Global Impact Report
2024

CEO Message

INTRODUCTION
CEO Message
About this Report
About KLA
Our ESG Strategy
ESG Assessment
Stakeholder Engagement
KLA Operating Model
ESG Highlights
Awards and Recognition
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

At KLA, sustainability is embedded in everything we do. For 49 years, we've helped customers increase yield and reduce waste through advanced process control in semiconductor manufacturing. Today, we continue to partner with them to design and deliver solutions that can help them reduce emissions and improve efficiency.

We believe innovation and impact go hand in hand. As we reflect on our Global Impact Report for 2024, I'm proud of the progress we've made — not only in advancing semiconductor technology, but also in progressing on our commitment to sustainability and global responsibility.

In 2024, we reached an important milestone by receiving validation from the Science Based Targets initiative (SBTi) for our near-term, science-based targets covering Scope 1, 2 and 3 greenhouse gas (GHG) emissions. We've committed to reducing absolute Scope 1 and 2 emissions 50% by 2030 from a 2021 base year, and to reducing our Scope 3 GHG emissions from the use of sold products 52% per billion transistors inspected, measured or processed within the same timeframe. We remain on track for our Scope 1 and 2 targets and in this report are sharing our first year of progress on Scope 3.

We also achieved limited third-party verification of our Scope 1, 2, and 3 GHG inventory. In 2024, we reached 68% renewable electricity usage and negotiated a power purchase agreement for 128,000 megawatt hours — bringing us closer to our goal of 100% renewable electricity across our global operations by 2030.

We're honored that our efforts have been recognized. In 2024, KLA was named one of TIME's World's Most Sustainable Companies, with additional recognitions from Newsweek and Forbes, reflecting the dedication of our global teams and the strength of our values.

Looking ahead, we're expanding our footprint in advanced packaging, deepening customer collaboration, and continuing to innovate to the next node — with purpose, integrity, and impact.

Rick Wallace
President and
Chief Executive Officer

1 INTRODUCTION

CEO Message	2
About this Report	4
About KLA	5
Our ESG Strategy	6
ESG Materiality Assessment	7
Stakeholder Engagement	8
KLA Operating Model	9
2024 ESG Highlights	10
Awards and Recognition	11

2 PEOPLE

Talent	13
Inclusion for All	20
Health, Safety and Well-Being	21
Community Engagement	26
Keep Looking Ahead	31

3 PRODUCTS AND SUPPLY CHAIN

Product Stewardship and Innovation	33
Responsible Sourcing	40
Keep Looking Ahead	43

4 ENVIRONMENT

Climate and Energy	45
Materials and Waste	54
Water Management	56
Environmental Management	57
Keep Looking Ahead	58

5 GOVERNANCE AND ETHICS

Corporate Governance and ESG	60
Business Ethics and Compliance	62
Cybersecurity and IP Protection	66
Keep Looking Ahead	68

6 APPENDIX

Data Tables	70
GRI and SASB Index	76
TCFD Report	88
GHG Verification Statement	97
Notes About This Report	101

About this Report

INTRODUCTION
CEO Message
About this Report
About KLA
Our ESG Strategy
ESG Assessment
Stakeholder Engagement
KLA Operating Model
ESG Highlights
Awards and Recognition
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

KLA Corporation's (KLA) Global Impact Report discloses the company's most significant environmental, social and governance (ESG) activities and impacts for calendar year (CY) 2024, showing how we manage and measure progress against our ESG goals and stakeholder expectations.

The report's content aligns with topic areas identified in our ESG materiality assessment (refreshed in 2022) as key priorities for both our stakeholders and KLA's sustainable growth. In preparing this report, we considered recommended disclosures from the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) semiconductor industry standard and the Task Force on Climate-Related Financial Disclosures (TCFD), which has been incorporated into the International Financial Reporting Standards (IFRS) S2 developed by the International Sustainability Standards Board, though KLA's reporting remains aligned with the current TCFD framework. See the Appendix for more information.

Our Scope 1, 2 and 3 greenhouse gas data are subject to a limited level of third-party assurance, and our water and waste data undergo both internal review and external audits using the ISO 14001 framework for environmental management systems. See Environmental Management for the scope of the audit.

Unless otherwise noted, all year references and data reflect KLA's global operations for CY 2024. Monetary figures are in United States dollars (USD). Some data figures are rounded using standard conventions.

At KLA, we believe that a relentless drive to innovate can have a profound impact on our business, customers, industry and world. While we highlight and celebrate our 2024 ESG achievements, we also recognize that we must constantly challenge ourselves as a company and as individuals to continue making progress toward our sustainability goals. Throughout the report, Keep Looking Ahead sections preview specific ESG initiatives on the horizon in 2025 and beyond.

For more information about our ongoing ESG activities, please contact ESG@kla.com.

INTRODUCTION
CEO Message
About this Report
About KLA
Our ESG Strategy
ESG Assessment
Stakeholder Engagement
KLA Operating Model
ESG Highlights
Awards and Recognition
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

About KLA

KLA develops industry-leading equipment and services that enable innovation throughout the electronics industry. Virtually all key technological breakthroughs that shape our age — from artificial intelligence (AI) to cloud and smart devices— have relied on KLA innovations to reach the market. The core of our business is engineering comprehensive process control and process-enabling solutions for manufacturing semiconductor wafers and reticles, integrated circuits (ICs, or chips), packaging and printed circuit boards. In collaboration with leading partner companies around the globe, our physicists, engineers, data scientists and problem-solvers design solutions that open new technology frontiers, advance our customers' businesses and drive efficiencies that aid the transition to a low-carbon economy.

Our comprehensive portfolio of inspection, metrology and processing products and related software, systems and services helps IC manufacturers improve yield and efficiency throughout the semiconductor fabrication process. From research and development (R&D) to final volume production, the vast majority of bare wafer, IC, lithography, reticle and disk manufacturers rely on KLA's products and solutions to accelerate their development and production ramp cycles, achieve higher and more stable semiconductor die yields, and boost profitability and sustainability.

BUSINESS SNAPSHOT[1]

18

regions

~15,000

employees

$1.32B

invested in R&D in calendar year 2024, an increase of 3.1% over 2023

$10.85B

calendar year 2024 revenue, an increase of $1.2 billion over 2023

KLAC

Nasdaq

[1]As of December 31, 2024

Our ESG Strategy

KLA's ESG strategy is built around four strategic pillars: opportunity, innovation, environmental stewardship and leadership. Within these pillars, specific focus areas and objectives help us prioritize ESG investments and drive progress across our value chain, from our people and operations to our products, services and partnerships. Our strategy aligns with aspects of the United Nations Sustainable Development Goals (UN SDGs), helping advance a more sustainable future for all by 2030.

Opportunity

Work toward creating a world where everyone can reach their full potential.

OUR FOCUS AREAS:

Talent
Inclusion
Health, Safety and Well-Being
Community Engagement
Human and Labor Rights

Innovation

Invest in R&D, foster collaborative teams and promote a passion for excellence.

OUR FOCUS AREAS:

Product Stewardship and Innovation
IP Protection
Responsible Sourcing

Stewardship

Advance operational and product efficiency and shape a more sustainable future.

OUR FOCUS AREAS:

Climate and Energy
Materials and Waste
Water Management

Leadership

Empower our leaders by infusing our foundational values into everything we do.

OUR FOCUS AREAS:

Corporate Governance and ESG
Business Ethics and Compliance
Cybersecurity

INTRODUCTION
CEO Message
About this Report
About KLA
Our ESG Strategy
ESG Assessment
Stakeholder Engagement
KLA Operating Model
ESG Highlights
Awards and Recognition
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

ESG Materiality Assessment

INTRODUCTION
CEO Message
About this Report
About KLA
Our ESG Strategy
ESG Assessment
Stakeholder Engagement
KLA Operating Model
ESG Highlights
Awards and Recognition
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

KLA conducts materiality[1] assessments to identify and evaluate ESG topics that are most significant to our stakeholders and most relevant to our business. These assessments include a review of industry trends, ESG best practices and standards, annual enterprise risk assessment results, and benchmarking of peers and industry leaders.

Our most recent materiality update was conducted with a third-party consultant in 2022 and identified 13 key topics. The assessment results were reviewed by our ESG Steering Committee, which used them to determine updates to KLA's ESG strategy. These 2022 material topics were reviewed and confirmed as material for 2024.

Going forward, KLA's ESG Steering Committee will continue to reassess and refresh our strategy to help guide us toward positive impact for our planet, communities and stakeholders, while also taking account of new regulatory disclosure requirements.

[1] In KLA's ESG materiality assessment and throughout this report, use of the terms "material" and "materiality" is different than how these terms are used for the purpose of complying with any reporting requirements, including under U.S. federal securities laws and other European and other international disclosure regimes.

Stakeholder Engagement

KLA engages regularly with a diverse set of stakeholders to evaluate the relevance of ESG issues, identify areas for improvement and communicate our progress. We also collaborate with our customers, peers, partners and suppliers on standards and solutions for integrating ESG into business practices and policies.

Industry Peers and Partners

- Member, SEMI Sustainability Initiative
- Founding member, Semiconductor Climate Consortium
- Regular member, Responsible Business Alliance (RBA)

Customers

- We collaborate with our customers to innovate next-generation solutions that help foster a sustainable industry.
- KLA products help improve yield in our customers' manufacturing, which helps reduce waste, water use and chemical use.

Suppliers

- We engage key direct and indirect suppliers regarding their GHG emissions reduction efforts and use the annual RBA risk-based, facility-level Self-Assessment Questionnaire (SAQ) to gather information on their social, environmental and ethical practices.

Communities

- We engage and support local communities through the KLA Foundation, which is committed to expanding educational opportunities, improving health and enhancing community resources for those who need them.

Employees

- We offer training, development and employee wellness programs, and promote Inclusion for All through activities and our Employee Resource Groups (ERGs).
- Our KLA Connection employee intranet site keeps our employees informed and engaged.
- Our annual Earth Day celebrations, Inclusion for All activities and other awareness-building activities support and promote our employees' values and goals.

INTRODUCTION
CEO Message
About this Report
About KLA
Our ESG Strategy
ESG Assessment
Stakeholder Engagement
KLA Operating Model
ESG Highlights
Awards and Recognition
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

KLA Operating Model

KLA's values inspire us to drive progress and transform industries. We believe that by staying true to our values, we can embed sustainability into what we make and how we operate, and have a meaningful influence on our world.

Perseverance
We don't give up. We persist in developing solutions to the industry's most challenging problems. We believe that if a problem is really hard, and we can solve it — we must.

Drive to Be Better
No matter how well we've done things in the past, there's always room for improvement. We keep driving innovation to advance the industry and enable the next generation of technology. There is always more to learn.

High-Performance Teams
We rely on each other to solve hard problems that can't be answered by one person. Our multidisciplinary and multicultural teams offer new ideas and viewpoints to innovate and drive differentiation.

Honest, Forthright and Consistent
We believe in respectful, honest and transparent dialogue to address challenges and solve issues. We believe that honest conversations advance better outcomes.

Indispensable for Customers
We provide our customers with unique and differentiated capabilities, products and services. Our success is based on developing unique systems that solve unique problems, making us indispensable to our customers' success.

INTRODUCTION
CEO Message
About this Report
About KLA
Our ESG Strategy
ESG Assessment
Stakeholder Engagement
KLA Operating Model
ESG Highlights
Awards and Recognition
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

2024 ESG Highlights

INTRODUCTION
CEO Message
About this Report
About KLA
Our ESG Strategy
ESG Assessment
Stakeholder Engagement
KLA Operating Model
ESG Highlights
Awards and Recognition
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

People

- Achieved ISO 14001 and 45001 certification at our main production and R&D facilities
- Expanded enrollment of managers in our “Managing the KLA Operating System” training by nearly 4x

Products and Supply Chain

- Invested $1.32 billion in research and development
- Increased engagement with key suppliers to encourage energy-efficient measures and establish climate goals
- Established and presented our first Excellence in Sustainability Award

Environment

- Reporting first year progress on our science-based target for Scope 3
- Negotiated a power purchase agreement (PPA) to address KLA’s U.S. electricity load
- On track toward meeting 2030 climate goals

Governance and Ethics

- Named one of America’s Most Responsible Companies by Newsweek
- Received Sustainalytics ESG Top Rated award
- Named to the 2024 Dow Jones Best-In-Class North America Index

Awards and Recognition

INTRODUCTION
CEO Message
About this Report
About KLA
Our ESG Strategy
ESG Assessment
Stakeholder Engagement
KLA Operating Model
ESG Highlights
Awards and Recognition
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Corporate and ESG

- Member of Fortune 500 since 2021
- Forbes: World's Best Employers 2024
- Forbes: World's Top Companies for Women 2024
- Newsweek: America's Greenest Companies 2024
- Newsweek: America's Most Responsible Companies 2024
- TIME magazine: World's Best Companies 2024
- TIME magazine: World's Most Sustainable Companies 2024
- The Straits Times: Singapore's Best Employers 2024
- Achieved ISS ESG Prime rating
- Named to the Dow Jones Best-In-Class North America Index 2024
- Royal Society for the Prevention of Accidents (RoSPA): Our site in Newport, Wales, received a Gold Award for Occupational Health and Safety and a President's Award for achieving this honor for 12 consecutive years
- Training Magazine: Top 10 Hall of Fame member for 18 consecutive years

Customer

- Intel: EPIC Distinguished Supplier Award 2024
- GF Singapore: Continuous Team Collaboration Award
- LG: Outstanding Safety Management Partner, KLA Korea
- Micron: Annual EHS Award 2024, KLA Taiwan
- SSMC: Best Supplier Award 2024, KLA Singapore
- TSMC: Annual Excellent Equipment Contractor Award
- TSMC: Excellent Performance Award for Technology Collaboration and Production Support 2024
- TSMC: Excellent Ramp Support for F21
- TSMC: Excellent Support for N3 Successful Production
- United Microelectronics Corporation (UMC): 2024 Carbon Reduction Leadership Award

PEOPLE

All electronics are made of connections: different parts, different capabilities, working together to create something bigger than themselves. That's how KLA works too. On any given day, in any corner of our company, you'll find physicists, engineers and data scientists all working in tandem. From hardware systems to algorithms to machine learning, no discipline is an island here.

That's because to make products that push boundaries, we must first push our own, learning from and building on each other's wisdom and experiences. Our technical expertise and unique perspectives are the raw materials of this process. Whether advancing the frontiers of technology or supporting our communities through partnerships, volunteering and STEM education, all 15,000 of us across 18 regions bring something essential to KLA: ourselves.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Talent

Our business is measured in nanometers but our innovations help power the modern economy. Working at such extraordinary scale requires people whose talent for physics, engineering, data science and other leading-edge disciplines is matched only by the inspiration, passion and curiosity they bring to their work.

To help our people reach their full potential throughout their evolving careers, KLA offers a culture of continuous learning and development, with programs tailored to individuals' different learning styles, goals and aspirations. Through a range of comprehensive trainings and employee engagement programs, we challenge our people to set goals, take ownership of their future, collaborate across disciplines and geographies, and find purpose in helping deliver the ideas and innovations that transform our future.

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

"Being indispensable to our customers' success is a core value at KLA. As an application engineer with over 10 years of experience and a technical engagement manager since 2023, I focus on helping KLA's technology developers understand both current and future customer needs. The technology we work with is incredibly exciting, and I am constantly expanding my technical knowledge, learning new platforms and addressing new customer challenges."

—Tetyana Shapoval, technical engagement manager

TALENT PERFORMANCE

	2023	2024
Total new employee hires	>800	>1,400
Response rate to the annual Employee Engagement Survey	88%	91%
Average training hours per full-time employee (FTE)	37.8	39.9
Total voluntary employee turnover rate	3.6%	3.8%

Employee Learning and Development

We provide our employees with the tools to elevate their minds, their careers and KLA's success.

From engineers and scientists to manufacturing professionals, KLA employees have access to an extensive library of training programs, as well as support in identifying the right learning pathways. Our commitment to employee learning and development is driven by two key programs:

- **Corporate Learning Center (CLC):** Equips employees with essential professional and leadership skills in topic areas such as project management, SMART goals and communication.
- **Learning and Knowledge Services (LKS):** Prepares service employees with the technical training they need to operate, maintain and troubleshoot KLA's equipment and tools — encouraging fast, effective support for customer sites worldwide.

Regularly, employees receive a newsletter that promotes development areas, courses and other learning services, along with a schedule of available virtual and in-person courses. Managers work with their direct reports to drive participation, utilizing flex scheduling and similar approaches as appropriate. Professional skills and compliance courses are available via our learning management system (LMS), which features self-managed learning paths, personal recommendations based on user preferences, automatic calendar invitations, employee career profile integration, and the ability to search, view and receive credit for video-based content. The LMS is enabled for mobile devices and has automated closed captioning, increasing its reach to our global workforce.

Across KLA's global operations, our full-time-equivalent employees completed an average of 39.9 hours of training in 2024, accessing approximately 400 unique learning courses.

Additionally, we offer a training called Working Globally that focuses on ways to work and collaborate more effectively across cultures: identifying differentiating cultural attributes, practicing key cross-cultural work skills and analyzing customized KLA case studies to create business game plans. Working Globally is available to all personnel collaborating with offshore team members, customers or suppliers.

"As next-generation tools become increasingly complex, our Learning and Knowledge Services (LKS) organization is dedicated to comprehensive curriculums and certifications that equip our technical workforce to maintain the high tool availability and performance that our customers expect."

— Efren Lopez, senior director, KLA Learning and Knowledge Services

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Employee Learning and Development

In 2024, more than 99% of global employees received performance reviews through our comprehensive Performance Management Program, which incorporates self-assessments, management and skip-level reviews, and open conversations about career development. Individuals participate at least once per year, receiving feedback from managers, peers and other stakeholders.

When external learning is the best path to advancing career skills and supporting customers, KLA's U.S. employees can take advantage of our tuition reimbursement program and relationships with Stanford University and the University of Michigan, which offer advanced degree and graduate certificate programs in systems engineering, design and other areas.

As part of a long-term process-improvement project called Development Dimensions, cross-functional internal teams produced recommendations in 2024 that we're implementing through two new career development efforts:

- **My KLA Career:** Launched in 2024, this comprehensive web-based toolkit helps employees manage their careers through assessment tools (including opportunity graphs to explore potential new roles), tips for identifying development and advancement opportunities, and ideas for building visibility and reputation within KLA.
- **Employee-focused content:** The CLC released more than 70 new on-demand courses in 2024 on topics including mentoring, coaching, job crafting, aligning personal strengths with work, networking, effective meetings with managers, impactful storytelling and more. KLA employees completed nearly 4,000 hours of on-demand coursework in 2024.

"As next-generation tools become increasingly complex, our Learning and Knowledge Services (LKS) organization is dedicated to comprehensive curriculums and certifications that equip our technical workforce to maintain the high tool availability and performance that our customers expect."

— Emily Kreimeyer, senior site supervisor

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Investing in Our Future Leaders

Our CEO started as a KLA engineer. That's pretty good proof that we're a company of opportunity.

We believe in our people and make it our goal to promote from within, boasting a 79% internal promotion rate at the vice president level. Our KLA Connection intranet links our employees to resources where they can learn about opportunities for career growth, including certification requirements for engineering career tracks that include software, AI, algorithms and applications. By laying out clear paths for advancement, we encourage employees to stay with KLA for the long term, while also advancing a culture of continuous learning and innovation.

We offer additional CLC-sponsored training and development courses to support both new and experienced managers:

- **New Manager Orientation Workshop:** Helps accelerate new managers' growth and performance.
- **Management Essentials:** Gives new and improvement-minded managers essential skills for building relationships with their teams, inspiring engagement and driving productivity.
- **Situational Leadership II:** Helps experienced managers build critical skills faster and drive impact in real time.
- **6 Challenges of a Front-Line Manager:** Delivers lessons from successful KLA managers to build new first-level managers' skills.

Our 10-month "Managing the KLA Operating System" training accelerates managers' growth and effectiveness through sessions that include management fundamentals, advanced skills and various focus topics. For 2024, we made this training available to a broader cohort, graduating over 50 managers — nearly four times as many as in 2023.

Utilizing both internal and external resources, KLA offered and conducted employee coaching sessions in 2024 on a range of topics, including skills reinforcement, personal growth and career growth.

KLA Insights

In 2024, over 2,000 KLA employees across our global network completed KLA Insights, an on-demand, web-based training that familiarizes participants with our core values and operational principles, the significance of our technologies, and how each employee contributes to KLA's overall success.

KLA welcomed more than 1,400 new employees in 2024 — approximately 50% hired in the Asia Pacific (APAC) region, 32% in the U.S. and 18% in our Europe, Middle East and Africa (EMEA) region.

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Employee Engagement

KLA offers employees a stimulating multidisciplinary environment where they're encouraged to share their ideas, and where teams bring those ideas to life through collaboration across regions and technology disciplines.

Formal and informal mechanisms encourage open communication and feedback between managers and team members, with the goal of driving performance, satisfaction and recognition. We offer resources to drive professional growth (see Employee Learning and Development) and through the KLA Foundation we create volunteering and charitable giving opportunities to help our people to support their communities.

KLA gathers information on our people's experiences, opinions and needs through our annual Employee Engagement Survey, which includes questions related to job satisfaction, purpose and professional growth. The results of our Engagement Survey and additional surveys inform our employee Net Promoter Score (eNPS), which measures overall employee satisfaction. In 2024, our eNPS rose 7 points over 2023.

In 2024, the CLC delivered an "Engaging with Engagement" webinar prior to the launch of our engagement survey. We also launched a new Engagement@KLA website that displays past survey results and includes related employee resources, and introduced Employee Personal Dashboards that give each employee access to their personal scores and comments for each survey they've completed, along with total company results. We also created a new "Engagement Drivers" section to our microlearning platform to give managers and individual contributors resources on enhancing team engagement.

To improve management's engagement skills, we offer manager guides with examples of good engagement practices and outcomes across areas such as leadership, communication and incorporating employee feedback. Additionally, our "Engaging with Engagement" webinars help managers reinforce best practices around employee engagement, gain insights from our Engagement Survey dashboard and work toward building greater team collaboration.

ANNUAL EMPLOYEE ENGAGEMENT SURVEY RESULTS

8.2/10

overall engagement score, top 25% of technology companies

91%

response rate

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Talent Acquisition

KLA strives to attract and retain people who think big, persevere through each challenge and drive transformative innovations that help shape a more sustainable future. We want people who share our values and ethics and whose knowledge and energy kick our high-performing teams into even higher gear, helping make KLA indispensable to our customers' success. We celebrate our employees' individual perspectives and encourage a work environment built on inclusion, trust, communication, understanding and respect. Along the way, we aim to have fun and give back to our communities.

