

DISCLOSURE POLICY

1. Objective

PDF Solutions, Inc. (the “Company”) is committed to providing timely and accurate information consistent with legal and regulatory requirements, including Regulation Fair Disclosure (“Reg FD”), to enable orderly and fair trading of its securities in the marketplace. Disclosure of material nonpublic information will be accomplished in a manner intended to provide all investors with contemporaneous equal access to Company information. Reg FD prohibits selective disclosure to certain specified persons, including (a) broker-dealers and persons associated with them, including investment analysts; (b) investment advisers, certain institutional investment managers and their associated persons; and (c) investment companies, hedge funds, and affiliated persons. Selective disclosure is also prohibited if made to any stockholder under circumstances in which it is reasonably foreseeable that the stockholder would purchase or sell securities on the basis of the information. Selective disclosure of material nonpublic information in violation of Reg FD is prohibited.

This policy applies to all officers, directors, employees and independent contractors of the Company and its subsidiaries. The Company may also determine from time to time that other persons should be subject to this policy, such as agents, contractors or consultants who have access to material nonpublic information. The policy applies to, among other things, disclosures in letters to stockholders and communications by senior management. It covers oral and written statements made to, and other communications with, securities market professionals (such as analysts, fund or portfolio managers, and investment advisers, among others) and stockholders, as well as interviews with the media and press conferences.

2. Authorized Spokespersons

Only Company-authorized spokespersons are permitted to communicate confidential or otherwise nonpublic information regarding the Company to stockholders and securities professionals, such as analysts, investment advisers and brokers, and such communication is authorized only under circumstances in which it will not violate applicable law (including without limitation Reg FD). The Company has designated the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) as the Company’s authorized spokespersons (the “Authorized Spokespersons”). Others may also be designated by the CEO from time to time as Authorized

Spokespersons relating to matters pertaining to their specific areas of responsibility. No person shall be permitted to disclose confidential or otherwise nonpublic information regarding the Company to any other person except to the extent necessary to perform assigned duties for and on behalf of the Company; any such communications should be immediately reported to the CEO and CFO so they can make a determination or seek legal counsel about securities law compliance and disclosure obligations.

Other than the Authorized Spokespersons, no director, employee, agent, contractor or consultant may communicate with, or respond to inquiries from, investors, securities market professionals or any other members of the financial community or any member of the press or media unless specifically authorized to do so by an Authorized Spokesperson or the Board of Directors. Inquiries by an investor, securities market professional or any other member of the financial community or any member of the press or media should be referred to the CEO.

3. Material Information

Under the federal securities laws, information is material if there is a substantial likelihood that a reasonable investor would consider the information important in making an investment decision or would view the information as significantly altering the “total mix” of information available regarding the Company (viewing the new information in the context of what has already been publicly disclosed). Information may be material even if it would not cause a reasonable investor to change his or her determination about whether to buy, sell or hold. Both positive and negative information can be material, as well as information regarding whether an event may or may not occur.

Examples of material information about the Company include but are not limited to financial results and projections (especially to the extent the Company’s own expectations regarding its future financial results differ from analysts’ expectations), news of a significant merger or acquisition, news of the loss of a significant customer, or changes in executive management.

Determinations of materiality will be made by the CEO and/or CFO, in consultation with legal counsel whenever possible. Discussions with counsel will also include a determination of whether or not public disclosure of the information is required.

4. Disclosure of Material Nonpublic Information

Disclosures by the Company shall be accurate, complete and fairly stated. It is the Company’s objective that all statements of similar or recurring Company information be consistent, both as to timing and content. The Company intends to treat all investors fairly and equally. The CFO will prepare and/or review Company statements, including press releases and scripts for stockholder and analyst meetings and investor presentations with the assistance of and/or review by the Company’s legal counsel and the Board as warranted.

Except as otherwise set forth herein, all material nonpublic information pertaining to the Company, when it is disclosed, will be disclosed by:

- in a filing with the SEC such as a Form 8-K;
- by a widely-disseminated news release;
- on a publicly-accessible conference call with respect to which adequate notice to the public has been given;
- on the Company’s website;
- if approved in advance by the General Counsel, by another method reasonably expected to effect a broad and non-exclusionary distribution of information to the public; and/or
- if approved in advance by the General Counsel, pursuant to an express confidentiality agreement with the recipient of the information.

Information is “nonpublic” if it has not been disseminated by the Company in a manner making it available to investors generally (e.g. through a press release or SEC filing). Disclosure to even a large group of analysts or stockholders does not constitute disclosure to the public.

It is a violation of this policy to selectively disclose material nonpublic information to any person or group outside of the Company, unless the disclosure is made for legitimate business purposes to people or groups who are subject to an agreement to keep the information confidential or are otherwise legally required to hold

such information confidential and to not act or enable others to act on it. “Selective disclosure” is the disclosure of material nonpublic information to any individual or group prior to the broad public dissemination of that information.

In accordance with Reg FD, and to avoid selective disclosure, any material nonpublic information that is to be intentionally discussed or presented in any meeting, conference or conversation with the investment community (other than a meeting, conference or conversation with the investment community that is available to the public via webcast or conference call and has been previously publicly announced) will be disclosed immediately prior thereto by the issuance of a broadly disseminated news release. If material nonpublic information is disclosed in such a meeting or discussion and the person making such disclosure did not know at the time that such information was material or nonpublic, the Company will promptly (not later than 24 hours or the beginning of the next trading day, whichever is later) and publicly disclose such information by one of the means described above.

