAQ listed issuers.

## Compensation Committee

The primary purpose of the Compensation Committee is to discharge the responsibilities of the Board relating to compensation of Ceva's executive officers' recommendations with respect to new incentive compensation and equity-based plans, recommendations regarding director compensation and administration of our equity compensation plans.

## Business Ethics and Compliance

We are committed to ensuring ethical organizational governance and promoting business ethics and integrity.

Our [Code of Business Conduct and Ethics](#) discusses the legal and ethical standards of conduct by which all Ceva employees are expected to abide.

The policy gives guidelines on behavior expected from Ceva employees in situations such as conflict of interest, dealings with independent auditors, insider trading, fair dealing, and use of corporate assets, among other things.

We promote an ethical organizational culture and encourage all employees, regardless of position or level, to raise questions or concerns about actual or potential ethical issues and company policies and offer suggestions about how we can make our organization better to address concerns.

The Code also directs employees on how they may report violations of the Code either directly or anonymously, by telephone or e-mail and in international hotline numbers.

Our CFO circulates the Code of Ethics annually to all employees.

Our Board is responsible for setting the standards of conduct contained in the Code of Ethics and for updating these standards as appropriate to reflect legal and regulatory developments.

Ceva believes in transparency with respect to disclosure associated with the use of corporate funds for purposes of political advocacy, including lobbying, campaign contributions, and contributions to tax-exempt groups such as trade associations. Ceva has not and do not presently intend to use corporate funds for such purposes.



# Report Conclusion

We look forward to continuing to develop our ESG program to sustainably drive value for our company, stockholders, and extended stakeholders.