Emerging Talent

KLA partners with colleges and universities to help grow our talent pipeline through internships and new graduate recruitment. Our summer internship program gives undergraduates a jump-start to a career at KLA, doing real-world work and making real-world impact. Interns participate in meaningful team projects, enjoy learning opportunities delivered by our Corporate Learning Center experts and technologists, and hear from senior leaders about KLA's mission and career paths.

In the U.S., KLA participates in College Track's Career Discovery Externship Program, educating visiting college students about opportunities in the semiconductor industry, identifying roles that align with their interests and values, and offering guidance and mock interviews. Another program hosts events with community college and high school students and educators, aiming to expand pathways to opportunity in the technology field. In 2024, our campus in Milpitas, California, educated visiting students from South Korea's Yonsei University about KLA, the industry and the corporate environment.

Globally, we are constantly widening our pool of talent at the master's and Ph.D. level in addition to exploring apprenticeships and other pathways to engineering careers. For example, select undergraduate interns may be offered a package that includes master's program tuition and summer employment at KLA in exchange for the student's commitment to work at KLA for at least three years post-graduation.

"Nineteen years ago, I joined the team as a new college graduate and have had the opportunity to learn, explore and contribute to solving critical customer challenges — helping to deliver products that set industry benchmarks. I am grateful to be part of a company that not only prioritizes customer yield management solutions but also invests to develop its employees so we can better meet customer needs."

— Bharathi Shanmugam, lead engineer

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Talent Acquisition

Emerging Talent

At our Milpitas headquarters, a new pilot program hires associate test engineer (ATE) trainees while they complete a two-year community college technical program, then offers a pathway to a full-time ATE position upon graduation. Four trainees were hired through this program in 2024.

Internal Recruitment

KLA maintains internal job boards and career consultants to help our employees learn about new KLA job opportunities, receive guidance and evolve their careers internally.

Succession Planning

We work to foster a robust pipeline of future leaders and add resilience to our leadership structure. As part of KLA's Performance Management Process, we conduct annual talent forums where company leaders at multiple levels discuss their talent benches and their own succession plans. These events also explore opportunities to elevate candidates' skills in preparation for leadership positions.

Employee Referral Program

KLA's referral program offers bonuses to employees when outstanding candidates they've recommended are offered positions anywhere within our global operations. Our Greater Together campaign spotlights the people and stories behind these referrals — including Elizabeth Nio and Ingrid Chang.

Elizabeth and Ingrid previously worked together in product design at a Taiwan semiconductor manufacturer. In 2018, Elizabeth joined KLA as a product engineer and later rose to product engineering manager at our Milpitas headquarters. When she learned that Ingrid was looking for new opportunities, she thought that her skills and drive would make her a great fit for KLA, and recommended her for a position as a manufacturing engineer.

"Ingrid stands out as one of the most diligent engineers I've had the pleasure of collaborating with," Elizabeth says. "She delivers consistently on projects and brings fresh, creative solutions to the table."

"Elizabeth explained how KLA's products, people and collaborative environment helped to expand her career path," Ingrid recalls. "She spoke so passionately that I was interested in being a part of the same environment."

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Inclusion for All

Inclusion is foundational to KLA both as a business enabler and as an expression of our core values. When a workplace culture is inclusive, the trust and collaboration that results leads to better ideas, greater innovation and improved business outcomes.

KLA considers inclusion as an opportunity to be realized not just through policies, but through a thousand conscious, considerate, individual actions, multiplied daily across the organization. Through our ongoing Inclusion for All initiative, we aim to create a sense of belonging that weaves throughout KLA, knitting all backgrounds, experiences and perspectives into cohesive teams that drive corporate and personal success. To help KLA's leaders and employees proactively build an inclusive culture, the Inclusion for All initiative offers practical ideas, examples and tools and a regular newsletter intended for business professionals.

KLA has multiple Employee Resource Groups (ERGs) that are open to all employees. By year-end 2024, 15% of employees worldwide participated in one or more ERGs. Additional information about our ERGs can be found on KLA's website.

INTRODUCTION

PEOPLE

Talent

Inclusion for All

Health, Safety and Well-Being

Community Engagement

Keep Looking Ahead

PRODUCTS AND SUPPLY CHAIN

ENVIRONMENT

GOVERNANCE AND ETHICS

APPENDIX

Health, Safety and Well-Being

The safety and well-being of KLA's employees is paramount, both in our business offices and manufacturing facilities and at the customer sites where our field services teams install, maintain and update KLA products. Our company's proactive, risk-based approach to setting and maintaining high environmental, health and safety (EHS) standards is rooted in our values and positions us to align with global health and safety best practices, deliver safe and healthy workplaces, enhance coordination and consistency across all operations, and stay ahead of regulatory changes.

Covering KLA's global operations (including contractors and individuals under the company's supervision), our Environmental, Health & Safety Commitment Policy aims for zero injuries, continuous improvement of our EHS management system, stakeholder collaboration, comprehensive EHS training, pollution prevention, and compliance with laws and standards. To facilitate adherence to EHS standards throughout our supply chain, we also integrate occupational health and safety (OHS) criteria into procurement and contractual requirements.

KLA's outstanding performance in environmental and occupational health and safety is delivered by high-performing teams working together to solve challenges and drive ongoing improvement. Our EHS team is led by a dedicated global EHS director, who reports to our vice president for Global Workplace Services. We deliver specialized training based on each employee's job-specific risks, maintain a rigorous day-to-day safety program, and focus on holistic employee well-being through our Total Rewards program.

A Global Approach to Safety Management

We continued to enhance our health and safety policies and practices globally in 2024, further developing our systems to standardize best practices and establish a single source of truth in areas such as environmental data collection, operational controls, audit tracking, incident management, compliance monitoring and corrective actions. To better and more efficiently manage our chemical products, we purchased a software to create safety data sheets, which define the properties, hazards and required safety procedures for chemical products that are formulated and used with our tools. Our compliance software also monitors regulations and alerts us to changes, allowing us to quickly update our compliance posture as required.

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Achieved Integrated ISO 14001 and 45001 Certification

In 2021, KLA began the process of adopting a consistent framework for our environmental management systems (EMS) and OHS management systems, in order to improve our performance-monitoring capabilities and assure employees and customers of our environmental and safety commitments. In 2024, we were recommended for certification at 100% of our main production and R&D facilities to the International Organization for Standardization's ISO 14001 EMS standard and ISO 45001 OHS standard. In 2025, the certification was issued completing a three-year project. Our site in Wales was covered by both standards in 2021, and is now joined by six other sites worldwide, including two each in the U.S. and Israel and one each in Germany and Singapore. We have also instituted policies, practices and trainings at non-certified KLA sites globally that are aligned with our ISO-certified sites.

- Milpitas, California, U.S.
- Ann Arbor, Michigan, U.S.
- Newport, Wales
- Weilburg, Germany
- Yavne, Israel
- Migdal Ha'emek, Israel
- Singapore

Industry-Leading Training

KLA conducts comprehensive training to promote a consistent approach to employee health and safety across our global locations. In 2024, our library of on-demand, web-based trainings expanded to more than 60 courses, which are assigned to employees based on their specific job classifications. As a sign of the support this training program enjoys from leadership, several of its courses are narrated by members of KLA's executive team.

New employees are required to complete a health and safety orientation within their first week on the job, and service technicians receive training to achieve and maintain mandatory role-specific safety certifications. Other trainings available through our library address global processes and specific hazards. These include:

Emergency response and crisis notification: In 2024, we added a new training designed to promote awareness of our global emergency alert notification system, emergency protocols and actions to be taken during crisis events impacting our employees and operations.

Hazardous materials: Employees receive training on hazard communication, and we require employees who handle hazardous materials to complete EMS-05 Hazardous Materials and EMS-08 Universal and Hazardous Waste procedures training, per ISO 14001 compliance requirements.

Document management: A training on our global document management system for health and safety content outlines the requirements for documentation, labeling and storage.

Ergonomics: Relevant employees are encouraged to attend training sessions that offer tools for conducting regular ergonomic self-assessments.

Laser and radiation safety: Relevant employees must attend critical safety trainings on laser and radiation safety, which were recently updated to include new technologies and best practices and meet new regulatory requirements. In 2024, our Milpitas facilities undertook a targeted effort to enhance laser safety procedures and trainings based on the greater risks associated with today's more powerful and complex laser systems.

Health and safety management systems: In 2024, we launched a new training for KLA employees and on-site contractors explaining the benefits of ISO 14001/45001 certification and its associated compliance and accountability requirements. Before commencing work, contractors in the U.S., APAC and EMEA must also demonstrate understanding and agreement with the provisions of our contractor safety program, which aims to minimize potential for injury, property damage or adverse environmental impact during contractors' on-site activities.

EHS Awards and Recognitions

RoSPA President's Award: KLA's facility in Newport, Wales, received its third President's Award from the Royal Society for the Prevention of Accidents (RoSPA), recognizing 12 consecutive years of RoSPA Gold Awards for maintaining high safety standards and protecting the well-being of our employees.

Micron Customer Award: Our Taiwan team earned Micron's first-rank customer award for demonstrating excellent safety discipline that exceeded the customer's expectation.

TSMC Customer Award: KLA Taiwan received the TSMC Excellent Equipment Contractor award for equipment, safety and installation.

LG Outstanding Safety Management Partner: LG recognized KLA Korea for our commitment to safety regulations and proactive hazard mitigation.

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Safety and Compliance

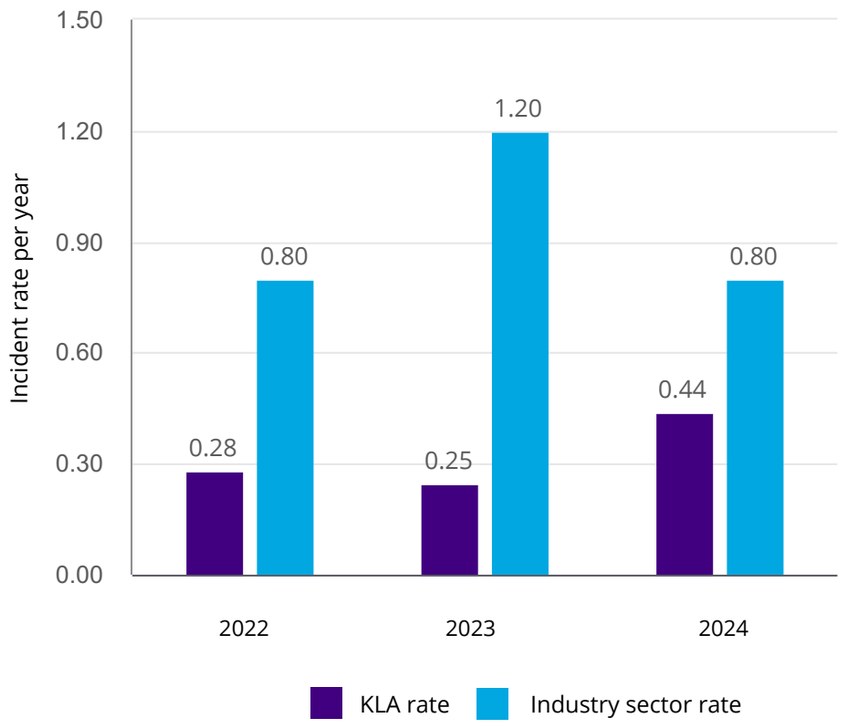
KLA's approach to safety and compliance is holistic, sustained and proactive, embedding a focus on workplace risks into policies, practices and behaviors at every level of the organization. As part of our integrated ISO certifications initiative, we utilize the ISO Plan-Do-Check-Act (PDCA) model, a framework that promotes risk-based thinking and continuous improvement of workplace health and safety management systems.

At our ISO-certified manufacturing facilities, a Health and Safety Committee conducts regular inspections to proactively identify facility-specific hazards and reduce risks to KLA employees. On-site management walk-throughs, S3 (space, safety, security) audits and additional checks also generate facility-specific reports identifying good practices, potential risks and areas for improvement. If a hazard is identified, the facility manager and EHS team members conduct an investigation to determine root cause and corrective measures. Facilities also participate in routine external audits led by certification bodies, local governments or other organizations, based on the facility's location or customer request.

KLA's goal is always zero safety incidents across our facilities. To report and track incidents globally, we maintain an online safety incident reporting system (SIRS). In 2024, our U.S. total recordable incident rate (TRIR) was 0.44, which is below our industry's average of 0.80 (based on 2023 injury and illness rates published by the U.S. Department of Labor's Bureau of Labor Statistics). In addition, KLA's continued low risk score from the RBA (94.5/100) demonstrates a commitment to safety in our supply chain and with customers.

In 2024, we expanded a consistent emergency response (ER) framework and response plans to 10 more of our largest locations, bringing our total to 20. Throughout each year, we conduct training, drills and exercises to test the adequacy of ER planning, processes and response, as well as the readiness of our site-level emergency response teams. In 2024, we aligned our security and EHS functions under the same reporting organization, streamlining ER planning, procedures and communications. Our Core Crisis Management Team, consisting of executives and other key leaders, oversees our corporate-wide crisis management framework, which includes established levels of responsibility within critical functions. In 2024, we completed additional, bespoke crisis management plans for five of our global sites.

U.S. Total Recordable Injury Rate (KLA vs. Industry)



INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Employee Well-Being

KLA integrates market analysis, employee feedback, strategic planning and business needs to design programs and benefits that support wellness for our employees and their families, across locations and life stages.

Our Total Rewards program offers a robust suite of benefits that span pay and incentives, career learning and development programs, and a range of health and wellness offerings. All are easily accessible via our My Connected portal, which is organized into five pillars of well-being:

Physical: health, exercise and nutrition

Social: matching charitable gifts from the KLA Foundation, amplifying employees' positive community impact

Emotional: building resilience and supporting emotional wellness

Financial: pay and rewards, financial programs, financial assistance and planning

Workplace: learning, development, growth and recognition

In 2024, we launched a Global Well-Being Challenge focusing on physical, emotional and workplace well-being as well as financial health. In the U.S., we offer a flexible well-being spending account whose pre-tax payroll deductions can be used to cover a wide menu of wellness options, including fitness and nutrition.

Supporting Physical and Emotional Well-Being

Beyond core physical and mental health benefits, KLA offers engaging virtual and in-person classes, courses and seminars on specific physical and emotional wellness topics, including fitness, strength, nutrition, mindfulness, meditation, and the importance of sleep, hydration and relaxation. Individual KLA locations also stage in-person and virtual challenges and events to encourage our people to stay active.

In 2024, we introduced new virtual education sessions focused on our global Employee Assistance Plan (EAP), business travel, burnout and holistic well-being, and added women's health programs with a focus on menopause and postpartum support. Across our global footprint, various national operations improved their health and wellness programs by expanding the availability of medical checkup centers, adding additional free health screenings for employees and their families, offering wellness webinars and gym memberships, and extending flexible spending programs to include stress-relieving activities and products. Certain regions also enhanced support and advocacy programs in medical plans, enhanced adoption benefits, and redesigned family supports to include college-ready programs and virtual tutoring.

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Employee Well-Being

Building Financial Health

In addition to direct compensation, KLA offers various Total Rewards financial benefits as appropriate in our different operating regions. These may include retirement plans, an employee stock purchase plan (ESPP) and short-term incentive plan, health savings accounts, flexible spending accounts for health care and day care, a range of insurance benefits, commuter benefits, retirement coaching, and courses on financial literacy and planning.

Internationally, several KLA operations enhanced their maternity, paternity and adoption leave policies in 2024 and offered financial-planning webinars. In the U.S., our financial wellness program included coaching and tools on saving for college and retirement as well as discounted access to tax planning.

Sustaining Social and Workplace Well-Being

KLA believes in the importance of a harmonious life that balances work and personal time, and we back up that belief through flexible work models and paid leave support. Employees in roles deemed flexible work in a hybrid model, and employees required to work on-site daily can request off-site days and time off when circumstances permit. Employees in certain positions may also request to work part-time schedules. To avoid unrealistic expectations and negative impacts on our global team members, we stress awareness when scheduling meetings across multiple time zones.

To help our workforce balance the demands of work and family, we offer support that includes paid leave to handle elder care or childcare, tend to family members with serious health needs, or bond with a child following birth, adoption or foster placement. All U.S. employees are eligible for paid family care leave annually. To help address the needs of working parents, we offer on-demand webinars covering challenges in the parenting journey and support to help navigate a return to the workforce. Many of our global locations also offer new mothers postpartum care and access to lactation rooms.

Along with our commitment to flexible work models, KLA also continues to believe in the importance of creating welcoming facilities where our people can come together to collaborate, innovate, push toward goals and build community. In 2024, we introduced three new global, virtual manager trainings designed to build empathy, grow individuals' understanding of neurodiversity in the workplace and properly navigate the manager tools in our EAP. Our global Celebrate program recognizes employee achievements and milestones while fostering a results-driven culture. A recognition portal allows employees to applaud each other's exceptional performance and contributions, and points awarded through the program can be redeemed for rewards.

Urbanek Education Fund Scholarship

Established by the families of KLA's founders and designed to honor our global employees' dedication, the Urbanek Education Fund provides need-based scholarships to employees' children who are pursuing full-time higher education at a U.S. college, university or vocational school. While STEM-oriented students are given a slight edge, students in all disciplines are encouraged to apply.

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Community Engagement

A global business like ours is also a local business, embedded in towns and cities around the world where our 15,000 employees live, work and raise their families. We are committed to all the communities where KLA has a presence, and give back through financial support, partnerships and employee volunteering. We believe making an impact requires listening, ongoing collaboration, patience and a holistic understanding of human needs.

KLA's community engagement efforts are directed principally by the KLA Foundation, which works to expand educational opportunities, improve health and enhance community resources for those who need it most. The KLA Foundation invests strategically in community initiatives and organizations that advance opportunities to access quality education and health-and-wellness programs, and that enrich the communities where KLA operates. The Foundation also empowers employees to get involved in causes close to their hearts and increase their impact on our communities.

A worldwide network of KLA employees serve as KLA Foundation ambassadors, leading volunteer efforts, participating in locally targeted grantmaking and engaging with community stakeholders to better understand their needs.

INTRODUCTION

PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead

PRODUCTS AND SUPPLY CHAIN

ENVIRONMENT

GOVERNANCE AND ETHICS

APPENDIX

2024 Impact

GRANTS BY THE NUMBERS

Number awarded	Regions	Total awarded
203	15	$4.7M

EMPLOYEE GIVING

Matching gifts	Employee volunteer hours	Reward donations to nonprofits
$2.1M	~19,100	~$255,000

"Every day our employees see tremendous need in their communities. It's important for us to help elevate our communities by assisting local nonprofits that work to reduce barriers and empower the people they serve."

— Jen Shea, executive director, KLA Foundation

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

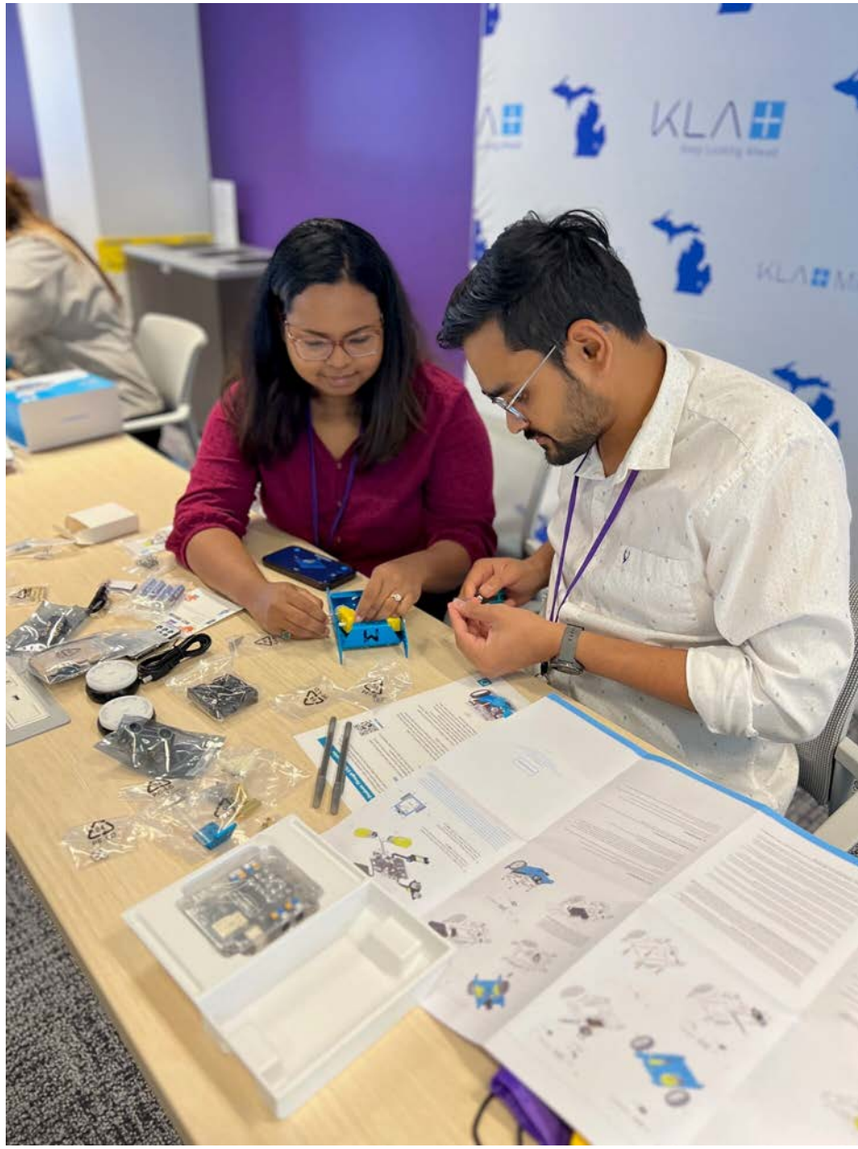
Education

Throughout 2024, the KLA Foundation continued to invest in expanding global access to high-quality STEM and STEAM (science, technology, engineering, art and math) programs, materials and educator training.