As a NASDAQ-listed company, the Company will notify NASDAQ in advance of issuing a relevant press release in accordance with Nasdaq Marketplace Rules.

5. Media

The media will receive new material information at the same time the investment community and public receive it. The Company will not engage in providing exclusive stories to the media of upcoming material events that have not been publicly announced unless provided under embargo and subject to an agreement to keep such information confidential until public release.

6. Conference Calls and Investor Conferences

The Company hosts quarterly conference calls in conjunction with its quarterly earnings releases and other conference calls on an ad hoc basis in connection with announcements of material developments. These calls will be broadcast live on a medium that will allow the public, without charge, to listen to the call. In addition, a replay of the call will be publicly available on the Company’s website for at least 90 days. The Company will issue advance notice of the conference call and broadcast information in accordance with applicable guidance.

Instructions on how to participate in such a web broadcast/conference call, including replay information, will be included in the press release. The information and, if appropriate, any related materials (e.g., management presentation, conference call transcripts, etc.) will be filed with or furnished to the SEC on Form 8-K or other appropriate form and posted on the Company’s website, in each case as required by applicable rule.

7. Analyst Reports

If the Company reviews analyst reports, only inaccurate factual or historical information will be corrected by referring to publicly available, historical, factual information. The Company will not endorse or comment upon analyst conclusions, particularly earnings forecasts, financial projections or recommendations. The Company will not confirm or deny any of a report’s statements regarding future predictions or projections nor will it confirm the accuracy of earnings models.

8. Guidance

As a general policy, the Company may provide general guidance about expected operating trends in qualitative

terms and other forward-looking information. No specific earnings or revenue projections will be given nor will the Company confirm the projections of others. No forward-looking financial information will be provided that is inconsistent with that contained in the Company's SEC filings.

9. Quiet Periods

In advance of the announcement of the Company's quarterly results, the Company will observe a quiet period with respect to communication with the investment community, commencing on the last day of each calendar quarter and ending after the Company publicly releases its results. During the quiet period, the Company may choose to participate in stockholder phone calls, off-site meetings or conferences, but will not discuss results of operations or other material information that has not yet been disclosed and will not comment on any previously-issued forward-looking guidance.

10. Commenting on Rumors

The Company's policy is not to comment on market rumors or speculation involving the Company. To the extent the Company makes a statement in response to a rumor, an Authorized Spokesperson shall respond "It is Company policy not to comment on market rumors or speculation" unless the Company is required by applicable law or applicable securities exchange rule to make a more specific comment. This approach is used to avoid providing any implied confirmation or denial of the rumor or speculation. Exceptions to this policy must be reviewed and approved in advance by the General Counsel.

11. Internet Chat Rooms and Other Social Media

Persons subject to this policy may not post nonpublic information to Internet chat rooms, message boards, news groups, blogs, or any other social media or similar forum about Company-related matters, whether anonymously or on behalf of the individual or the Company, unless approved in advance by the General Counsel. The Company will not respond to information posted on Company-related Internet chat rooms, message boards, news groups, blogs, or any other social media or similar forum.

12. Investor Meetings

Authorized Spokespersons, along with other officers, directors and employees of the Company invited to participate by an Authorized Spokesperson, may meet privately with securities analysts, securities market professionals and stockholders. Similarly, the Company may participate in public forums at which securities analysts, securities market professionals and/or stockholders may be present, including industry seminars and conferences and the Company's annual or special stockholders meetings. No material nonpublic information will be disclosed at these meetings unless such disclosure is made in accordance with Reg FD and the other provisions of this policy.

13. Ownership of Information

Nonpublic information regarding the Company (including its Board actions and proceedings) that is obtained in the course of performing services for the Company in any capacity (such as director, officer, employee, agent or consultant) belongs to and is an asset of the Company. No person subject to this Policy shall communicate such information to any other person except to the extent necessary to perform assigned duties for and on

behalf of the Company or as otherwise permitted under the Board Confidentiality Policy, nor should such information be discussed with any person within the Company under circumstances where it could be overheard by someone to whom it should not otherwise be communicated. Written information should be appropriately safeguarded and should not be left where it may be seen by persons not entitled to the information. Nothing herein shall prohibit any person from reporting possible violations of federal, state or local law or regulation to, or cooperating with, or providing information to, or receiving financial awards from, any governmental authority, including without limitation pursuant to Section 21F of the Securities Exchange Act of 1934, as amended, or Rule 21F promulgated thereunder. Further, no person shall be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

14. Discretion

The Board of Directors recognizes that special situations may arise in the course of the Company's business which may give rise to a need to vary from the policies and practices set forth herein. The CEO may authorize variations from time to time if, in the exercise of the CEO's reasonable discretion, such variations are in the best interests of the Company and are not in violation of applicable law.

15. Violations of this Policy

Violations of Reg FD are subject to SEC enforcement action, which may include an administrative action seeking a cease-and-desist order, or a civil action against the Company or an individual seeking an injunction and/or civil money penalties. Disclosure may violate various other laws and agreements as well, which could result in serious consequences to the Company and to the person disclosing the information. In addition, unauthorized disclosure of the Company's nonpublic information constitutes misappropriation of Company assets and violates the discloser's duty to the Company. Any violation of this policy by a director, officer, employee or outside consultant shall immediately be brought to the attention of the CEO and may be grounds for termination of employment or service.