In 2024, the Foundation was the inaugural funder of a new program created by RAFT (Resource Area for Teaching), a San Francisco Bay Area nonprofit that serves students regionally and nationwide. Through a KLA Foundation grant, RAFT's Teacher District Support program provided a year of membership and a $50 gift certificate to every K-8 teacher in the Milpitas and Santa Clara Unified School Districts, channeling STEAM resources directly to 14,280 students. RAFT will use the grant to train all new district teachers in using hands-on learning with STEAM subjects, and support school visits by the RAFT Maker Mobile, a mobile makerspace. RAFT named the KLA Foundation its 2024 Partner of the Year for our commitment to STEM education supports for students and teachers near our Milpitas headquarters.

In Detroit, the KLA Foundation provided multi-year funding to strengthen and expand a STEAM Lab program at the Downtown Boxing Gym, which since 2007 has been strengthening students' foundational tech skills, inspiring new passion and developing awareness of STEM career opportunities. With Foundation funding, Downtown Boxing Gym will increase its staff in year one, followed by expanded STEAM program development in year two and full program capacity by year three, providing 500 students in and around Detroit with daily, year-round enrichment programming. For the Foundation's contributions to fostering collaboration and achieving shared goals within the community, Downtown Boxing Gym awarded us its 2024 Collective Impact award.

In Chennai, India, KLA Foundation supported the Agastya International Foundation's Mobile Science Lab (MSL) initiative, which brings hands-on science education, state-of-the-art scientific models, lab supplies and STEM lessons to rural schools in India, where their efforts are often supported by KLA volunteers. Since its 1999 founding, Agastya has reached over 25 million children, helping empower a new generation of thinkers, creators and innovators. We also began a three-year commitment to the Women's Education and Economic Development Society to support middle school students via academic support, wellness coaching, teacher trainings and mental health awareness campaigns.



INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Employee Volunteering and Charitable Giving

The KLA Foundation encourages KLA employees to participate in volunteer activities that positively impact their communities. Through our Donations for Doers program, employees may earn $25 per hour volunteered (up to $2,000 per employee annually), which may be donated to the nonprofit or school of their choice. Through our separate Matching Gifts program, the KLA Foundation matches each employee's charitable contributions up to $10,000 annually. Organizations receiving donations must be 501(c)(3) tax-exempt (or international equivalent) and approved by the KLA Foundation. In 2024, KLA employees donated $2.1 million in matching gifts and logged around 19,100 volunteer hours, many as part of the three keystone initiatives described below.

Global Volunteer Week

In June 2024, the KLA Foundation held its second annual Global Volunteer Week, in which nearly 1,150 KLA employees volunteered for 45 organized events with local nonprofits at 20 KLA sites in Asia, Europe and North America, logging a total of 2,300 volunteer hours. Major themes of the volunteer effort included:

- **Food sorting and distribution:** KLA employees packed and sorted food for local distribution as part of eight events at local food banks in Milpitas, California; Ann Arbor, Michigan; Hillsboro, Oregon; Chandler, Arizona; and Weilburg, Jena and Dresden in Germany.
- **STEM education:** Employees in Milpitas and Ann Arbor built over 100 solar car kits for local schools. In Yokohama, Japan, employees held a STEM workshop to teach the basics of conductors, insulators and semiconductors to local students. In Singapore, employees volunteered with Singapore Science Center to hold various workshops on STEM topics. Employees in India partnered with AID India to teach science experiments to local youth.
- **Environmental support:** Employees in Ann Arbor, Milpitas, and sites in Korea, China and Italy volunteered to beautify local parks, beaches and farms. In India, employees collaborated with the National Agro Foundation and Nizhal Foundation to plant trees.

Team Engagement Grants

Launched in March 2024, our Team Engagement Grant Program empowers teams of five or more KLA employees to apply for grants supporting a defined volunteer opportunity. KLA awarded grants to 15 teams in the program's inaugural year, supporting activities including:

- **School gardening (Oregon, U.S.):** In coordination with the Raleigh Park Parent and Teachers Club, employees volunteered to prep a local school garden for fall.
- **Local farming (Hod Hasharon, Israel):** Employees volunteered to help expand the Keren Or Farm, an animal sanctuary that offers animal-assisted therapy for human visitors.
- **Robot building (Michigan, U.S.):** Employees built robots to celebrate our Ann Arbor office's five-year anniversary, with the completed robots donated to youth program participants at Downtown Boxing Gym in Detroit.
- **Building hygiene kits (California, U.S.):** Eighty-six employees from the BBP/RAPID division assembled 200 hygiene kits for donation to HomeFirst Services of Santa Clara County.

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Giving Tuesday Grants Contest

For the first time, KLA celebrated Giving Tuesday by inviting employees across the globe to nominate their favorite nonprofit or nongovernmental organization to receive one of five $10,000 KLA Foundation grants. From among the 107 nominations, a 26-member committee from among KLA's ERGs selected 10 finalists, with the winners chosen by all-employee vote. Our five grantees in 2024 were:

- **Nova Ukraine (U.S.):** Channels humanitarian aid to the people of Ukraine and raises awareness about Ukraine in the U.S. and globally.
- **Reclaiming Hope Ranch (Oregon, U.S.):** Provides mentor-based relationships in a ranch setting for children who have experienced foster care and adoption, helping them see their individual gifts, value and worth.
- **Unravel (California, U.S.):** Through fundraising and providing unrestricted grants to innovative pediatric cancer researchers, Unravel accelerates the development of more effective and less toxic treatments for children with cancer.
- **Migdal Ohr (Israel):** Transforms the lives of Israel's most vulnerable children by providing the support and education they need to overcome socio-economic barriers and realize their full potential.
- **The Women's Center of Southeastern Michigan (Michigan, U.S.):** Offers mental health therapy and support services helping them build confidence, connections and economic and emotional self-determination.

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Keep Looking Ahead

NEXT STEPS IN 2025 AND BEYOND

Talent

Expanding our Managing the KLA Operating System training: In 2025, KLA's management training cohort series will expand to operations in Singapore, Europe, India and Ann Arbor, Michigan.

Career Consultants: In 2025, we will focus on creating a framework for broad-based employee engagement and enrollment in our Career Consultants program.

Health and Safety

Refining Emergency Response KPIs: In 2025, we plan to continue refining our plans and establish key performance indicators (KPIs) for plan effectiveness.

Community Engagement

Expanding Global Volunteer Week: This signature initiative will expand to a full month in 2025.

Celebrating 25 years: To celebrate the KLA Foundation's 25th anniversary, we'll rally employees around a collective goal of 25,000 volunteer hours and make commemorative $25,000 grants as part of our annual Giving Tuesday Campaign.

INTRODUCTION
PEOPLE
Talent
Inclusion for All
Health, Safety and Well-Being
Community Engagement
Keep Looking Ahead
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

PRODUCTS AND SUPPLY CHAIN

This is a time of dynamic market opportunity for the semiconductor industry. As our customers work toward the potential of tomorrow's AI-powered technologies to advance industry, society and the transition to a low-carbon economy, they're looking to KLA for comprehensive solutions that can help them boost manufacturing yield, optimize their operations and enable the next generation of power-efficient devices.

Virtually all the key technologies that have shaped our current age have relied on KLA innovations to reach the market. Today, we're harnessing that same innovative spirit to enable breakthroughs that will help decouple industrial growth from emissions and deliver a more sustainable future for all.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Product Stewardship and Innovation

As we work to embed sustainability and scale up impact across KLA, our product efficiency strategy supports customers into the future.

Our technologies enable critical capabilities for the semiconductor industry and virtually every technology that flows from it — from computers and smartphones to AI, cloud systems, electric vehicles (EVs), robotics and space systems. Through our process control and process-enabling solutions, we give our customers eyes and ears into critical aspects of chip and electronic component fabrication, helping them meet exacting standards, intercept defects early in the production cycle and enable corrective actions. The result? Higher yield, lower waste, and improved performance and efficiency in the technologies those chips drive.

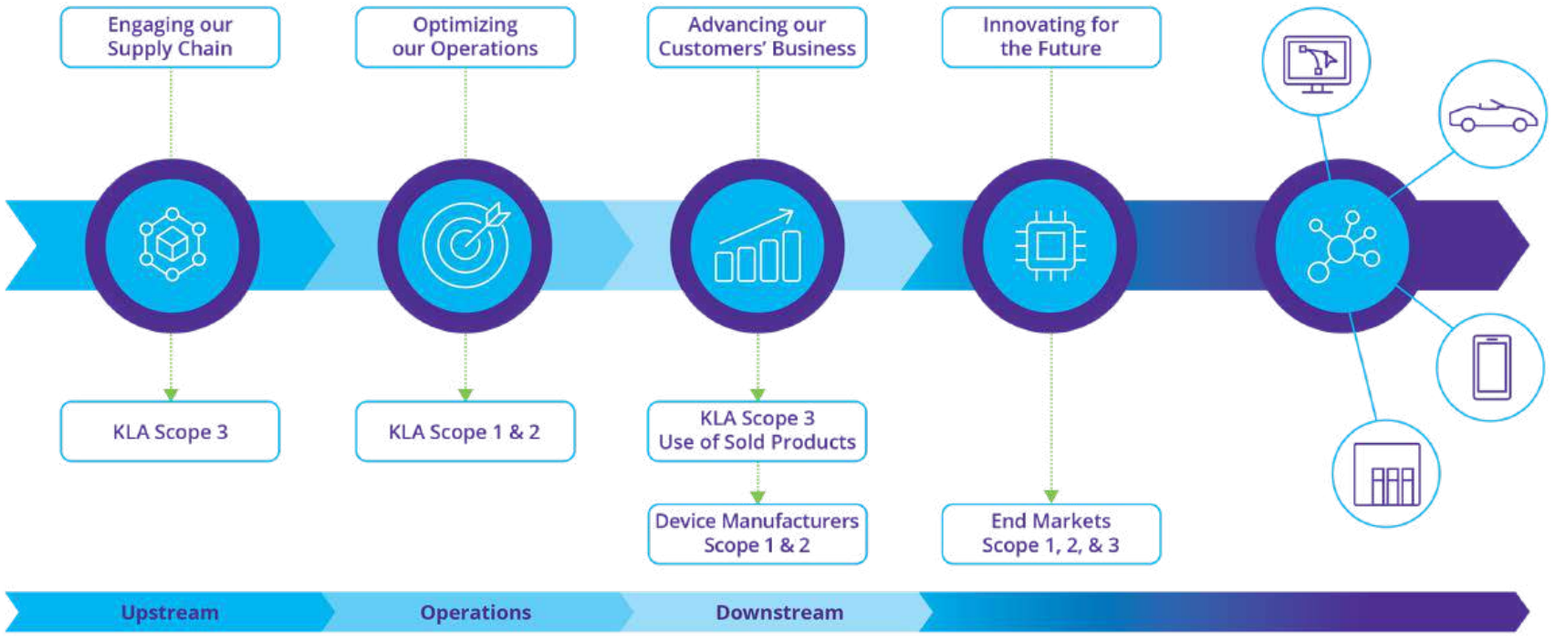
KLA's focus on sustainability is a natural extension of this role, harnessing our innovation focus to meaningfully influence our world. By offering next-era solutions that drive greater day-to-day efficiencies and help manufacturers overcome the hurdles of fabricating with more power-efficient materials such as silicon carbide (SiC) and gallium nitride (GaN), we're supporting the development of a low-carbon economy and satisfying broad, rising demand from our customers, investors and other stakeholders.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
Product Stewardship and Innovation
Responsible Sourcing
Keep Looking Ahead
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

KLA's Value Chain

Understanding our value chain — from the raw materials our suppliers source to how our products are designed, produced and used throughout their lifetime — is essential for identifying and addressing our sustainability impacts and opportunities.

By enhancing efficiency throughout the supply chain and reducing our own carbon footprint, we aim to support the global shift to a low-carbon economy. For more information, see our Environment section.



Innovating for the Future

KLA is committed to developing the next generation of inspection, metrology, data analytic and process-enabling innovations to help our customers build more power-efficient devices for dynamic, evolving markets.

Devices

Accelerating the advancement of power-efficient electronic devices.

- As our customers move to the next node, their device structures get smaller and denser, improving power efficiency and reducing emissions per transistor.
- We are investing to develop tool capabilities to enable the higher resolution, greater sensitivity, and enhanced process and analytical capabilities required to help the industry keep moving to the next node.

Dynamic Markets

Continuously innovating to support technologies fueling the transition to a low-carbon economy.

- Our products support the ramp of critical power semiconductors on existing silicon and new silicon carbide (SiC) and gallium nitride (GaN) materials.
- Our solutions accelerate tomorrow's electronic devices and packaging technologies in automotive, advanced compute, AI, mobile, servers and other markets.

"KLA is one of the few companies essential for advancing semiconductor technology, with innovations that drive the industry's progress. One of the great rewards of working at KLA is the unique satisfaction of knowing that our work may improve the lives of billions. We truly operate at the forefront of technology."

— Vijay Ramachandran, senior director of AI

Investment

KLA invests in people and processes to grow our robust pipeline of innovative solutions.

$1.3B

R&D investment in 2024

>65%

PhD/master's degrees among professional roles

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
Product Stewardship and Innovation
Responsible Sourcing
Keep Looking Ahead
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Advancing Our Customers' Businesses

In designing our process control and process-enabling solutions, we aim for a double-win: improving the energy efficiency of our KLA products and, through those products, helping our customers manufacture their own power-efficient devices and reduce associated GHG emissions.

Device Manufacturing

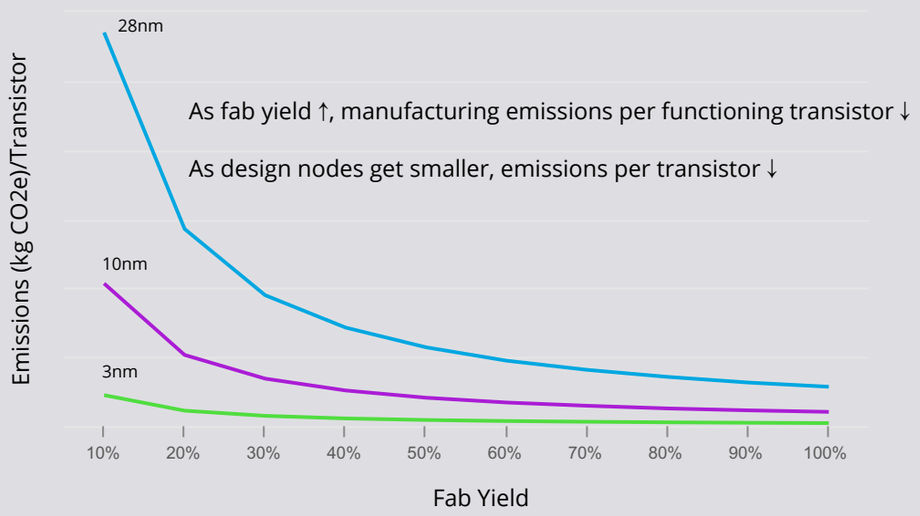
Enabling our customers to reduce waste by increasing yield.

- As fab yield increases, manufacturing emissions per functioning transistor is reduced.
- Defects in semiconductor manufacturing increase customer costs associated with fab cycle time, scrapped materials, and chemical, energy and water use.
- Our process-enabling tools deliver new and more efficient capabilities, while our process control systems identify defects early, enabling faster corrective action and driving higher yield and greater overall manufacturing efficiency.

Collaborating with our customers to move to more advanced nodes.

- As the design node gets smaller, emissions per transistor decrease.
- We are innovating across our product portfolio, developing key technologies that help our customers keep moving to the next node.
- Smaller, denser features in semiconductors result in reduced silicon per transistor, lower leakage currents and faster switching that allows for more efficient power usage.

Comparison of Emissions to Transistor Density (kg CO2e/transistor)[1]



Our Products

Innovating next-level product performance and efficiency.

- We've developed a comprehensive product energy efficiency strategy that tracks and quantifies innovative energy efficiency solutions to inform the product development process.
- Improving the energy efficiency of our products reduces the lifetime cost of ownership for our customers as well as their Scope 1 and 2 GHG emissions. To improve our products across their long lifespan and protect our customers' investments, we develop and offer upgrades that improve energy efficiency.
- Our commitment to these efforts is demonstrated through our near-term, science-based target to reduce Scope 3 GHG emissions from the use of sold products 52% per billion transistors inspected, measured or processed by 2030, from a 2021 base year. This science-based target was approved by the Science Based Targets initiative (SBTi) in 2024.

[1] Emissions modeling based on imec.netzero, imec's virtual fab modeling platform for environmental impact analysis in semiconductor manufacturing. Emissions trends are informed by advanced transistor architecture research as discussed in "New structure transistors for advanced technology node CMOS ICs."

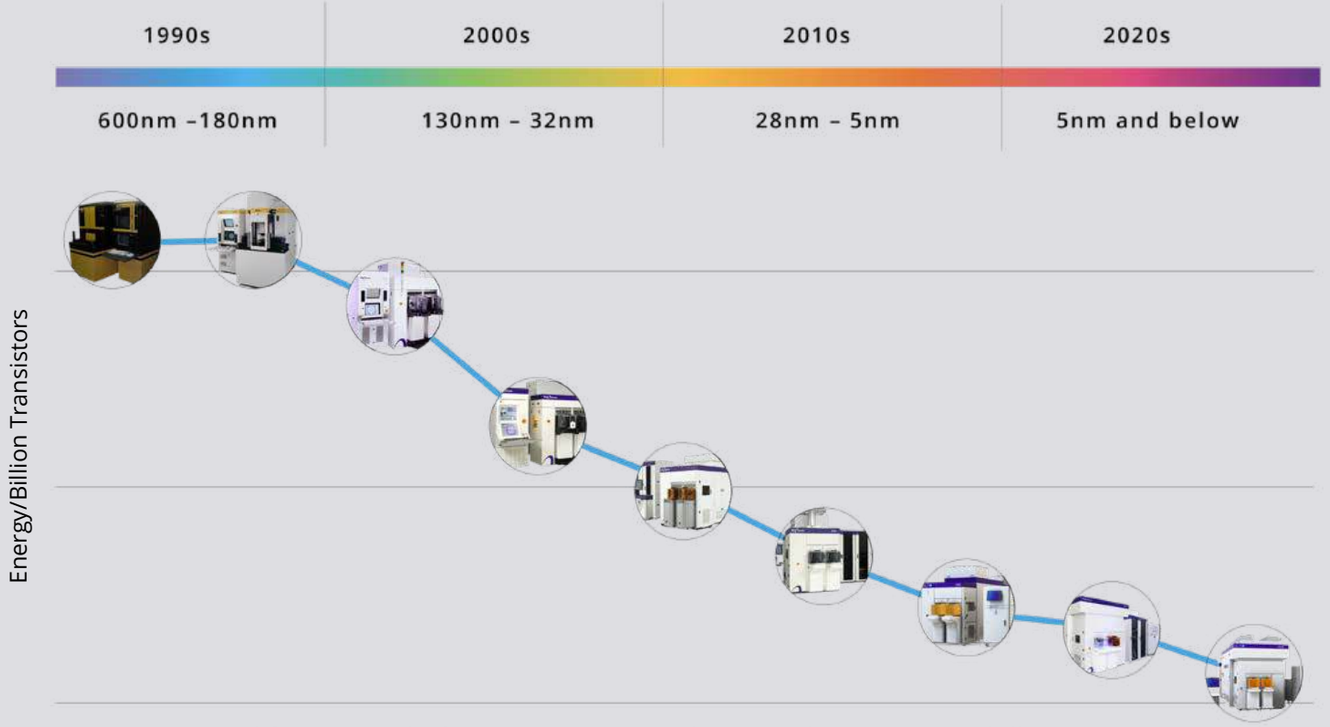
INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
Product Stewardship and Innovation
Responsible Sourcing
Keep Looking Ahead
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

BBP: Multi-Decade Innovation for Performance and Efficiency

Using our proven broadband plasma (BBP) optical patterned wafer inspection platform, our customers' engineers debug new processes, patterning schemes, materials and device architectures during the R&D phase, and also optimize fab processes to accelerate chip yield, reliability and performance during high-volume production. Our early inspection technologies enabled chipmakers to navigate industry inflections and advancements, paving the way for the expansive growth of semiconductor-enabled technologies.

As semiconductor design nodes went from >500nm to less than 5nm and transistor counts in leading-edge processors grew from a half million to 100 billion, our optical light source, sensor, compute and algorithmic innovations kept pace, adapting to meet the challenges associated with new industry processes, architectures, integration schemes and materials innovations.

The current generations of our longstanding BBP inspection platform utilize complementary wavelength bands – DUV/UV/visible on the 29xx Series and super-resolution DUV (SR-DUV) on the 39xx Series – to cover inspection applications across a range of advanced design nodes, process layers and device types. Advancements in the tunable broadband illumination source, optics, high data rate sensor, image computer and algorithms provide sensitivity at speed — discovering ever smaller critical defects ever more rapidly, helping fabs achieve higher die yields and delivering sustainability wins through efficiency. To learn more about BBP's multi-decade innovation journey, visit bbp.kla.com.



As we innovated from one platform generation to the next, the energy per billion transistors inspected, measured or processed by our products decreased.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
Product Stewardship and Innovation
Responsible Sourcing
Keep Looking Ahead
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Designing and Measuring Product Energy Efficiencies

KLA considers environmental impacts and performance during product phases, from design and customer use to enabling serviceability, extendibility and reuse.

Responsibility for integrating efficiencies and measuring performance of KLA's products is distributed across several internal teams to increase managerial oversight and accountability. To complement the work of our ESG product lead, we created a new sustainability engineering program manager role in 2024 that will drive product energy efficiencies from the design stage.

Our Sustainability Roundtable (SRT) comprises engineering representatives from across KLA who meet regularly to share best practices and use cases, including efforts to increase product efficiency. The SRT reports to a cross-divisional Product ESG Steering Team of management representatives focused on product efficiency throughout KLA. Working groups across our business units are responsible for defining best-practice methodologies and assumptions for calculating energy consumption and also gather product use data to help us refine calculations of our tools' downstream environmental impacts.

Whenever possible, we avoid industry averages or modeling when calculating our tools' and components' energy consumption, and instead measure their actual impacts in our labs using best-practice recommendations based on the SEMI S23 Guide for Conservation of Energy, Utilities and Materials Used by Semiconductor Manufacturing Equipment. The use of these industry guidelines informs our Scope 3 assessment and our near-term, science-based Scope 3 reduction target. KLA also participates in the SEMI Climate Consortium Scope 3 Working Group, which aims to provide guidance for estimating, reporting and reducing emissions associated with the use of sold products (Category 11). For more information, see Climate and Energy.

In 2024, KLA received the United Microelectronics Corporation (UMC) Carbon Reduction Leadership Award for our performance in reducing GHG emissions.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
Product Stewardship and Innovation
Responsible Sourcing
Keep Looking Ahead
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Product Upgrades and Product Refurbishment

KLA partners with customers to extend the lifespan of our products and support the circular economy. As technology evolves, KLA Services offers upgrades to extend tool performance. When older KLA tools become available, our KLA Pro Systems group repurchases them and completes a thorough testing, refurbishment and certification process before making them available to customers. Upgrading and refurbishing tools offer both customer and environmental benefits:

- Extends the useful life of KLA products to our customers.
- Diverts equipment scrap from landfills, potentially including hazardous material waste.
- Reduces the environmental impact of new manufacturing, including raw materials extraction and waste, water and energy consumption, and GHG emissions.
- Improves accessibility of legacy technology for non-leading-edge customers.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
Product Stewardship and Innovation
Responsible Sourcing
Keep Looking Ahead
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

2367 Pro: Upgrading a Proven System

The 2367 Pro patterned wafer inspection system for legacy design nodes serves as an example of the work done by the KLA Pro Systems group. Available as a new tool or upgrade, we collaborated with our customers to modernize the 2367 platform to deliver on their priorities. The 2367 Pro inspector provides greater performance, sustainability and user experience, and enhanced serviceability and extendibility compared to the 2367 system. Additional improvements provided by the 2367 Pro compared to the legacy system include:

- Faster, more accurate optical patterned defect inspection for ≥65nm node chips and unique emerging markets.
- Improved sensitivity, higher sampling throughput and a smaller fab footprint, contributing to higher yields, reduced environmental impact and lower energy consumption.

Product Safety and Chemical Substances Management

KLA adheres to the semiconductor industry's well-established environmental, health and safety standards, which include safety considerations for electrical and mechanical design, ergonomics, fire protection, sound pressure levels, exhaust ventilation, safety labeling and more. During the design process, KLA's product safety and compliance team is responsible for ensuring new products are rigorously tested, validated and certified by a qualified third party as safe for use and that they comply with applicable regulations and customer requirements.

KLA also works with an industry-leading third party to conduct assessments of materials used within our supply chain, manage their associated risks, and support ongoing assessments and required certifications. KLA products have been certified as safe for their intended use in highly controlled environments, according to applicable industry safety standards. As KLA products reach end of life, we recommend responsible disassembly and disposal by skilled technicians.

As part of a comprehensive approach to chemical management, our internal Legislative, ESG and Geopolitical (LEGO) forum collaborates with the product safety and compliance team to assess the potential for supplier-sourced products and materials to contain certain substances. This includes, but is not limited to, substances listed under domestic and international chemical regulations, such as the:

- Toxic Substances Control Act (TSCA)
- Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation
- Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS) directive
- Persistent organic pollutants (POPs) and perfluoroalkyl and polyfluoroalkyl substances (PFAS) regulations

For more detailed information on LEGO's efforts, please refer to the Responsible Sourcing section.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
Product Stewardship and Innovation
Responsible Sourcing
Keep Looking Ahead
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Responsible Sourcing

KLA aims to secure reliable, efficient access to the goods and services we need to develop our products. We evaluate our suppliers and require compliance with our Standards of Business Conduct for Suppliers, Global Human Rights Standards, and the terms and conditions in our contracts that directly support responsible sourcing. Through ongoing engagement, innovation and supply chain optimization, we work to build stronger relationships with our suppliers and strengthen KLA's competitive advantage.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
Product Stewardship and Innovation
Responsible Sourcing
Keep Looking Ahead
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Supply Chain Management

KLA's supply chain management (SCM) program works toward continuous improvement throughout the KLA product lifecycle and supplier relationship, communicating our expectations and providing guidance to our suppliers. For supplier managers, category managers and buyers, our cross-functional selection and qualification process includes guidance on required deliverables, supplier engagement and performance improvement for direct suppliers. Similarly, our Sourcing Guidelines provide guidance regarding new and existing indirect suppliers.

Through our tiering process for direct suppliers, we create required scorecard reviews that track changes in a supplier's overall performance across both business metrics and ESG issues, including country-specific risks, commodity-specific risks, and financial, environmental and social responsibility programs. As part of the SCM process, suppliers undergo planned business reviews, site visits and RBA risk assessments, as appropriate.

KLA is a regular member of the Responsible Business Alliance and uses the RBA Self-Assessment Questionnaire (SAQ) to assess suppliers' inherent risks, assess controls designed to mitigate potential risks (with an option to have the RBA validate those controls) and create an overall risk score for individual supplier facilities. We monitor the results of those assessments, comparing with previous years to gauge the supplier's overall risk level, identify areas for improvement and track those areas until they are fully addressed. Suppliers that post an overall high-risk score are subject to a third-party audit (per RBA member guidance) to gain a deeper view into their risk issues. Once these are identified, we work with the supplier through the RBA corrective action plan process to improve their score.

"As an industrial engineer, I love working on the edge of technology, striving to meet dynamic market demands. It's gratifying to solve technical challenges, balance supply and demand, and optimize processes and systems. I also take pride in our commitment to responsible sourcing, striving to obtain materials and components in an ethical and sustainable manner."

— Sharon Yogev, vice president, operations

Supply Chain Management

In 2024, we transitioned all direct suppliers to the RBA's facility-level risk SAQ. Additionally, we expect suppliers participating in the facility risk SAQ and indirect SAQ processes to review and accept KLA's Standards of Business Conduct for Suppliers. KLA expects suppliers to also review, understand and act in accordance with our Global Human Rights Standards, which is aligned with the RBA Code of Conduct. Together, these standards cover areas including labor rights, safe and healthy work environments for employees, adherence to applicable environmental and employment laws, responsible sourcing of minerals, and ethical business practices.

For 2024, we achieved a 94% response rate for direct suppliers asked to complete the RBA facility risk SAQ. As part of the 2024 indirect spend SAQ, we achieved an 85% response rate for indirect suppliers. Additionally, we encourage our key suppliers to disclose their emissions metrics to CDP and work toward establishing reduction goals. In 2024, we received disclosure responses from 72% of suppliers contacted, outperforming the average CDP response rate for North America supply chain members. See the Reducing Supply Chain Carbon Impacts section of this report for more details on this initiative.

To help our suppliers build ESG capacity and improve performance, we provided them with a webinar in 2024 on conflict minerals and product compliance for REACH, RoHS, PFAS and POP, and updated our Supplier Support Guide for Compliance Programs. We also launched a Supplier Risk Management Survey to gain insight into supplier maturity in the areas of resiliency, cybersecurity, intellectual property protection and responsible sourcing. Insights from respondents are being reviewed and prioritized to inform potential improvement opportunities.

In 2024, we launched a Legislative, ESG and Geopolitical (LEGO) forum. This program aims to enhance KLA's ability to navigate and mitigate risks associated with LEGO factors that pose significant threats to the supply chain, including but not limited to human rights, chemical substances, and minerals, metals and related materials, especially where such factors intersect with higher-risk countries. During the year, LEGO made preparations for the required 2025–26 reporting on perfluoroalkyl and polyfluoroalkyl substances (PFAS) mandated by the TSCA, and identified and documented other compliance/ESG efforts and initiatives. In 2024, we continued a supplier survey to identify PFAS within our products, and investigating iron and steel imported into the European Union (EU). We continue to review the information captured in the supplier survey.

In 2024, KLA established and presented our first Excellence in Sustainability Award, recognizing suppliers that contribute to a more sustainable and resilient supply chain by effectively managing and reporting their environmental, social and economic impacts.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
Product Stewardship and Innovation
Responsible Sourcing
Keep Looking Ahead
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Human Rights

KLA believes individuals have the right to work in an environment that upholds labor standards, forbids harassment and discrimination, and is free from all forms of forced labor. We remain vigilant for any potential human rights issues and labor risks that may occur in our supply chain, especially in regard to vulnerable populations including women, children and minority groups. Through KLA's Global Human Rights Standards, we communicate the company's high expectations to supply chain partners, and our global supply chain management program supports efforts to drive ongoing compliance and transparency regarding human rights throughout the supply chain.

Annually, KLA assesses the risk of forced labor in our supply chain by leveraging the RBA SAQ process. The SAQ addresses topics such as recruitment practices, employment contracts, freedom of movement, retention of personal documents, and working conditions to help identify risks related to forced labor. KLA enforces our human rights policies through contractual supplier requirements and ongoing supplier relationship management. We also provide internal training on preventing human trafficking and slavery to select KLA employees based on their job function.

Our supply chain partners are encouraged to ask questions, seek guidance, report suspected violations and express any concerns about human rights issues confidentially via KLA's Compliance Hotline, Ethics Point, including anonymously if they so choose.

Minerals Sourcing

KLA strives for responsible sourcing of minerals used by suppliers in the development and manufacture of our products. As part of this effort, we aim to take reasonable steps to validate that our products contain no tantalum, tin, tungsten or gold (3TG or "conflict minerals") sourced from the Democratic Republic of Congo and adjoining countries, where their production has been known to fund conflict and human rights abuses. In alignment with U.S. regulations, we complete an annual Reasonable Country of Origin Inquiry (RCOI) into 3TG minerals in our supply chain. Following verification by a third party, we use the results of this inquiry to inform mitigation strategies, supplier engagement priorities and annual disclosures.

In 2024, we also implemented use of the Responsible Minerals Initiative's Extended Minerals Reporting Template (EMRT), which organizes the collection and disclosure of information about the presence of cobalt and mica in the company's supply chain, helping mitigate risks and ensure responsible sourcing.

For more details, see our Product Regulatory Compliance Guidelines for KLA Suppliers.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
Product Stewardship and Innovation
Responsible Sourcing
Keep Looking Ahead
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Keep Looking Ahead

NEXT STEPS IN 2025 AND BEYOND

Product Stewardship and Innovation

Driving product energy efficiency: In 2025, our new sustainability engineering program manager will help identify energy efficiency opportunities during new products' architectural definition and subsystem design stages, standardize energy intensity metrics across product groups, drive best practices, and lead related product efficiency efforts and energy audits.

Responsible Sourcing

Engaging our supply chain: To continue prioritizing customer needs and requirements, KLA will work to ensure continued supply chain resilience and engage supply chain partners around compliance with company policies and applicable standards, laws and regulations.

Expanding our supply chain: KLA will continue our commitment to expanding the breadth of our supply chain by engaging in broad sourcing strategies and encouraging small businesses to respond to solicitations. We will always select the best company to meet our requirements while ensuring equal opportunity and nondiscrimination in our processes.

Growing industry leadership: KLA will assume the lead role in the Best Practices Working Group within the SEMI Global Supplier Opportunity Network (GSON).

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
Product Stewardship and Innovation
Responsible Sourcing
Keep Looking Ahead
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

ENVIRONMENT

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

We believe the future of the semiconductor industry is one where innovation and sustainability go hand in hand. Driving success in that future will mean working at a scale that ranges from microscopic to global — a combination of deep science, technical problem-solving and collaboration across the value chain. As a company that's built our business on tackling complex challenges, we're committed to maximizing opportunities while proactively mitigating potential environmental risks associated with our business operations, products and services.

Climate and Energy

KLA strives to reduce the carbon emissions from our operations and encourage emissions reductions in our supply chain.

In 2024, the Science Based Targets initiative (SBTi) approved our near-term, science-based emissions reduction targets, including our existing Scope 1 and Scope 2 goals and a quantifiable Scope 3 reduction target:

- Reduce absolute Scope 1 and 2 emissions 50% by 2030 from a 2021 base year
- Reduce Scope 3 GHG emissions from the use of sold products 52% per billion transistors inspected, measured or processed within the same timeframe

In addition, we have established the following climate-related goals:

- Achieve net zero Scope 1 and 2 emissions by 2050
- Use 100% renewable electricity across our global operations by 2030
- Report climate-related governance, strategy, risk management, metrics and targets to our stakeholders annually, following current recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)

To address emissions in our supply chain, we work with suppliers representing the highest-impact emissions to set their own climate goals.

We will continue to disclose our progress toward these climate goals, as well as our energy consumption and carbon footprint.

"Our Scope 3 target not only strengthens our sustainability efforts, but also shows the broader impact we have in helping our customers achieve their climate goals. We are doing our part to decouple emissions from industry growth and enable more power-efficient devices."

— John McLaughlin, global ESG leader

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

Our Greenhouse Gas Inventory

Since 2019, KLA has measured our GHG footprint on a calendar year cycle and continually improved our carbon accounting process and methodology. Our GHG inventory is designed to align with the requirements of the World Resources Institute and World Business Council for Sustainable Development's GHG Protocol, with our organizational boundary defined as all worldwide offices, manufacturing sites and R&D facilities over which KLA maintains operational control. We collect and include operational control data from facilities we classify as super sites[1] and estimate data for sites that fall outside this definition. For each super site location, we collect detailed operational data for energy, water, waste, backup generators, vehicles, refrigerants and other emissions sources, and map them to the relevant scope definitions:

Scope 1: Direct emissions from sources owned or controlled by KLA, including emissions associated with furnaces, boilers, vehicles, refrigerants (fugitive emissions), process gasses and volatile organic compounds.

Scope 2: Indirect emissions from the generation of energy (from both non-renewable and renewable sources) purchased and consumed by KLA. In our inventory, we calculate Scope 2 emissions using both the location-based and market-based methods within the GHG Protocol standard.

Scope 3: Relevant indirect emissions that occur across our value chain from purchased goods and services, capital goods, fuel- and energy-related activities (FERA), upstream transportation and distribution, waste generated in operations, business travel, employee commuting, use of sold products, investments and end-of-life treatment of sold products.

Since the estimated median operating lifespan of a KLA product is more than 20 years, emissions from use of sold products account for a significant percentage of our total Scope 3 footprint. To more accurately calculate environmental impacts from the use of our tools, working groups across KLA employ the SEMI S23, F47 and/or TEE guidelines to quantify total energy use for each product family.

Estimations using SEMI S23 involve more rigorous measurements of total energy use across the lifecycle of each product family, while calculations using F47 and TEE involve less exact estimations using higher-level product specifications. In 2023, we standardized use of the more accurate SEMI S23 estimation for all new KLA tools. In 2024, 82% of the total estimated energy use was derived from S23 or equivalent. As the total share of tools covered by S23 continues to increase, our energy-use estimations will become more accurate.

Whereas earlier KLA assessments focused solely on our products' direct electricity use, the S23 assessments also encompass impacts from the provision of clean and dry air, nitrogen, exhaust, vacuum and ultrapure water. Other efforts to assess our sold products' total impacts include conducting assessments on previously shipped tool models and considering the destinations for product shipments to determine the specific electricity grid the tools will draw from, thereby allowing us to use specific emissions factors rather than global averages. For more information, see the Designing and Measuring Product Energy Efficiencies section of this report.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

[1]We define a "super site" as any R&D, manufacturing (including cleanroom) or office (including sales support) space that has a floor area greater than 40,000 square feet, aggregated by location.

Methodology Updates

KLA seeks to update and improve our GHG inventory process as carbon accounting methodologies evolve, and we aim to be transparent about changes to our methodology or other modifications in our approach.

To more accurately assess KLA's Scope 3 Category 1 (purchased goods and services) emissions, our 2024 reporting continues to incorporate available data sourced from suppliers' CDP reporting and our own supplier engagement activities. Utilizing this data better reflects the impact of our suppliers' sustainability and decarbonization initiatives on our inventory.

To provide KLA's stakeholders with increased transparency into our emissions calculations and support the audit process, we collected 2024 facility-level emissions data on a quarterly basis, using a third-party carbon accounting platform. In coordination with SBTi validation of our Scope 3 target, Categories 12 and 15 were quantified for the 2021 base year through 2024. These new calculations are included in presentations of past years' data throughout this report, and KLA intends to report on these categories annually.

To enhance the comprehensiveness of KLA's GHG inventory, we also conducted our first employee commuting and work-from-home survey to improve the accuracy of our Scope 3 Category 7 emissions. The survey was distributed to employees at super sites in December 2024 and helped us assign appropriate emission intensity factors to more accurately calculate emissions. KLA is currently assessing how frequently we will conduct employee commute surveys in the future.

Our GHG Inventory Results

To support our emissions reduction strategy with accurate, credible GHG measurements, we completed third-party verification of our 2024 GHG inventory for Scope 1, Scope 2 (including renewable energy progress) and the following Scope 3 categories, to a limited level of assurance:

- Category 1: purchased goods and services
- Category 2: capital goods
- Category 3: fuel- and energy-related activities
- Category 4: upstream transportation and distribution
- Category 5: waste generated in operations
- Category 6: business travel
- Category 7: employee commuting
- Category 11: use of sold products
- Category 12: end-of-life treatment of sold products
- Category 15: investments

For more information, see the Verification Statement in the Appendix.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

Scope 1 and 2 Emissions

Goal: Reduce absolute Scope 1 and 2 emissions 50% by 2030 from a 2021 base year and achieve net zero Scope 1 and 2 emissions by 2050.

In 2024, our total Scope 1 and 2 GHG emissions decreased by 2.0% when compared to 2023. Scope 1 emissions decreased by 13.6% year over year due to a decrease in fugitive emissions, natural gas, and mobile fuels. Scope 2 market-based emissions from electricity increased by 0.4% due to increased electricity consumption related to KLA's growing business. To maximize the impact of our GHG reduction initiatives, we strategically prioritize renewables purchases in regions whose total energy inventory derives primarily from fossil fuels. As a result of our 2024 progress, we are on track to meet our Scope 1 and 2 emissions reductions goals.

KLA Scope 1 and 2 Market-Based GHG Emissions

	2022	2023	2024
Total Emissions (MT CO2e)	**44,919**	**42,814**	**41,942**
Scope 1 Emissions (%)	**17.7%**	**17.6%**	**15.6%**
Scope 2 Emissions (%)	**82.3%**	**82.4%**	**84.4%**

Scope 1 and 2 Emissions Reduction Efforts in Newport, Wales

In September 2024, our facility in Newport, Wales, brought two newly installed air-cooled chillers into service to replace three process water cooling chillers. Early project results show an estimated 7% reduction in the site's total energy consumption. The Newport facility also reduced use of electricity, natural gas, oxygen, sodium hydroxide and water by installing software control on seven deposition process modules that now allow thermal conditioning units to be run on demand.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

Renewables and Energy Efficiency Efforts

Goal: Use 100% renewable electricity across our global operations by 2030.

To reduce KLA's carbon footprint in line with our 2030 goal, we are exploring new opportunities to source zero- and low-carbon energy, and we conduct periodic site-level energy audits to identify the most energy-intensive aspects of our operations as well as energy reduction and efficiency opportunities.

Overall electricity consumption at KLA operational sites increased 7.0% year-over-year in 2024, driven primarily by our growing business. Our renewable electricity use increased by 4% from 2023 and stands at 68% as of 2024. We are currently on track toward our 100% renewable goal.

KLA Purchased Electricity

	2022	2023	2024
Total Purchased Grid Electricity (MWh)	**198,949**	**228,402**	**244,472**
Renewable Energy (%)	**55%**	**64%**	**68%**

In 2024, we negotiated a power purchase agreement (PPA) to secure an estimated 128,000 megawatt hours annually from a solar project in Texas, supporting further progress on expanding renewables use at KLA's U.S. facilities. Contracts for this PPA were signed in January 2025. We also continued procuring renewable energy credits (RECs) to align with the GHG Protocol and offset carbon emissions from our global operations. Our site in Leuven, Belgium, currently has an on-site solar installation, and installations at KLA facilities in Singapore and Newport, Wales, are scheduled to go live in 2025. We are evaluating potential expansion of on-site renewable energy generation at other key KLA facilities. In addition, sites across our footprint pursued efficiency projects in 2024, including an air compressor system optimization in Singapore that is expected to save an estimated 250,000 kWh per year.

In designing and retrofitting global facilities, KLA is advancing its global facilities strategy to incorporate environmentally responsible materials and engineering methods that support both decarbonization and operational resilience. While this approach is still in early development, it reflects our growing commitment to embedding ESG principles into the design and delivery of our infrastructure. As part of this effort, KLA is evaluating updates to our Controlled Environment Guidelines to include more stringent sustainability criteria for materials, systems, and performance outcomes.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

Scope 3 Emissions

Goal: Reduce Scope 3 GHG emissions from the use of sold products 52% per billion transistors inspected, measured or processed by 2030 from our 2021 base year.

Scope 3 emissions represent the majority of our global emissions. In 2024, KLA's Scope 3 emissions decreased by 2.5%, mostly due to reductions in Category 1 (purchased goods and services), Category 4 (upstream transportation and distribution) and Category 11 (use of sold products). Category 1 emissions fell by 5.8% and Category 4 emissions fell by 20.8% primarily due to an update in the environmentally extended input-output (EEIO) factors. Category 1 emissions were also impacted by the incorporation of supplier-specific emission factors for purchased goods and services, which enhanced our supplier data's accuracy and granularity. Category 11 emissions fell by 2.0%, primarily due to enhanced data quality and lower emissions factors on average.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

KLA Scope 3 GHG Emissions

	2022	2023	2024
Total Scope 3 Emissions (million MT CO2e)	4.28	3.53	3.44
Use of Sold Products Emissions (%)	74%	73%	73%
Purchased Goods and Services Emissions (%)	18%	18%	18%
Emissions from All Other Categories (%)	7%	9%	9%

Emissions Intensity

In 2024, our overall Scope 1, Scope 2 and Scope 3 emissions decreased by 2.5% from 2023 and our emissions intensity decreased by 13.1%.

	2022		2023		2024	
	Revenue (millions)	tCO2e/m$	Revenue (millions)	tCO2e/m$	Revenue (millions)	tCO2e/m$
Emissions Intensity (tCO2e/million revenue)	$10.48	412.3	$9.67	369.6	$10.85	321.2

Our Scope 3 Intensity Metric

KLA Tools Doing More Work, More Efficiently

Innovation, increased adoption of more efficient equipment in leading-edge nodes and advanced packaging all help KLA achieve our target to reduce Scope 3 GHG emissions from the use of sold products 52% per billion transistors inspected, measured or processed by 2030. In 2024, KLA's emissions per billion transistors fell 30% from our 2021 baseline, keeping KLA on track to meet our target by 2030.

tCO2e per Billion Transistors/Features Inspected, Measured or Processed

About Our Scope 3 Target

KLA's science-based target for Scope 3 emissions is an intensity metric that enables us to measure the reduction of emissions by product over time as our process control activities and processes become more efficient. These efforts not only benefit KLA but, we believe, will enable our customers to develop the next generation of more power-efficient devices.

The intensity metric is based on three main elements:

- Product's estimated emissions per year
- Product's total throughput, or area processed, per year
- Type of work the product is designed to do (particular node or density the tool inspects, measures and/or processes)

Using an automotive metaphor, the emissions intensity of a vehicle can be measured by examining:

- Amount of fuel or electricity used in a year
- Distance traveled in a year for the fuel used
- Number of passengers carried during that year

The easiest way to reduce emissions per passenger is to increase the vehicle's passenger load, though that would require carpooling. In the semiconductor industry, the efficiency improvements come to life the same way: by packing more transistors onto a chip, thereby increasing its performance. Per Moore's law, it's as if the vehicle transforms from a car to a bus to a train over the course of two or three years without causing a parallel rise in emissions.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

Reducing Supply Chain Carbon Impacts

Building technologies and efficiencies that can drive down carbon impacts has to be a shared endeavor across the value chain. Since purchased goods and services (PGS) comprise a significant percentage of KLA's overall Scope 3 footprint, we engage directly with key supply chain partners (as defined by their share of our PGS emissions) to reduce that footprint, align our supply chain on common goals and enhance overall transparency.

KLA made progress in engaging our suppliers on carbon reduction in 2024, growing the number of suppliers involved in the effort by 26%. We continued to conduct significant outreach and expanded our climate-related supplier trainings, which now include:

- A general training on our supplier engagement program, its timeline and our expectations
- Training on greenhouse gases
- Training on the Science Based Targets initiative (SBTi) and how to set science-based targets

Our 2024 efforts to encourage suppliers to report their climate data to CDP resulted in a 12% year-over-year increase in response rate, outpacing the CDP's average response rate for North America supply chain members. Our SBTi efforts also gained traction, with the percentage of targeted suppliers that have set science-based targets rising from 15% in 2023 to 22% in 2024. By incorporating the additional data from these improvements into our inventory, we gain a more precise understanding of our emissions. For more information on how collected data was integrated, please visit the Methodology Updates section of this report.

"Collaborating with our suppliers is essential for achieving our sustainability goals. By working together, we can lower our carbon footprint, enhance transparency and drive meaningful change across the entire value chain."

— Scott Bostic, senior supply chain manager

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

Climate Risk Management

Goal: Follow current TCFD recommendations and report climate-related governance, strategy, risk management, metrics and targets to our stakeholders annually.

KLA's executive team, ESG Steering Committee and global ESG leader monitor the company's climate-related risks, and the Nominating and Governance Committee of the KLA Board of Directors monitors KLA policies, programs and strategies related to environmental stewardship.

We follow a robust climate risk assessment process guided by the current framework and recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). Our annual assessments are based on research and stakeholder engagement, and cover short-, medium- and long-term climate risks and opportunities across our full value chain, encompassing both direct physical impacts (such as extreme weather events) and impacts from the transition to a low-carbon economy. The annual assessment also takes into account periodic scenario analyses. Key senior leaders and subject matter experts assess the relevance to the business of each identified risk or opportunity, then prioritize them based on potential impact, likelihood and assessments of KLA vulnerabilities. The result is a holistic overview that informs our climate strategies and management plans and supports annual disclosure to our stakeholders of climate-related governance, risk management strategies, metrics and targets.

For a more detailed look at KLA climate risk management, see our annual CDP Climate Change Report and the TCFD Report in this report's Appendix.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

Materials and Waste

KLA works to reduce waste generation across our sites and support our customers' efforts around responsible materials management. The KLA Water & Waste Policy details our corporate intentions and the company's expectations of employees, contractors and others working on behalf of KLA. Within our ISO-certified systems, we commit to strategies that reduce the generation of waste materials, and we pursue beneficial reuse or recycling strategies for unavoidable waste materials. As an example of these efforts, our reusable crate program in the U.S. and Singapore reduce the volume of raw materials used in crate manufacturing while also saving costs.

To better identify waste impacts across our global super sites and inform target-setting and mitigation actions, our global waste management system's data collection software segments waste into 23 defined categories and eight disposition methods. Waste categories cover both hazardous and nonhazardous waste, including general trash, construction waste, universal waste, e-waste, wood, glass, cardboard, paper, plastic and metal. Disposition methods include recycling, reuse, composting, fuel blending, treatment/neutralization, landfilling and incineration. Our waste data is subject to both internal review and external audits using the ISO 14001 framework for environmental management systems. Our facilities in Israel and Wales work with third parties that support waste packaging data collection and required reporting.

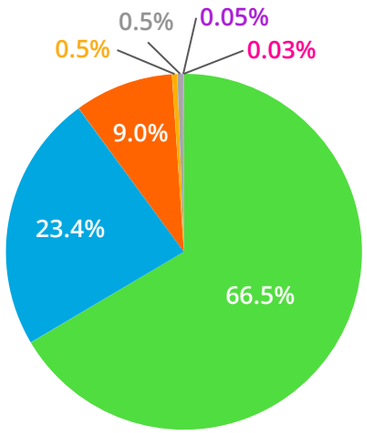
In 2024, nonhazardous waste increased 10% over 2023; however, on a normalized per-headcount basis, total nonhazardous waste per person decreased from 319.5 kgs in 2023 to 318.7 kgs in 2024. Our Newport facility maintained zero waste to landfill, and in Singapore our landfill diversion rate increased 5% year over year, from 63% in 2023 to 68% in 2024. Country operations and individual sites across our global footprint worked throughout the year to implement waste-reduction and beneficial disposal strategies. Our operations in Taiwan and Weilburg, Germany, implemented new programs to improve the separation of waste by type. In the U.S., waste assessments were conducted by a third party at six facilities to identify reduction opportunities.

Hazardous Waste

Disposed hazardous waste totaled 127.4 metric tons across KLA super sites in 2024, representing 4.0% of our total waste and a 0.5% increase from 2023. Hazardous waste is stored, managed, treated and disposed according to local laws and regulations. Wherever feasible, we seek opportunities to reduce hazardous waste. Employees involved in the handling and/or management of hazardous materials and waste are required to undergo training that accords with regulatory requirements in their facility's country and regional location. Most of our hazardous waste is diverted to off-site recycling facilities that use treatment methods such as fuel blending, neutralization and separation. KLA maintains a program for specialized waste handling for batteries and other universal waste, and disposal of e-waste at our larger facilities is managed by third-party contractors. In Taiwan and Israel, we developed new employee trainings for disposing of hazardous waste.

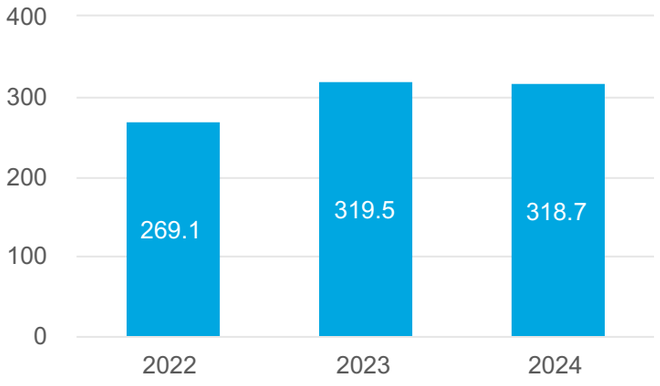
INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

Total Nonhazardous Waste Generated
3,065.9 metric tons[1]

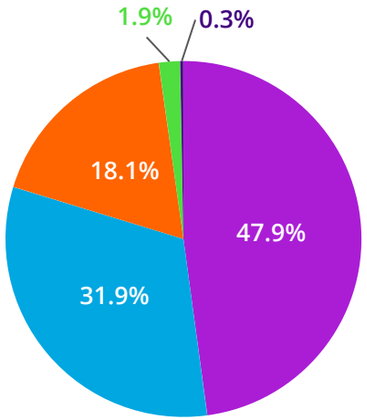


Recycled
Landfill
Incineration
Reuse
Composted
Treatment / Neutralization
Waste to Energy

Nonhazardous Waste Intensity
(kg/person)[1]



Total Hazardous Waste Generated
127.4 metric tons[1]



Recycled
Landfill
Incineration
Treatment / Neutralization
Fuel Blending

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

[1]Figures based on waste data from KLA super sites, as defined in the section Our Greenhouse Gas Inventory. KLA does not estimate waste from non-super sites. Due to rounding, totals may not sum to 100%.

Water Management

As a company committed to boosting operational sustainability, KLA is aware of our water-use impacts, committed to improving water stewardship across our global business and diligent in promoting water efficiency among supply chain partners. With a water footprint comprising both manufacturing processes and general building services (such as sanitation, landscaping and utilities), we continue to look for opportunities to reduce our impacts, especially in water-stressed regions.

To understand water risks across our global footprint, we conducted an assessment[1] in 2023 that considered the key contextual issues of water availability and quality at the basin/catchment level, implications of water on key commodities/raw materials, and water regulatory frameworks. This assessment identified three KLA sites at risk for water stress: our headquarters in Milpitas, California, and sites at Yavne and Migdal Ha'emek, Israel. The share of total water use from these sites increased from 50% in 2023 to 51% in 2024. To promote water efficiency, a continuous monitoring system was installed at the Migdal Ha'emek site in 2024. The facility also utilizes leak detection sensors, flow sensors and other water-reduction mechanisms to decrease water consumption.

To reduce our impact on municipal water sources across our footprint, we work to source recycled water when feasible. In 2024, 29% of total water withdrawals at KLA super sites were from recycled water, a decrease of 1% from 2023. At our Singapore site, 78% of total water usage for purposes such as cooling towers and fire sprinklers is domestic wastewater (NEWater) cleaned through microfiltration, reverse osmosis and ultraviolet disinfection.

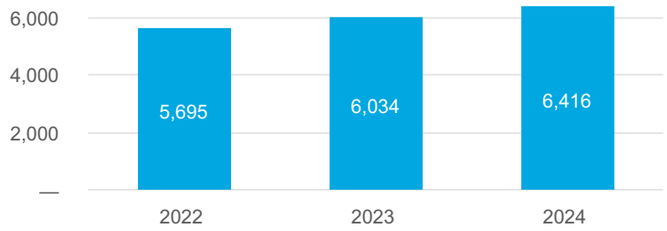
Across our global operations, total water withdrawals in 2024 increased by 8% compared with 2023. On a normalized per-headcount basis, municipal water usage increased from 6,034 gallons per person in 2023 to 6,416 gallons per person in 2024.

KLA's EHS organization oversees water stewardship policies, while local facilities teams manage on-site water use and monitor effluents where required by local permit. In 2024, our facility in Newport, Wales, installed air-cooled chillers to replace process water cooling chillers. The new chillers reduce water consumption as well as Legionella risk and the associated use of chemicals required to treat Legionella. In addition, software control was installed on seven deposition process modules at the Newport facility, enabling thermal conditioning units to be run on demand and reducing use of water, natural gas, electricity, oxygen and sodium hydroxide. The combined impact of these projects is estimated to reduce the facility's average daily water use by more than 30%. Our Migdal Ha'emek site in Israel installed a system to separate oil and water from compressors to prevent oil from entering the sewage system.

KLA Water Withdrawals[2]

	2022	2023	2024
Total (gallons)	**82,727,449**	**87,876,821**	**94,504,436**
Municipal (%)	**72%**	**70%**	**71%**
Recycled (%)	**28%**	**30%**	**29%**

Municipal Water Intensity (gallons/person)



INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

[1]Our 2023 water risk assessment used operational data and select indicators from the WRI Aqueduct Water Risk Atlas and WWF Water Risk Filter.

[2]Figures based on water withdrawals from KLA super sites, as defined in the section Our Greenhouse Gas Inventory. KLA does not estimate water withdrawals from non-super sites.

Environmental Management

KLA takes a comprehensive approach to environmental, health and safety management and has published an Environmental, Health & Safety Commitment Policy that articulates our commitment to managing key operations sustainably, in line with our core business principles. In 2024, we completed a three-year project to adopt a consistent framework for our environmental management systems (EMS) as well as our occupational health and safety (OHS) management systems. In late 2024, 100% of our main production and R&D facilities — Milpitas and Ann Arbor, U.S.; Newport, Wales; Weilburg, Germany; Yavne and Migdal Ha'emek, Israel; and Singapore — were recommended for certification to the internationally recognized ISO 14001 EMS standard and ISO 45001 OHS standard. We have also instituted policies, practices and trainings at non-certified KLA sites globally that are aligned with our ISO-certified sites. In addition to assuring employees and customers regarding our environmental and safety commitment, ISO certification gives us a roadmap to better monitor our EHS performance.

In 2024, KLA facilities and employees around the world undertook activities designed to build environmental resiliency:

- At our Milpitas headquarters, we completed a limited digital twin pilot that allowed basic virtual navigation of one building and simple layout testing (such as wall relocation scenarios) to explore future occupancy planning applications. While the facility was not yet ready to support full-scale digital twin implementation, the pilot provided insights into foundational requirements. We are now prioritizing accurate point cloud scans and verified technical drawings as a necessary precursor to future digital twin development across our global super sites.

- In Singapore, 80 KLA employees planted 112 trees to support the One Million Trees Movement, a nationwide effort to increase tree cover and help build a more livable, sustainable and climate-resilient local environment. By year-end 2024, the movement had planted 751,109 trees toward its goal. In Taiwan, KLA employees celebrated Earth Day 2024 by participating in a seed-planting activity.

- In 2024, employees in Migdal Ha'emek, Israel formed a new Sustainability Team with plans to expand to Yavne, Israel in 2025. The team aims to enhance environmental processes and continue an effort that began in 2022 to encourage electric vehicle use among employees. In both locations, vehicle lease options are offered as part of the benefits package for eligible employees. In 2024, the number of leased EVs increased 133% to 254 vehicles: 171 by private lease and 83 by KLA direct lease.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

Keep Looking Ahead

NEXT STEPS IN 2025 AND BEYOND

Climate and Energy

Updating facility guidelines: In 2025, we intend to update our internal guidelines covering mechanical (HVAC), electrical, plumbing, fire/life safety, and integrated monitoring and control systems for our facilities, laying the groundwork for updated energy benchmarks, sustainability metrics and region-specific strategies.

Furthering supply chain engagement: In 2025, we will analyze progress on our supplier engagement efforts and explore how we can further our impact on decarbonizing KLA's supply chain.

Waste and Water

Pursuing global footprint reductions: In 2024, we achieved ISO 14001 certification at all seven of our main production and R&D facilities. In 2025, as part of our continuous improvement efforts, we will pursue waste reduction initiatives at each of our ISO-certified sites and work toward setting water reduction targets and implementation plans at our three water-stressed locations.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
Climate and Energy
Materials and Waste
Water Management
Environmental Management
Keep Looking Ahead
GOVERNANCE AND ETHICS
APPENDIX

GOVERNANCE AND ETHICS

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Good governance is the way we demonstrate responsibility to every one of our business's stakeholders — from our employees and investors to our customers, partners and communities. Through our corporate governance strategy, policies and practices, KLA aims to protect those stakeholders' interests, promote ethical business practices and compliance with evolving regulations, and sustain strong foundations for future growth and the achievement of our ESG goals.

Corporate Governance and ESG

Corporate Governance Oversight

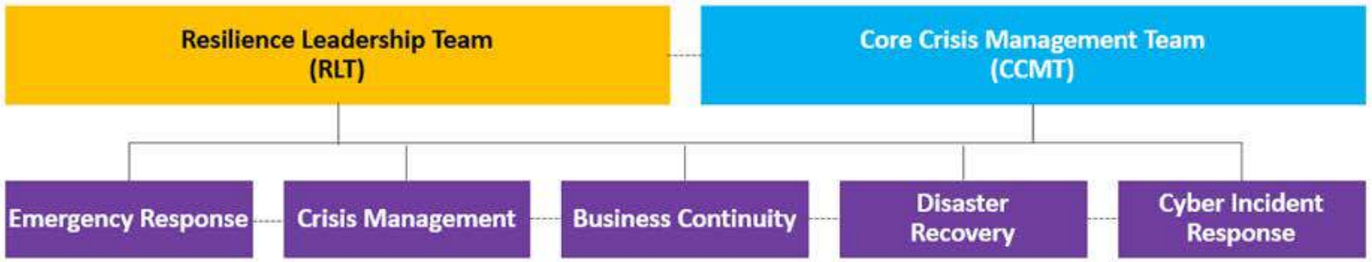
KLA is governed by a Board of Directors ("Board") led by Board Chair Robert Calderoni, has more than 30 years of executive experience in the technology industry. The Board has three standing committees: Audit, Compensation and Talent, and Nominating and Governance. Each holds specific oversight responsibilities for aspects of KLA's business, with areas of responsibility defined in their individual charters. KLA's executive management is responsible for updating the Board and its committees on topics related to our operations, employees, customers and suppliers. See KLA's investor website for information about our Board members and the charters and membership of our Board committees.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
Corporate Governance and ESG
Business Ethics and Compliance
Cybersecurity and IP Protection
Keep Looking Ahead
APPENDIX

Global Resilience Program

KLA's Global Resilience Program, developed across the KLA organization, protects employee well-being and supports operational continuity during disruptions. The program includes five key tracks: Emergency Response, Crisis Management, Business Continuity, Disaster Recovery and Cyber Incident Response. Each track helps the company prepare for, respond to and recover from adverse events. Resilience exercises are performed on each track annually to validate and enhance KLA resilience plans.

Executive sponsors and program leads form the Resilience Leadership Team (RLT), which leads the initiative with oversight from KLA's chief financial officer, who is also part of the Corporate Crisis Management Team (CCMT). The RLT is supported by stakeholders across global operations, including country presidents, business unit heads and functional leaders. It meets regularly to oversee implementation, allocate resources and support ongoing improvement, reinforcing KLA's commitment to resilience and readiness.



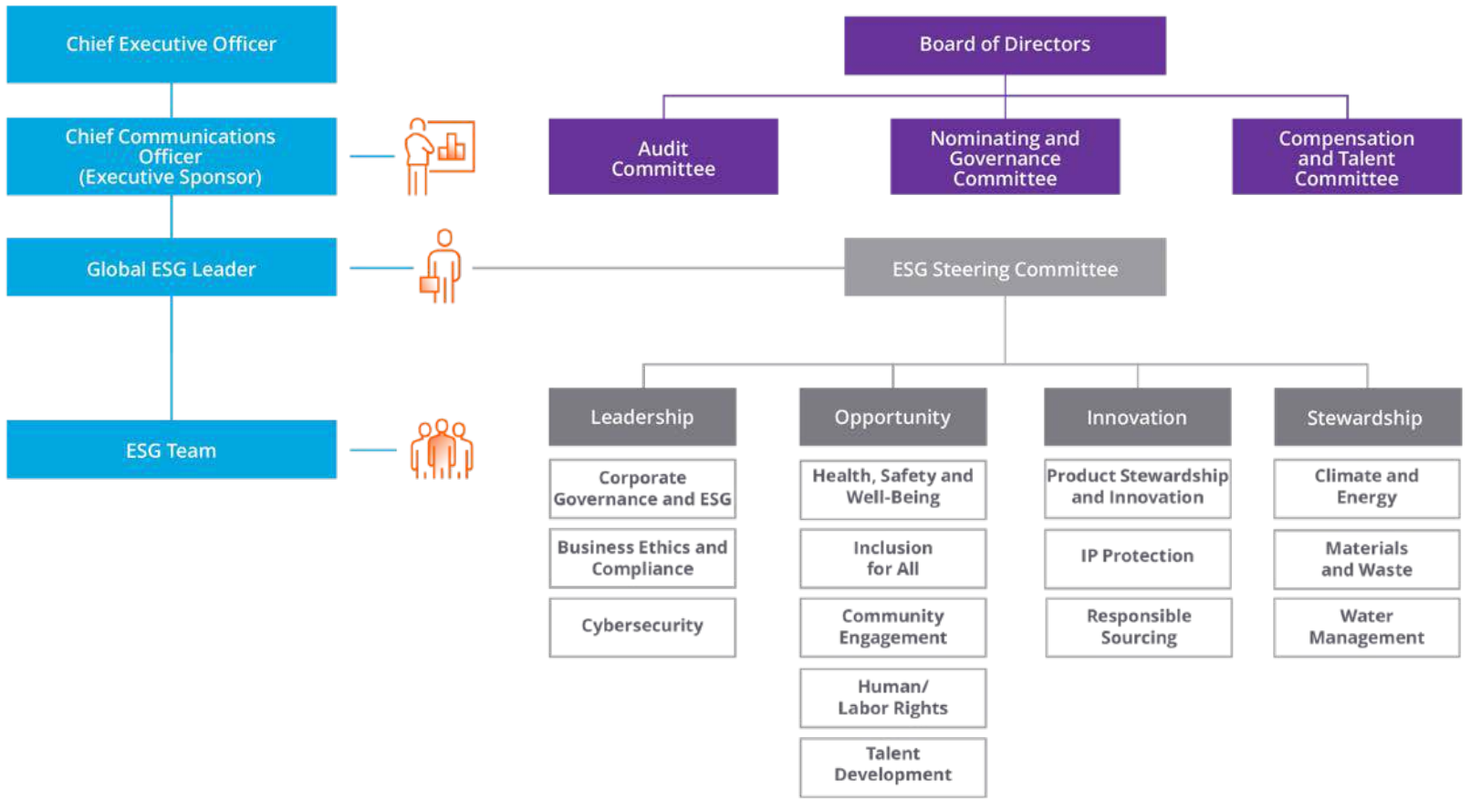
"KLA seeks to drive efficiencies across the business and deliver on our sustainability goals with transparency and accountability."
— Mark Gursky, vice president and chief compliance officer

Prioritizing ESG

KLA's ESG Steering Committee oversees the implementation of strategies and programs designed to achieve our ESG goals. Chaired by our global ESG leader and comprising leaders from across the business, the committee prioritizes cross-functional ESG programs that engage a broad range of internal and external stakeholders and support increased business integration. Our global ESG leader reports to a member of KLA's executive team, promoting alignment of the corporate sustainability strategy with KLA's business goals and enabling progress on our ESG journey.

The global ESG leader engages with and receives updates from management, and provides updates to the Board's Nominating and Governance Committee. To promote dialogue between management and the Board for engagement and prioritization of ESG issues, the ESG Steering Committee receives oversight from the Nominating and Governance Committee. The Nominating and Governance Committee is responsible for monitoring KLA's policies, programs and results related to environmental stewardship, corporate citizenship, human rights, and other social and public matters of significance to KLA, and regularly receives updates from and engages with management. ESG oversight was added to the Nominating and Governance Committee's charter in 2021, in response to input from our stakeholders.

ESG Governance at KLA



INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
Corporate Governance and ESG
Business Ethics and Compliance
Cybersecurity and IP Protection
Keep Looking Ahead
APPENDIX

Business Ethics and Compliance

Informed by our values, KLA's ethics and compliance program is key to the company's reputation as a fair and reliable business partner. To meet evolving regulatory and business requirements, we are committed to continually reassessing and maturing our ethics and compliance program's effectiveness.

Compliance Structure

The Ethics and Legal Compliance Team is led by KLA's chief compliance officer (CCO) and is comprised of attorneys and trained professionals across KLA globally, with regional leads in the U.S., EMEA and Asia-Pacific.

Each quarter, the CCO updates the Board's Audit Committee and the CEO's staff on current and emerging risk and compliance issues. These updates are developed from the results of regular risk and program assessments, including those conducted through our Compliance Effectiveness Program (CEP), which identifies significant new risks in the legal, regulatory and business environments and advises enhancements to mitigate those risks. Quarterly updates are also informed by lessons learned from recent investigations, issues identified by internal audits, and ongoing self-assessments and monitoring activities. The CCO also reports regularly on the sufficiency of personnel, resources and autonomy for the compliance function.

KLA maintains risk management functions to assess ethics and compliance risks independent of business and operational risks, and conducts regular risk reviews of KLA legal entities that operate outside of the United States to identify ethics and compliance risks and compliance program enhancement opportunities. In 2024, we conducted reviews of KLA sites in Belgium, China, France, Italy and South Korea.

Leadership Commitment

KLA's Board of Directors and executive management are committed to maintaining, monitoring and continually improving KLA's ethics and compliance programs. In 2024, we completed the pilot of an anti-bribery and corruption dashboard to identify higher-risk vendors and transactions. We also added trade compliance headcount in the U.S., China and South Korea, strengthening our team's ability to address complex and evolving trade matters.

These and similar actions reinforce KLA's high ethical standards and practices. By asking questions regularly, seeking guidance, raising issues and communicating with employees on important ethics and compliance issues, our leadership demonstrates KLA's commitment to conducting business with integrity.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
Corporate Governance and ESG
Business Ethics and Compliance
Cybersecurity and IP Protection
Keep Looking Ahead
APPENDIX

Whistleblower Policy

KLA's whistleblower and investigation program is a critical complement to our compliance monitoring efforts. Employees, suppliers, customers and the public can use our Compliance Hotline, EthicsPoint, to report potential issues anonymously and confidentially. The Ethics and Legal Compliance team reviews reports, conducts investigations, and maintains confidentiality. Reporters can track the status of their report and offer additional information. After the investigation, findings are reviewed, actions are taken and relevant parties are informed. Employees can also report issues to Legal, HR or their supervisor.

We conducted around 250 investigations during 2024, resulting in approximately 20 terminations. KLA executive vice presidents received briefings on the investigations' key findings, informing ongoing improvements to our compliance efforts. Key learnings from investigations are integrated into employee trainings to mitigate future violations.

During the year, we used local-language posters in office common areas to raise awareness of KLA's duty to report using available reporting channels. This global effort was intended to communicate KLA's commitment to non-retaliation and reinforce confidence for would-be reporters. We also enhanced our case management tool to make investigations faster and more efficient, and held "lessons learned" and other investigations-related trainings for certain regional colleagues, corporate functions and members of our Ethics Liaisons program (see following section).

Our Ethics@KLA Manager Toolkit supports and reinforces managers' key role in driving KLA's reporting and speak-up culture.

Trade Compliance

To meet increasing complexities in the trade compliance environment, KLA continually enhances system controls in our enterprise resource planning systems while putting in place additional controls for restricted parties and end uses.

As in previous years, KLA's ethics and legal compliance team focused closely on global trade compliance issues in 2024, with particular attention to new trade regulations that impact our ability to sell certain products and provide services to certain customers in China. The evolving rules and regulations presented new compliance challenges that necessitated additional controls, frequent employee communication and trainings, and the additional hiring of regional trade compliance staff.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
Corporate Governance and ESG
Business Ethics and Compliance
Cybersecurity and IP Protection
Keep Looking Ahead
APPENDIX

Engaging Our Employees on Ethics

KLA's ethics and compliance culture encourages employees to behave in a way that aligns with our values. Each year, we conduct training and other campaigns to raise awareness and mitigate risks associated with ethics and compliance topics such as anti-bribery and corruption, intellectual property (IP) and trade secrets, trade compliance, cybersecurity/privacy and antitrust. New hires receive training on our Standards of Business Conduct in each region, and are asked to acknowledge that they have read, understood and will act in compliance with the Standards, including their references to our anti-bribery and corruption policies. All employees are required to renew their Standards of Business Conduct training annually and re-acknowledge their understanding and compliance. We also monitor employee compliance with KLA policies through our Annual Compliance Disclosure process, which asks approximately 20% of our employees to certify compliance with specific aspects of our Standards of Business Conduct and disclose any instances of non-compliance. To mitigate linguistic barriers for employees based in non-English-speaking locations, key trainings, policies and procedures are translated into nine other languages.

Ethics engagement efforts are part of our KLA culture and include:

Performance review: Our annual performance review process assesses each individual's success in upholding KLA's values.

Ethical culture survey: In 2024, we completed our biennial ethical culture survey in partnership with Ethisphere, obtaining updated feedback from our employees on topics including their awareness of KLA's ethics and compliance programs, their perception of the Ethics and Compliance function and of KLA's leadership, and their comfort level in reporting perceived misconduct.

Benchmarking: To identify opportunities to further enhance our ethics and compliance program, we completed a benchmarking exercise in 2024 that compared our program with those maintained by companies of similar size, revenue or industry.

Compliance Week: Following a November 2023 pilot in our Asia Pacific operations, KLA's Compliance Week programming has since rolled out to Europe, the U.K., Israel and the U.S. Short videos and quizzes on different compliance topics were sent to all employees daily, and the week wrapped up with a "hot topic" briefing by members of the legal and compliance team.

Ethics Liaison Network: Around the world, a cadre of KLA employees act as liaisons between their local operations and regional Ethics and Legal Compliance team leaders to help address daily ethics and compliance challenges, promote consistent local application of compliance policies and procedures, and assist with Compliance Week activities. In 2024, we continued to improve and expand our Ethics Liaison Network by offering additional training and mentoring to these liaisons, nominating new candidates around the world, and appointing new liaisons in Italy and France.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
Corporate Governance and ESG
Business Ethics and Compliance
Cybersecurity and IP Protection
Keep Looking Ahead
APPENDIX

Anti-Bribery and Corruption

KLA maintains a robust anti-bribery and corruption compliance program that spans our global operations and is evaluated and updated regularly. Our anti-bribery and corruption policies are published in English on KLA's public website. Key features of the program include:

- A standalone anti-bribery and corruption training, completion of which is mandatory for our senior management team and the majority of our employees (exempting those who have limited interaction with third parties)
- Annual training for all employees through our Standards of Business Conduct course
- Risk-based anti-corruption due diligence on third parties, assisted by specialized outside due diligence firms
- Annual requirement for key suppliers to complete self-assessments of anti-bribery and corruption compliance, per Responsible Business Alliance (RBA) standards
- Risk-based monitoring and response efforts focused on higher-risk payments and higher-risk third parties

2024 enhancements to our anti-bribery and corruption program included:

- Deployment of an enhanced Channel Partner Discount Policy to mitigate corruption risk among third-party sales partners and increase visibility for discounts provided to those sales partners
- Migration to an external third-party risk management tool that helps track questionnaires, certifications, due diligence reports and other supporting documentation for higher-risk global third parties, including channel partners
- Deployment of higher-risk disbursement monitoring, which applies data analytics and risk tests against KLA's financial disbursements to help identify and review higher-risk transactions for corruption concerns
- Updates to our Standards of Business Conduct for Suppliers

KLA operates in certain countries identified by Transparency International and other independent third parties as being at a higher risk for corrupt activities. In 2024, we completed four third-party assessments of channel partners in certain of these higher-risk countries.

Corporate Lobbying and Political Activity

KLA maintains mechanisms for monitoring and reporting on our corporate lobbying efforts, which include quarterly and annual reporting by our Global Government Affairs group of all applicable activity by our registered U.S. lobbyists and other personnel.

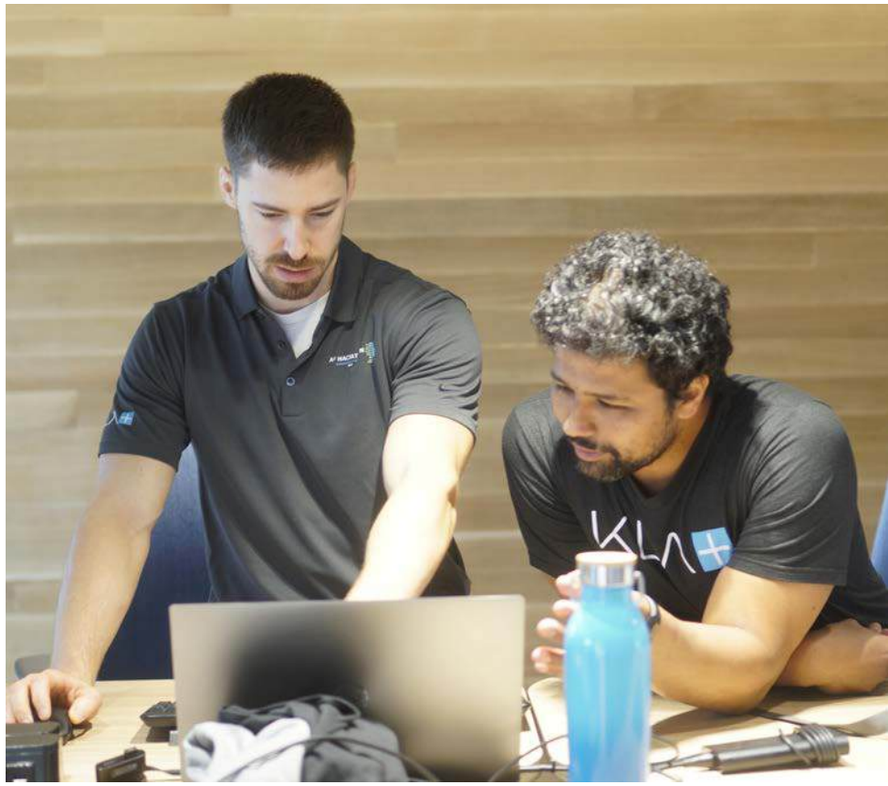
As a matter of company policy, KLA does not make contributions of any kind to political parties or candidates. No political contributions were made in 2024, and if any political contribution is contemplated in the future, such contributions must be preapproved by KLA's chief legal officer and chief financial officer. KLA does not engage in undisclosed political spending. For more information, see KLA's Standards of Business Conduct: Political Contributions and Activities.

In 2024, KLA maintained memberships in three principal trade and business associations: SEMI, the Semiconductor Industry Association (SIA) and the Semiconductor Technology Leadership Council, which represent the interests of our company and industry. Our monetary support for those organizations via membership dues helps fund their advocacy activities.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
Corporate Governance and ESG
Business Ethics and Compliance
Cybersecurity and IP Protection
Keep Looking Ahead
APPENDIX

Cybersecurity and IP Protection

Around the globe, businesses are under constant threat from financially motivated cybercriminals and foreign governments seeking advantage through information theft. In the face of ongoing geopolitical tensions and U.S. regulations around semiconductor-related technology exports, risks involving malicious threat actors are heightened for both the industry and its supply chain.



To mitigate these threats, our cybersecurity team evaluates the architecture of our network, maintains a security-first mindset and focuses on scalability to support the future needs of the business. KLA's cybersecurity program is guided by recommendations from the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF) to help the company identify, assess and manage cybersecurity risks relevant to our business. We continue to enhance our data privacy compliance program to address the EU's General Data Protection Regulations (GDPR) and new data privacy regulations in other jurisdictions as they apply.

KLA experienced no material cybersecurity breaches in 2024. Although there can be no assurance that cyberattacks, events or incidents will not be material to KLA in the future, our cyber team remains vigilant against potential attacks and continues to monitor and work with our external partners to protect our systems and data.

Key Cybersecurity Goals

- Protecting and defending KLA's sensitive digital information assets and business operations
- Creating a cyber-aware culture and processes that enhance our risk assessments and decision making around cyber risks
- Supporting business-wide resilience that helps us better identify, respond and recover from cyberattacks

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
Corporate Governance and ESG
Business Ethics and Compliance
Cybersecurity and IP Protection
Keep Looking Ahead
APPENDIX

Key Cybersecurity Activities

- **Cybersecurity oversight and management:** Our cybersecurity program is led by our chief information security officer, who reports regularly to our executive team and at least quarterly to the Audit Committee of our Board, which oversees cybersecurity and IP protection. Our security team is principally responsible for managing KLA's cybersecurity risk assessment processes, security controls and response to cybersecurity incidents. Our program also benefits from engagement with a diverse set of external cybersecurity advisors, consultants and other service providers to assess, test and assist with various aspects of our security processes.

- **Incident response plans and procedures:** We maintain a Cybersecurity Incident Response Plan, response procedures and escalation protocols, all tested through regular tabletop exercises. Security-related business continuity plans are in place and tested at least annually.

- **Reporting escalation process:** Employees may report incidents, vulnerabilities and suspicious activities via KLA's Compliance Hotline, EthicsPoint, or via a cybersecurity reporting page or our helpdesk, which maintains protocols for handling cybersecurity-related calls. KLA's information security and cybersecurity policies are available internally to all employees. In 2024, we continued a communications effort aimed at educating employees about the cyber organization and cyber-related processes.

- **Vulnerability identification, mitigation and testing:** KLA maintains internal vulnerability scanning processes for our global networks and engages with multiple external partners for the identification of public-facing vulnerabilities. Our Cybersecurity Engineering team engages in ongoing testing efforts to identify configuration vulnerabilities and collaborates on mitigation efforts with our dedicated Enterprise Vulnerability Management (EVM) team.

- **Threat analysis and risk management:** Our Cybersecurity Governance Organization conducts ongoing cyber threat research and analysis, and we conduct risk assessments designed to help identify material risks from cybersecurity threats to our critical systems and digital information. We engage with third parties to provide external threat monitoring and testing, including independent assessments and attestation. We maintain risk management processes based on our assessment of the respective risk profiles of key external partners.

- **Systems monitoring and audits:** Cybersecurity teams within our Security Operations Center (SOC) have extensive monitoring in place for company systems and networks across our global environment, with automation allowing expedited isolation of potentially malicious network events. Any perceived malicious activity is monitored in accordance with our Cybersecurity Incident Response plan. Impacted systems, accounts and networks are subject to enhanced monitoring and may be quarantined by the Cyber SOC.

- **Employee training and testing**: We maintain annual security training programs for our global employees on topics such as cyber regulations, ransomware, techniques for protecting sensitive information and sharing information based on "need to know." Phishing exercises and penetration testing conducted by external providers helps us evaluate employee preparedness and deliver follow-up messaging, training and testing when knowledge gaps are identified.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
Corporate Governance and ESG
Business Ethics and Compliance
Cybersecurity and IP Protection
Keep Looking Ahead
APPENDIX

Keep Looking Ahead

NEXT STEPS IN 2025 AND BEYOND

Business Ethics and Compliance

Conducting additional risk reviews: We plan to conduct additional country risk reviews for KLA entities in Denmark, Ireland, the U.K. and Japan.

Improving investigatory capacity: 2025 will see enhancement of our investigation program, with additional resources and enhanced analytics of investigation trends and root causes.

Elevating compliance training: In 2025, we aim to elevate our compliance training, with training on new policies and procedures, such as our Anti-Corruption Due Diligence Guidelines, and continued education in key risk areas and topics, including anti-bribery and corruption, antitrust, trade compliance, information protection, conflicts of interest, Standards of Business Conduct, among other topics.

Improving ERM dashboards: We aim to improve KLA's real-time monitoring and risk assessment capabilities through the enhancement of our enterprise risk management dashboard.

Export risk mitigation and efficiency improvement: In 2025, we plan to mitigate trade compliance risks and improve efficiency with new and enhanced automated export controls within KLA's enterprise systems, continued and enhanced training for targeted employees, and testing and assessing our internal controls to make sure they are functioning as intended.

Cybersecurity and IP Protection

Improving awareness and capabilities: Plans for 2025 include expanding cyber awareness, education and training among our employees; growing and maturing our risk assessment capabilities; continuing to reduce external and internal cybersecurity vulnerabilities; and improving security tool configurations and alerting and response capabilities.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
Corporate Governance and ESG
Business Ethics and Compliance
Cybersecurity and IP Protection
Keep Looking Ahead
APPENDIX

APPENDIX

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX

Social Metrics

	CY 2024	CY 2023	CY 2022
Business Snapshot			
Number of regions	18	18	18
Number of employees	~15,000	~15,000	~15,000
R&D spend	$1.32B	$1.28B	$1.23B
Revenue	$10.85B	9.67B	$10.48B
Talent			
Total new employee hires	>1,400	>800	>3,700
Total voluntary employee turnover rate	3.8%	3.6%	6.7%
Internal rate of promotion at VP level	79%	78%	79%
Learning & Development			
Average number of training hours for FTE	39.9	37.8	44.3
Percent of employees received performance reviews	>99%	>99%	>99%
Employee Engagement			
Annual employee engagement survey results	8.2	8.1	7.9
Annual employee engagement response rate	91%	88%	83%
Point change in eNPS score	7	6	11

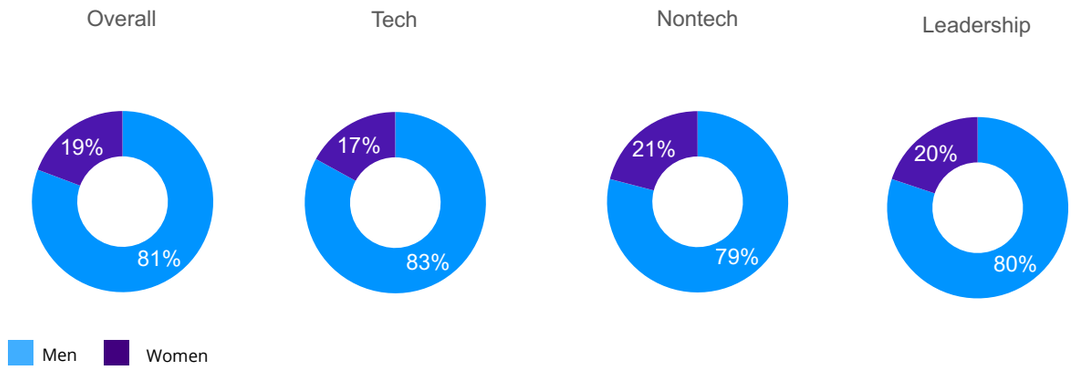
INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

	CY 2024	CY 2023	CY 2022
Health & Safety			
KLA's U.S. Total Recordable Injury Rate	0.44	0.25	0.28
Industry sector U.S. Total Recordable Injury Rate	0.80	1.20	0.80
RBA risk score (out of 100)	94.5	93.8	94.0
Responsible Sourcing			
RBA Facility SAQ survey direct supplier completion rate	94%	85%	85%
RBA Facility SAQ survey indirect supplier completion rate	85%	87%	Effort began in 2023

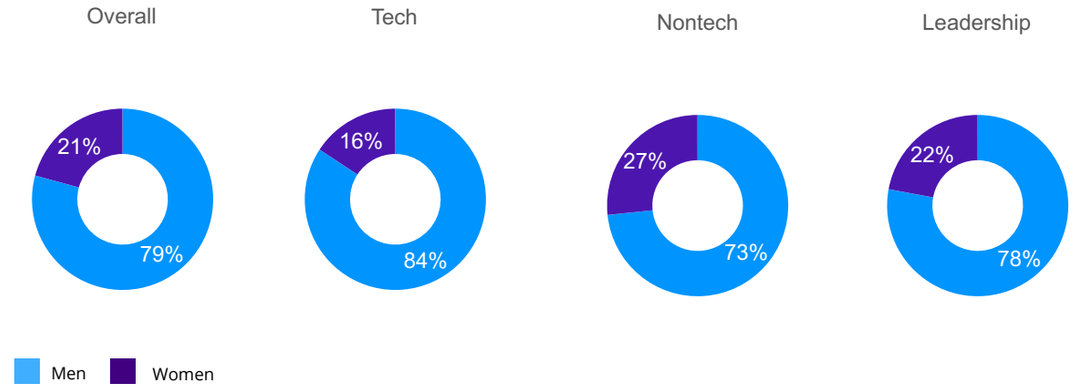
INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

2024 Global Workplace Composition[1]

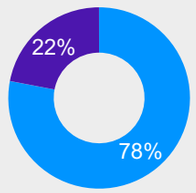
Global Gender[2]



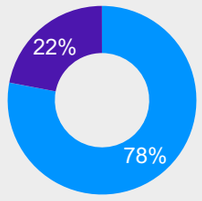
U.S. Gender[2]



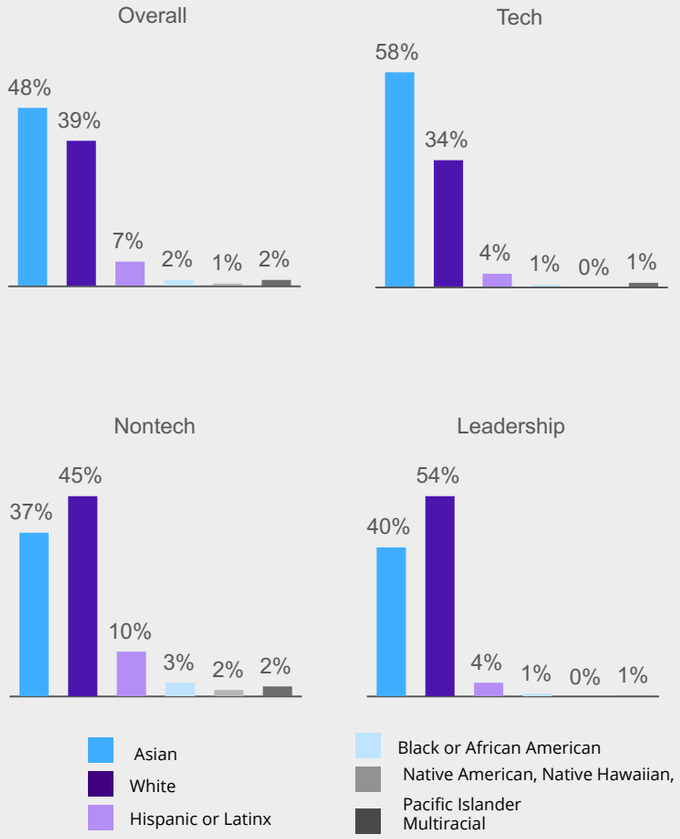
Management Team



Board of Directors



U.S. Race and Ethnicity[2]



INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

[1]Data as of December 31, 2024. This data is informational only and is not used in any employment decision-making. All selections and other decisions are made solely based on merit. KLA does not allow the consideration of any identity trait in employment actions.

[2]Data supplied by KLA Human Resources, as self-reported by employees. Leadership comprises director-level and above. Technology roles include Engineering and R&D. Totals may not sum to 100% due to rounding. Racial and ethnic demographics shown are based on U.S. government categories.

Environmental Metrics

		Units	CY 2024	CY 2023	CY 2022
GHG Emissions					
	Total Scope 1[1]	MT CO2e	6,523	7,550	7,964
	Total Scope 2 (location-based)	MT CO2e	82,376	78,995	68,258
	Total Scope 2 (market-based)	MT CO2e	35,419	35,264	36,955
	Total Scope 1 + Scope 2 (market-based)[1]	MT CO2e	41,942	42,814	44,919
	Total Scope 3	Million MT CO2e	3.44	3.53	4.28
	Scope 1 + Scope 2 (MB) + Scope 3 emissions intensity (by revenue)	tCO2e/m$	321.2	369.6	412.3
Scope 3	Category 1: purchased goods and services	MT CO2e	607,319	644,952	775,692
	Category 2: capital goods	MT CO2e	14,306	19,864	17,250
	Category 3: fuel- and energy-related activities	MT CO2e	14,759	15,873	19,805
	Category 4: upstream transportation and distribution	MT CO2e	99,351	125,497	175,008
	Category 5: waste generated in operations	MT CO2e	548	428	462
	Category 6: business travel	MT CO2e	94,235	89,460	44,519
	Category 7: employee commuting	MT CO2e	18,987	17,234	14,547
	Category 11: use of sold products	MT CO2e	2,515,286	2,566,092	3,181,552
	Category 12: end-of-life treatment of sold products	MT CO2e	653	633	836
	Category 15: investments	MT CO2e	76,268	51,290	47,343

[1]Total Scope 1 includes Non-Kyoto Protocol Fugitives (HCFCs and VOCs)

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

	Units	CY 2024	CY 2023	CY 2022
Energy				
Total energy consumed (includes electricity and fuel consumption)	MWh	251,596	238,638	226,242
Percentage of energy consumed from grid electricity	%	97%	96%	88%
Total purchased grid electricity	MWh	244,472	228,402	198,949
Total purchased renewable electricity (grid purchase + EACs)	MWh	166,961	146,626	109,626
Total percent renewable electricity	%	68%	64%	55%
Water				
Total water withdrawal	Gallons	94,504,436	87,876,821	82,727,449
Municipal water	Gallons	67,102,655	61,138,547	59,700,652
Recycled water	Gallons	27,401,781	26,738,274	23,026,797
Total water consumption	Gallons	9,450,444	8,787,682	8,272,745
Total water discharged	Gallons	85,053,992	79,089,139	74,454,704
Total water withdrawal from water-stressed sites	Gallons	48,598,155	44,190,060	43,082,271
Share of total water use from water-stressed sites	%	51%	50%	52%
Municipal water withdrawal intensity	Gallons/person	6,416	6,034	5,695

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Materials and Waste

	Units	CY 2024	CY 2023	CY 2022
Total non-hazardous waste	Metric tons	3,065.9	2,782.7	2,430.3
Non-hazardous waste intensity (kg/person)	kg/person	318.7	319.5	269.1
Recycled	Metric tons	2,038.8	1,826.1	*In 2023, KLA updated waste disposition categories to better identify waste impacts and reduction opportunities across our super sites. 2023 was also the first year KLA reported hazardous waste data.*
Landfill		718.6	660.8	
Incineration		275.9	279.2	
Reuse		14.3	7.8	
Composted		15.9	3.8	
Treatment/neutralization		1.5	5.0	
Waste to energy		1.0	0.0	
Total hazardous waste		127.4	126.8	
Treatment/neutralization		61.0	83.5	
Incineration		23.0	3.8	
Landfill		40.6	1.1	
Recycled		2.4	37.9	
Fuel blending		0.4	0.6	

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

GRI and SASB Index

Standard	Disclosure	Description	Location/Response
General Disclosures			
	Organization and Its Reporting Practices		
	GRI 2-1	Legal name	KLA Corporation (KLA 2024 Annual Report, PDF page 7)
	GRI 2-1	Nature of ownership	KLA 2024 Annual Report, PDF page 12
	GRI 2-1	Location of headquarters	Milpitas, California (KLA 2024 Annual Report, PDF page 7)
	GRI 2-1	Countries of operation	18 regions
	GRI 2-2	All entities included in sustainability reporting	KLA 2024 Annual Report, PDF page 12
	GRI 2-3	Reporting period, frequency of sustainability reporting and contract point for report questions	January 1, 2024 – December 31, 2024 Annual ESG@kla.com
	GRI 2-4	Restatements of information from previous reporting periods with explanations	KLA 2024 Global Impact Report, Methodology Updates
	GRI 2-5	External assurance	Our Scope 1, 2 and 3 GHG data are subject to a limited level of third-party assurance

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Standard	Disclosure	Description	Location/Response
	Activities and Workers		
	GRI 2-6	Sector(s) in which it is active	KLA 2024 Global Impact Report, About KLA
	GRI 2-6	Activities, products, services and markets served	KLA 2024 Annual Report, PDF pages 12–21
	GRI 2-6	Description of supply chain, downstream entities and relevant business relationships	KLA 2024 Annual Report, PDF pages 19–21
	GRI 2-6	Significant changes to the organization and its supply chain	KLA 2024 Annual Report, PDF page 12
	GRI 2-7	Total number of employees and a breakdown of this total by gender and by region	KLA 2024 Global Impact Report, Talent KLA 2024 Annual Report, PDF page 23
	GRI 2-7	Full-time employees, and a breakdown by gender and by region	KLA 2024 Global Impact Report, Talent Data Tables KLA 2024 Annual Report, PDF page 23
	GRI 2-7	Methodologies and assumptions used	KLA 2024 Global Impact Report, Talent Data Tables KLA 2024 Annual Report, PDF page 23
	GRI 2-7	Fluctuations between reporting periods	KLA 2024 Global Impact Report, Talent Data Tables KLA 2024 Annual Report, PDF page 23

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Standard	Disclosure	Description	Location/Response
	Governance		
	GRI 2-9	Governance structure and composition	KLA 2024 Global Impact Report, Corporate Governance and ESG KLA 2024 Proxy Statement, PDF pages 11–15
	GRI 2-10	Nomination and selection of the highest governance body	KLA 2024 Proxy Statement, PDF page 10
	GRI 2-11	Chair of the highest governance body	KLA Corporate Governance Standards, 11/4/2021, page 2
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts	KLA 2024 Global Impact Report, Corporate Governance and ESG KLA 2024 CDP Report
	GRI 2-13	Delegation of responsibility for managing impacts	KLA 2024 Global Impact Report, Corporate Governance and ESG
	GRI 2-14	Role of the highest governance body in sustainability reporting	The Nominating and Governance Committee of the Board is involved in the formal review and approval of the company's sustainability report.
	GRI 2-15	Conflicts of interest	KLA 2024 Global Impact Report, Business Ethics and Compliance KLA Standards of Business Conduct, PDF page 13 KLA 2024 Proxy Statement, PDF page 29
	GRI 2-16	Communication of critical concerns	KLA Standards of Business Conduct, PDF page 36

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Standard	Disclosure	Description	Location/Response
	GRI 2-19	Remuneration policies	KLA 2024 Proxy Statement, PDF page 46–63
	GRI 2-20	Process to determine remuneration	KLA 2024 Proxy Statement, PDF page 46–63
	GRI 2-21	Annual total compensation ratio	KLA 2024 Proxy Statement, PDF page 77
	Strategy, Policies and Practices		
	GRI 2-22	Statement on sustainable development strategy	KLA 2024 Global Impact Report, CEO Letter
	GRI 2-23	Policy commitments	KLA 2024 Global Impact Report, Corporate Governance and ESG KLA 2024 Annual Report, PDF pg 21-26 KLA Global Human Rights Standards
	GRI 2-24	Embedding policy commitments	KLA 2024 Global Impact Report, Responsible Sourcing
	GRI 2-26	Mechanisms for seeking advice and raising concerns	KLA 2024 Global Impact Report, Business Ethics and Compliance KLA Standards of Business Conduct Standards of Business Conduct for Suppliers
	GRI 2-27	Compliance with laws and regulations	Over the past five years, KLA has not had any significant environmental fines or penalties. KLA 2024 Annual Report, PDF page 21
	GRI 2-28	Membership associations	KLA 2024 Global Impact Report, Stakeholder Engagement KLA 2024 Global Impact Report, Responsible Sourcing

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Standard	Disclosure	Description	Location/Response
	Stakeholder Engagement		
	GRI 2-29	Approach to stakeholder engagement	KLA 2024 Global Impact Report, Stakeholder Engagement
	GRI 2-30	Collective bargaining agreements	KLA 2024 Annual Report, PDF pages 22–23
Materiality Topics			
	Materiality Assessment		
	GRI 3-1	Process to determine material topics	KLA 2024 Global Impact Report, ESG Materiality Assessment
	GRI 3-2	List of material topics	KLA 2024 Global Impact Report, ESG Materiality Assessment
GRI Topic Standards and Disclosures			
	Business Ethics and Compliance		
	GRI 3-3	Management of material topics	KLA 2024 Global Impact Report, Business Ethics and Compliance KLA Standards of Business Conduct
	GRI 205-2	Communication and training about anti-corruption policies and procedures	KLA 2024 Global Impact Report, Business Ethics and Compliance
	GRI 205-3	Confirmed incidents of corruption and actions taken	KLA 2024 Global Impact Report, Business Ethics and Compliance

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Standard	Disclosure	Description	Location/Response
	Materials and Waste		
	GRI 3-3	Management of material topics	KLA 2024 Global Impact Report, Materials and Waste KLA Water and Waste Policy
	GRI 306-2	Management of significant waste-related impacts	KLA 2024 Global Impact Report, Materials and Waste
	GRI 306-3	Waste generated	KLA 2024 Global Impact Report, Materials and Waste
	GRI 306-4	Waste diverted from disposal	KLA 2024 Global Impact Report, Materials and Waste
	Climate and Energy		
	GRI 3-3	Management of material topics	The manufacturing process for KLA products is relatively energy-intensive, which directly impacts the greenhouse gas (GHG) emissions from our operations. To do our part to curb the impacts of climate change, KLA is taking a close look at the company's energy use and GHG emissions from our own operations, as well as impacts from our products in their use-phase. We also recognize that our planet is already experiencing some of the impacts of climate change, and it is important for KLA to understand the related physical and transitional risks to best protect our employees, facilities and ability to deliver on our targets. KLA 2024 Global Impact Report, Climate and Energy
	GRI 302-1	Energy consumption within the organization	KLA 2024 Global Impact Report, Climate and Energy
	GRI 302-4	Reduction of energy consumption	KLA 2024 Global Impact Report, Climate and Energy
	SASB: TC-SC-130a.1	Total energy consumed	In 2024, KLA consumed 251,596 MWh of energy, which includes both electricity and fuel consumption.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Standard	Disclosure	Description	Location/Response
	SASB: TC-SC-130a.1	Percentage of energy consumed from grid electricity	In 2024, 97% of our total energy consumption was from grid electricity.
	GRI 305-1 SASB: TC-SC-110a.1	Direct (Scope 1) GHG emissions	KLA 2024 Global Impact Report, Climate and Energy
	GRI 305-2	Energy indirect (Scope 2) GHG emissions	KLA 2024 Global Impact Report, Climate and Energy
	GRI 305-3	Other indirect (Scope 3) GHG emissions	KLA 2024 Global Impact Report, Climate and Energy
	GRI 305-4	GHG emissions intensity	KLA 2024 Global Impact Report, Climate and Energy
	GRI 305-5	Reduction of GHG emissions	KLA 2024 Global Impact Report, Climate and Energy
	SASB: TC-SC-110a.1	Amount of total emissions from perfluorinated compounds	KLA does not utilize perfluorinated compounds in its operations, with the exception of one site in Newport, Wales, U.K. KLA assesses the process gases at the Newport site, which has an abatement system with a high destruction efficiency rate (99.99%) that mitigates a significant portion of the GHG emissions associated with the use of process gases at this site. For CY2024, KLA's total emissions from perfluorinated compounds was 0 tCO2e.
	SASB: TC-SC-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	KLA 2024 Global Impact Report, Climate and Energy

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Standard	Disclosure	Description	Location/Response
	Water Management		
	GRI 3-3	Management of material topics	KLA 2024 Global Impact Report, Water Management KLA Water and Waste Policy
	GRI 303-3 SASB: TC-SC-140a.1	Water withdrawal	KLA 2024 Global Impact Report, Water Management
	Talent		
	GRI 3-3	Management of material topics	KLA 2024 Global Impact Report, Talent
	GRI 401-1	New employee hires and employee turnover	KLA 2024 Annual Report, PDF page 22–23
	GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	KLA 2024 Annual Report, PDF page 22–23 KLA Careers
	GRI 404-1	Average hours of training per year per employee	KLA 2024 Global Impact Report, Talent
	GRI 404-2	Programs for upgrading employee skills and transition assistance programs	KLA 2024 Global Impact Report, Talent
	GRI 404-3	Percentage of employees receiving regular performance and career development reviews	>99% KLA 2024 Global Impact Report, Talent
	SASB: TC-SC-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	KLA 2024 Annual Report, PDF page 22–23

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Standard	Disclosure	Description	Location/Response
	Responsible Sourcing		
	GRI 3-3	Management of material topics	KLA 2024 Global Impact Report, Responsible Sourcing
	Health, Safety and Well-Being		
	GRI 3-3	Management of material topics	KLA 2024 Global Impact Report, Health, Safety and Well-Being KLA Environmental, Health and Safety Commitment Policy
	GRI 403-1	Occupational health and safety management system	KLA 2024 Global Impact Report, Health, Safety and Well-Being
	GRI 403-2 SASB: TC-SC-320a.1	Hazard identification, risk assessment and incident investigation	KLA 2024 Global Impact Report, Health, Safety and Well-Being
	GRI 403-5	Worker training on occupational health and safety	KLA 2024 Global Impact Report, Health, Safety and Well-Being
	GRI 403-6	Promotion of worker health	KLA 2024 Global Impact Report, Health, Safety and Well-Being
	GRI 403-8	Workers covered by an occupational health and safety management system	100% of our employees are covered by our safety programs.
	GRI 403-9	Work-related injuries	KLA 2024 Global Impact Report, Health, Safety and Well-Being

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Standard	Disclosure	Description	Location/Response
	Inclusion, Diversity and Equal Opportunity		
	GRI 3-3	Management of material topics	KLA's senior vice president (SVP) of talent management oversees the direction of the company's Inclusion for All efforts and reports quarterly to the Compensation Committee of the Board of Directors. KLA 2024 Global Impact Report, Inclusion for All
	GRI 405-1	Diversity of governance bodies and employees	KLA 2024 Global Impact Report, Inclusion for All KLA 2024 Annual Report, PDF page 23–24

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Standard	Disclosure	Description	Location/Response
	Product Stewardship and Innovation		
	GRI 3-3	Management of material topics	KLA's approach to managing innovation is overseen by the engineering leads of the different business areas based on product offering. Engineering leads communicate innovation plans, objectives and corresponding needs through an annual strategic planning process. One of the results of the strategic planning process is a balanced scorecard which tracks the objectives set by the executive leadership team and functional leaders. The scorecard is used to ensure alignment in the direction of product development and accountability for accomplishing objectives. To encourage standardization across the organization, KLA has one product lifecycle process (PLC) that defines the steps for driving innovation, subsequent product development, and product lifetime management in the field. The PLC provides guidelines from cradle to grave, including the following stages of product/service development: concept, prototype, integration into tools, qualification for sale, rollout to customers, and maintaining viability and affordability. The PLC outlines key performance indicators and considerations for our product teams to track as they move throughout the innovation and development process and requires executive sign-off for phase exit. KLA invests heavily in training opportunities for employees to encourage innovation and empower individuals to contribute to the development of next-generation technologies. KLA 2024 Global Impact Report, Product Stewardship and Innovation
	SASB: TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	The majority of KLA products, by revenue, contain declarable substances.
	SASB: TC-SC-410a.2	Processor energy efficiency at a system-level for: (1) servers, (2) desktops and (3) laptops	Omission statement: This metric is not relevant to KLA as the company does not produce semiconductors. However, KLA does enable chip makers to produce more efficient chips, and we also deploy much computing in KLA products themselves, and hence our products function with far greater relative energy efficiency as processor efficiencies improve.
	SASB: TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	KLA 2024 Global Impact Report, Product Stewardship and Innovation

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Standard	Disclosure	Description	Location/Response
	Community Engagement		
	GRI 3-3	Management of material topics	KLA 2024 Global Impact Report, Community Engagement
	GRI 413-1	Operations with local community engagement, impact assessments and development programs	KLA 2024 Global Impact Report, Community Engagement
	Cybersecurity and IP Protection		
	GRI 3-3	Management of material topics	KLA 2024 Global Impact Report, Cybersecurity and IP Protection

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

TCFD Report

Governance

Our commitment to embedding ESG and corporate responsibility into our governance continues to drive KLA's ESG progress, helping us anticipate and manage internal and external influences (such as regulatory changes) and consistently deliver positive results for our employees, customers and shareholders.

KLA is governed by a Board of Directors (the "Board"), established in accordance with applicable laws and our Corporate Governance Standards. The Board has three standing committees: Audit, Compensation and Talent, and Nominating and Governance. Each is governed by a charter that defines its specific oversight responsibilities for various aspects of KLA's business.

The Nominating and Governance Committee monitors our policies, programs and strategies related to environmental stewardship. This committee meets at least once per quarter (or more frequently, as deemed appropriate), with climate-related issues scheduled as an agenda item at some meetings. The committee reviews progress on an ongoing basis and receives updates on our ESG progress.

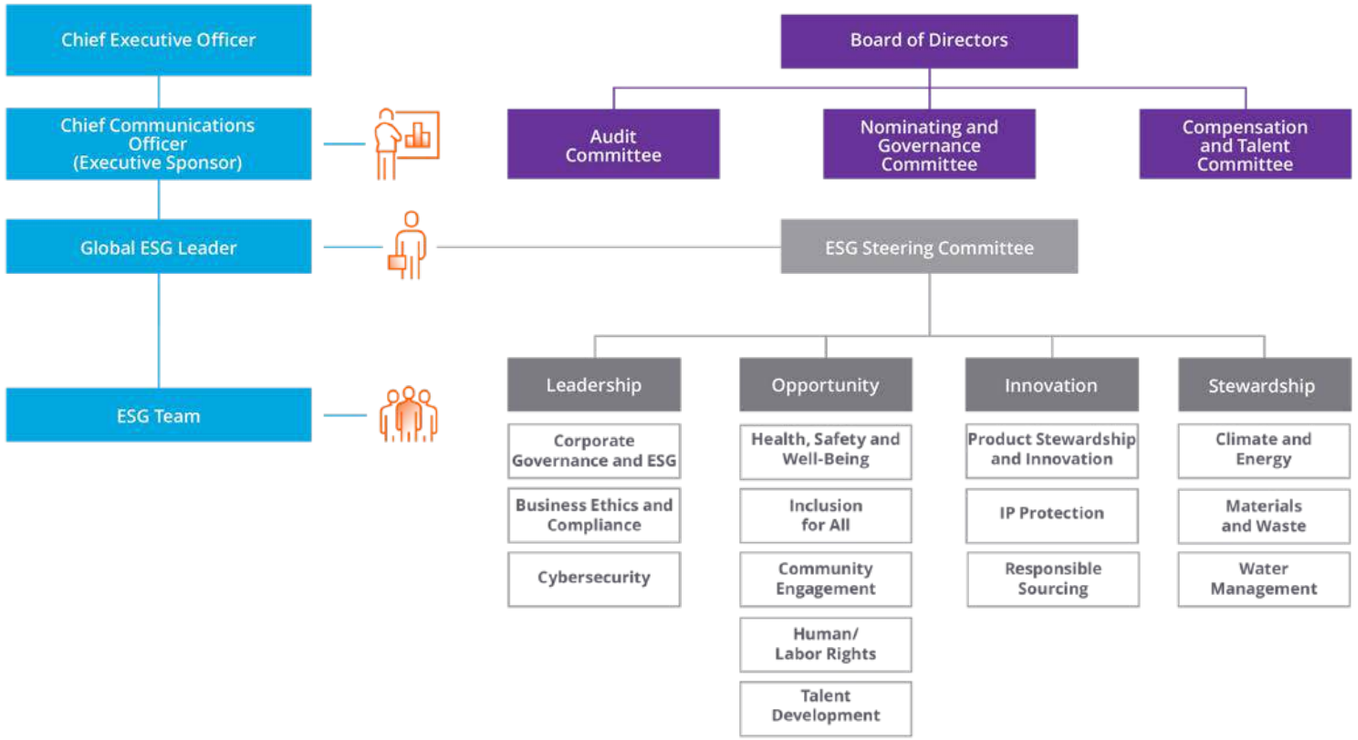
KLA's ESG Steering Committee, composed of senior leaders from across the global business, monitors climate-related risks and opportunities and oversees implementation of the company's ESG strategy and overall ESG performance. The ESG Steering Committee prioritizes cross-functional programs that engage a broad range of internal and external stakeholders so that our ESG activities help support increased business integration. The global ESG leader updates the Board's Nominating and Governance Committee on ESG matters and reports to a member of the executive team, promoting alignment of the corporate ESG strategy with KLA's business goals and enabling progress on our ESG journey.

KLA's executive management is responsible for updating the Board and its committees on topics related to our operations, employees, customers and suppliers. The Board receives an annual presentation from the global ESG leader on progress against ESG goals and the implementation of projects and related activities, as appropriate.

KLA has developed short- and long-term ESG targets around emissions reduction, renewable energy use and other key issues. To encourage traction toward ongoing progress against these goals, KLA's global ESG leader may receive a monetary reward based on ESG-related criteria outlined in our ESG balanced scorecard. The global ESG leader is responsible for heading coordinated efforts to achieve goals such as KLA's 2030 target of reducing Scope 1 and 2 emissions by 50% and using 100% renewable electricity across global operations by 2030. These efforts include identifying opportunities across our value chain to reduce environmental impact, sharing progress in our annual Global Impact Report (GIR) and communicating progress internally.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Governance



Strategy

KLA recognizes the importance of identifying and assessing the impacts of climate-related risks and opportunities over the short, medium and long term, encompassing both physical impacts and impacts from the transition to a low-carbon economy. Physical impacts describe direct threats from climate change, including both short-term, acute impacts (such a extreme weather events) and long-term, chronic impacts (e.g., from changes in weather patterns). Transition impacts include regulatory, technology, market, legal, financial and reputational risks.

We consider climate-related risks and opportunities over the short-term (0–2 year), medium-term (2–10 years) and long-term (10–30 years) time horizons. Through an annual Climate Risk Assessment conducted in conjunction with a third party, KLA subject matter experts across the company evaluate a range of potential climate-related physical and transition risks, as well as opportunities to determine their relative significance and risk exposure to our business. Our 2024 Climate Risk Assessment did not identify any climate-related risks and opportunities that we currently anticipate having a substantive impact on our business.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Physical Risk Scenario Analysis

In 2023, KLA conducted a physical risk scenario analysis based on three Shared Socio-economic Pathways (SSPs) to evaluate our business resilience to potential future climate-related impacts under different emission scenarios.

Scenario	Description	Temperature Alignment	Time Horizon	Rationale
SSP1–2.6	Depicts a future in which the world shifts gradually toward a more sustainable path where challenges to mitigate and adapt to climate change are low. Emissions in this scenario are also low, keeping the world below 2°C warming over pre-industrial levels.	Below 2°C by 2100	Historical, 2030s and 2050s	This scenario was selected because it depicts a best-case scenario for physical risks.
SSP2–4.5	Depicts a “middle of the road” future in which there are medium challenges to mitigate climate change and adapt to increasingly degrading environmental systems. Emissions in this scenario are moderate, putting the world on a path of 2–4°C warming.	2–4°C by 2100		This scenario was selected because it depicts a likely future given announced emissions reduction commitments (e.g., Nationally Determined Contributions, or NDCs).
SSP5–8.5	Depicts a future in which there is continued intensive use of fossil fuel resources, creating high challenges to mitigate climate change. Emissions in this scenario are high, putting the world on a path of 4°C warming or higher.	Above 4°C by 2100		This scenario was selected because it depicts a worst-case scenario and would help inform strategies and risk management measures that would be applicable under other scenarios as well.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Methodology

This analysis evaluated KLA super sites globally. To determine potential exposure at the inherent level, these locations were screened for exposure to eight climate hazards: extreme heat, riverine flooding, extreme precipitation, coastal flooding, wildfire, drought, cyclones/hurricanes and water stress. Climate datasets aligned with the Intergovernmental Panel on Climate Change's Sixth Assessment Report (IPCC AR6) were used.

Results

The following key findings apply to the SSP5–8.5 scenario:

- **Extreme heat:** Extreme heat is projected to increase overall, with higher increases likely in the long term.
- **Riverine flooding:** Super sites in the eastern United States and Central Europe have been more exposed to riverine flooding historically and may likely continue to be exposed to riverine flooding into the future, according to climate models.
- **Extreme precipitation:** Super sites in East Asia have historically been exposed to extreme precipitation, and an increase is projected by climate models in the future under a high warming scenario.
- **Coastal flooding:** KLA has very low potential exposure to coastal flooding under all the time horizons considered.
- **Wildfire:** Wildfire conditions are likely to increase in the western United States in the shorter term.
- **Drought:** Historically, KLA super sites have had very low exposure to drought, but models project that this may increase to moderate levels for some sites.
- **Cyclones/hurricanes:** Historically, KLA super sites located in Southeast Asia have had moderate to high exposure to cyclones. This trend could continue and worsen into the future in a high warming scenario.
- **Water stress:** Some KLA super sites may face increased exposure to water stress in the future.

Such risks could result in damage to our facilities or operational interruptions, either at our own facilities or in our broader value chain.

Risk Management and Mitigation

KLA's resilience program uses an operational risk assessment framework to identify site-level and process-related risks as part of emergency response and business continuity planning. A global team evaluates potential gaps, develops mitigation plans and prepares for rapid recovery from a range of disruptions.

- KLA super sites maintain emergency response and business continuity plans that include risk assessments and strategies to reduce the impact of disruptions.
- In 2024, we expanded the business continuity program to six countries and eight sites.
- At the site level, facilities and continuity teams assess local physical risks using a framework aligned with ISO 14001. Facility Conditions Risk Assessments (FCRAs) help monitor site-specific risks and track mitigation efforts to reduce residual risk.
- Business continuity plans also include an operational risk management process to identify and address risks in line with KLA's global strategy. These plans, along with operational risk assessments and mitigation initiatives, support a continuous cycle of improvement that strengthens operational resilience across the company.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Transition Risk Scenario Analysis

In 2024, KLA conducted a carbon cost of emissions scenario analysis to evaluate the potential impact from climate-related policy risk under three key scenarios from the International Energy Agency (IEA) World Energy Outlook.

Scenario	Description	Temperature Alignment	Time Horizon	Rationale
Stated Policies (STEPS)	A scenario that reflects a sector-by-sector and country-by-country energy assessment of current policies as well as those under development.	2.4°C by 2050	2030 and 2050	This scenario was selected because it considers existing policies and reflects the lowest transition risk.
Announced Pledges (APS)	A scenario where all climate commitments made by governments and industries, including NDCs and longer-term net zero targets, are met in full and on time.	1.7°C by 2050		This scenario was selected because it integrates planned commitments toward a global net zero future.
Net Zero Emissions by 2050 (NZE)	A pathway where the global energy sector achieves net zero CO2 emissions by 2050. Emissions reductions from industries outside the energy sector are not relied upon to achieve this goal.	1.5°C by 2050		This scenario was selected because it depicts the achievement of a net zero by 2050 world, reflecting the highest transition risks.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Methodology

Carbon pricing was used as a proxy for policy risks to assess KLA's transition risk exposure across potential future scenarios of various climate ambitions. Carbon pricing data was leveraged from the IEA climate scenarios, specifically the Stated Policies (STEPS), Announced Pledges (APS) and Net Zero Emissions by 2050 (NZE) scenarios. Applying these scenarios, a higher carbon price indicates greater climate policy stringency, in which a low warming scenario would have a higher carbon price serving to limit carbon emissions.

To assess exposure to carbon pricing, KLA multiplied the projected carbon prices under each scenario by different KLA emissions forecasts to assess the full range of possible outcomes under different global scenarios and KLA-specific forecasts, and to determine the potential financial exposure to carbon pricing

KLA's 2023 GHG emissions inventory was used as an input to establish projections of carbon pricing exposure in each IEA scenario over time. Three emissions forecasts were developed to consider the varying risk exposure under different corporate emissions pathways:

- A business-as-usual (BAU) future where KLA grows by 2.5% every year
- An emissions reduction future where KLA achieves its current short-term science-based targets (CSBT) and then grows emissions afterward
- A further emissions reduction where KLA sets and achieves long-term science-based targets (LSBT)

Results

Climate-related regulations, particularly carbon pricing mechanisms, could lead to increased direct costs from carbon taxes or cap-and-trade systems, or be passed down indirectly from suppliers as they are impacted by carbon prices. Moreover, KLA could face compliance costs associated with introducing dedicated resources for compliance or acquiring third-party services such as verification of emissions or engagement of external experts. Customers are also expected to be impacted by some such risks, which could manifest in changes in demand or further costs to meet such expectations. Key findings of the analysis include:

- KLA faces the highest exposure to carbon pricing in a net zero emissions by 2050 scenario, in which the most stringent carbon prices are applied to halve energy sector emissions by mid-century.
- The BAU emissions pathway results in the greatest financial impact from carbon pricing over time, but the CSBT emissions pathway — which represents KLA's existing emission reduction target — significantly reduces risk exposure and results in cost savings as compared to the BAU pathway.
- Considering that only 2% of KLA's GHG emissions come from Scope 1 and 2 emissions, KLA would face only a small proportion of direct financial impact from a carbon price under any emissions pathway and IEA scenario. The remaining Scope 3 emissions would be subject to carbon pricing if these costs are passed down through suppliers.

Risk Management and Mitigation

KLA is taking action to mitigate emissions, which in turn will mitigate exposure to carbon pricing mechanisms. KLA has set short-term science-based targets and is implementing initiatives to reduce emissions in line with these targets. For instance, KLA aims to use 100% renewable electricity by 2030 and we are working toward achieving this target by consuming renewable grid electricity and purchasing RECs.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Climate Risk Management

KLA undergoes climate risk and opportunity assessments guided by the current framework and recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). These assessments are updated annually and cover short-, medium- and long-term risks and opportunities across the full value chain (direct operations, upstream and downstream). The assessment process is described as follows.

Identifying

In 2024, we conducted our fourth climate risk and opportunity assessment, which included physical and transition risks and opportunities across the company and value chain. Our annual climate risk and opportunity assessment employs research and stakeholder engagement to identify relevant TCFD-recommended climate-related risks and opportunities. Key senior leaders and subject matter experts were engaged to assess each risk's relevance to the business and prioritize risks based on potential impact, likelihood and vulnerability ratings. In 2024, we did not identify any climate-related risks or opportunities that we currently anticipate having a substantive impact on the business. Moving forward, the information gathered during this annual assessment process will continue to be used to inform potential adjustments to our company strategy and management plans.

Assessing

In our direct operations, we considered how physical risks such as extreme weather events could impact our manufacturing, critical R&D sites and enterprise IT systems. In our upstream operations, we considered how physical risks could negatively impact our supply chain operations. In our downstream operations, we considered physical risks such as increasing frequency and severity of extreme weather events that could negatively impact our customer operations. We considered market-related transition risks and downstream opportunities such as innovation to enhance the efficiency of existing and/or new products to support customer climate goals and enhance KLA's value proposition and customer satisfaction.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Integrating

Our climate risk assessment is aligned with our broader enterprise risk management framework to help us monitor developments and inform potential mitigation responses.

Key senior leaders across our business operations (including Real Estate, IT, Supply Chain, Product and Corporate/Legal) and subject matter experts were engaged to assess the relevance of climate-related risks and opportunities to the business and prioritize them. Collected through surveys led by a third-party consultant, this stakeholder input provided insight on the anticipated magnitude of impact and the ability of the business to control and mitigate risks and capitalize on opportunities. Results were reported to the ESG Steering Committee. Outputs are used to inform potential adjustments to our company strategy and management plans, including leveraging opportunities to enhance our operational business continuity plans for resiliency, reduce resource use and support our transition to a low-carbon economy. In our upstream operations, outputs inform our supply chain strategy and management plans. In downstream operations, these outputs inform our ESG strategy and management plans, including leveraging opportunities to develop a better understanding of our products' energy consumption during use, integrate energy efficiency considerations into product development processes, and evaluate future climate goals addressing Scope 3 emissions.

Within our environmental management system, we maintain a risk register that assesses physical risks and opportunities across our global operations. Risks and opportunities are part of our ISO 14001 facility-level certification process and are evaluated using a 1/2/3 rating scale outlined in our environmental, health and safety (EHS) framework. Risks are evaluated annually and cover a two-year time horizon, with goals established every two years and reported on twice annually. For risks that are deemed significant, the EHS director creates an environmental management plan that is tracked quarterly. In our streams of operations, we considered physical risks such as increasing frequency and severity of extreme weather events, as well as transition risks impacting various aspects of operations. We have business continuity plans in place to maintain the continuity and resilience of our operations in the event of extreme weather.

For climate-related transition risks, KLA monitors relevant regulations and reporting requirements, and has measures in place to prepare for mandatory disclosure.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Metrics and Targets

Guided by the Science-Based Targets initiative (SBTi) Corporate Net-Zero Standard Criteria, we have established climate-related goals and continue to assess opportunities to align our efforts with the latest climate science. In 2023, we submitted our climate goals to SBTi, including a quantifiable Scope 3 reduction target alongside our existing 2030 Scope 1 and 2 emissions goals. In 2024, SBTi approved these near-term, science-based targets:

- Reduce absolute Scope 1 and 2 emissions 50% by 2030 from a 2021 base year
- Reduce Scope 3 GHG emissions from the use of sold products 52% per billion transistors inspected, measured or processed within the same timeframe

To assess progress against our near-term targets, we track metrics related to our identified climate-related risks and opportunities, such as GHG emissions and water consumption, which also inform our analysis in alignment with the current TCFD framework. We also established the following climate-related goals:

- Use 100% renewable electricity across our global operations by 2030
- Achieve net zero Scope 1 and Scope 2 emissions by 2050

We began measuring our Scope 1, 2 and 3 GHG footprint for calendar year 2019 and have continued to improve our process and methodology ever since. Our GHG inventory aligns with the requirements of the World Resources Institute and World Business Council for Sustainable Development's GHG Protocol, and is conducted on a calendar year cycle.

KLA Scope 1 and 2 Market-Based GHG Emissions

	2022	2023	2024
Total Emissions (MT CO2e)	44,919	42,814	41,942
Scope 1 Emissions (%)	17.7%	17.6%	15.6%
Scope 2 Emissions (%)	82.3%	82.4%	84.4%

KLA Scope 3 GHG Emissions

	2022	2023	2024
Total Scope 3 Emissions (million MT CO2e)	4.28	3.53	3.44
Use of Sold Products Emissions (%)	74%	73%	73%
Purchased Goods and Services Emissions (%)	18%	18%	18%
Emissions from All Other Categories (%)	7%	9%	9%

We completed third-party verification of our 2024 GHG inventory for Scope 1, Scope 2 (including renewable energy progress) and the following Scope 3 categories, to a limited level of assurance:

- **Category 1:** purchased goods and services
- **Category 2:** capital goods
- **Category 3:** fuel- and energy-related activities
- **Category 4:** upstream transportation and distribution
- **Category 5:** waste generated in operations
- **Category 6:** business travel
- **Category 7:** employee commuting
- **Category 11:** use of sold products
- **Category 12:** end-of-life treatment of sold products
- **Category 15:** investments

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

VERIFICATION OPINION DECLARATION
GREENHOUSE GAS EMISSIONS AND ELECTRICITY CONSUMPTION

To: The Stakeholders of KLA Corporation

Apex Companies, LLC (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions and electricity consumption reported by KLA Corporation (KLA) for the period stated below. This verification opinion declaration applies to the related information included within the scope of work described below.

The determination of the GHG emissions and electricity consumption is the sole responsibility of KLA. KLA is responsible for the preparation and fair presentation of the GHG emissions and electricity consumption statement in accordance with the criteria. Apex's sole responsibility was to provide independent verification on the accuracy of the GHG emissions and electricity consumption reported, and on the underlying systems and processes used to collect, analyze and review the information. Apex is responsible for expressing an opinion on the GHG emissions and electricity consumption statement based on the verification. Verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification.

Boundaries of the reporting company GHG emissions covered by the verification:

- Operational Control
- Worldwide
- Exclusions: Cash holdings, debt and government funds emissions are excluded from Scope 3, Category 15 Investments.

Types of GHGs: CO_2, N_2O, CH_4, HFCs, NF_3, SF_6

GHG Emissions and Electricity Consumption Statement:

- **Scope 1 Direct Emissions, plus Non-Kyoto Protocol Fugitive Emissions[1]:** 6,523 metric tons of CO_2 equivalent
    - **Scope 1:** 6,115 metric tons of CO_2 equivalent
    - **Non-Kyoto Protocol Fugitives (HCFCs and VOCs):** 408 metric tons of CO_2 equivalent
- **Scope 2 (Location-Based):** 82,376 metric tons of CO_2 equivalent
- **Scope 2 (Market-Based):** 35,419 metric tons of CO_2 equivalent
- **Scope 3:**
    - **Purchased Goods and Services:** 607,319 metric tons of CO_2 equivalent
    - **Capital Goods:** 14,306 metric tons of CO_2 equivalent
    - **Fuel- and Energy-Related Activities (Market-Based):** 14,759 metric tons of CO_2 equivalent
    - **Upstream Transportation and Distribution:** 99,351 metric tons of CO_2 equivalent
    - **Waste Generated in Operations (includes waste emission from 16 supersites where data is reported):** 548 metric tons of CO_2 equivalent
    - **Business Travel:** 94,235 metric tons of CO_2 equivalent

[1] The WRI/WBCSD Greenhouse Gas Protocol Corporate Accounting and Reporting Standard indicates that GHG emissions not covered by the Kyoto Protocol shall not be included in Scope 1 but may be reported separately. For consistency in year-over-year reporting of direct emissions, KLA reports both Kyoto and non-Kyoto fugitive emissions.

- **Employee Commuting (Location-Based):** 18,987 metric tons of CO_2 equivalent
- **Use of Sold Products (Lifetime Scope 2 GHG Emissions):** 2,515,286 metric tons of CO_2 equivalent
- **End of Life Treatment of Sold Products:** 653 metric tons of CO_2 equivalent
- **Investments**: 76,268 metric tons of CO_2 equivalent

- **Total Purchased Grid Electricity:** 244,472 MWh
- **Purchased Renewable Electricity:**
  - **Renewable Portion of Grid Purchased Electricity:** 87,438 MWh
  - **Energy Attribute Certificates (EACs) Retired:** 79,523 MWh
  - **Total Purchased Renewable Electricity (Grid Purchase + EACs):** 166,961 MWh
- **Total Percent Renewable Electricity:** 68.3%
- **Year-over-Year Change in Electricity Consumption (RY2023 to RY2024):** 7.0% increase
- **Year-over-Year Change in GHG Emissions (RY2023 to RY2024, Scope 1 [including non-Kyoto Protocol fugitives] + Scope 2 Market-Based):** 2.0% decrease

Data and information supporting the Scope 1 and Scope 2 GHG emissions, out of scope emissions and electricity consumption statement were generally historical in nature, and in some cases estimated.

Data and information in Scope 3 GHG emissions statement were in some cases estimated rather than historical in nature.

Global Warming Potential (GWP) and emission factor data sets:

- GWP: Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR-5)
- United States Environmental Protection Agency (USEPA) Emissions & Generation Resource Integrated Database (eGRID) (2022 data), 2024
- USEPA Emission Factor Hub, 2024
- International Energy Agency (IEA) Emission Factor Database (2022 data), 2024
- United Kingdom (UK) Department for Environment Food & Rural Affairs (DEFRA), UK Government GHG Conversion Factors for Company Reporting, October 30, 2024
- Green-E Residual Mix Emissions Rates (2022 Data), 2024
- Association of Issuing Bodies (AIB) European Residual Mixes, June 4, 2024
- Utility-specific emission factors
- Supply Chain Greenhouse Gas Emission Factors v1.2, April 20, 2023
- Supply Chain Greenhouse Gas Emission Factors v1.3, July 10, 2024
- The US Environmentally-Extended Input-Output Model v2.1-422 Refresh, v2
- CDP Supply Chain Scope 3 Report (2024 data year)
- USEPA Waste Reduction Model WARM Version 16, December 2023
- Scope 3 methodologies and emission factors in third-party platform

Period covered by GHG emissions verification:

- January 1, 2024 to December 31, 2024

Criteria against which verification conducted:

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2)
- WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3)
- Internal Company Protocol: KLA Greenhouse Gas Inventory Management Plan Version 5.0 (Out of Scope Emissions, Renewable Electricity and Percent Renewable Electricity)

Reference Standard:

- ISO 14064-3 Second edition 2019-04: Greenhouse gases -- Part 3: Specification with guidance for the verification and validation of greenhouse gas statements
- Electricity consumption was also verified using the principles and requirements of ISO 14064-3 as part of the verification process.

Level of Assurance and Qualifications:

- Limited
- This verification used a materiality threshold of ±5% for aggregate errors in sampled data for each of the above indicators

GHG Verification Methodology:

Evidence-gathering procedures included but were not limited to:

- Interviews with relevant personnel of KLA and their consultant;
- Review of documentary evidence produced by KLA and their consultant;
- Review of KLA data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions and electricity consumption;
- Site visit to the KLA Singapore Supersite manufacturing locations; and
- Audit of sample of data used by KLA to determine GHG emissions and electricity consumption.

Verification Opinion:

Based on the process and procedures conducted, there is no evidence that the GHG emissions and electricity consumption statement shown above:

- is not materially correct and is not a fair representation of the GHG emissions and electricity consumption data and information; and
- has not been prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2) and WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

It is our opinion that KLA has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of the GHG emissions and electricity consumption for the stated period and boundaries.

Statement of independence, impartiality and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with KLA, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

Attestation:

Megan O'Neil, Lead Verifier
ESG Program Manager
Apex Companies, LLC
Atlanta, Georgia

David Reilly, Technical Reviewer
ESG Principal Consultant
Apex Companies, LLC
Santa Ana, California

June 4, 2025

This verification opinion declaration, including the opinion expressed herein, is provided to KLA and is solely for the benefit of KLA in accordance with the terms of our agreement. We consent to the release of this declaration by you to the public or other organizations, but without accepting or assuming any responsibility or liability on our part to any other party who may have access to this declaration.

Notes About this Report

Certain statements in this report, and documents that are incorporated by reference into this report, contain certain forward-looking statements. You can identify these and other forward-looking statements by the use of words such as “will,” “expects,” “plans,” “seeks,” “commits,” “target,” “goal,” “pledge”, “aim”, “strive” or the negative of such terms, or other comparable terminology. Such statements may include, but are not limited to, statements pertaining to: our growth; the performance, impact, and benefits of our products and technologies; our strategies; our priorities, goals, and objectives; market trends; and other predictions and estimates, including our Scope 1, 2 and 3 GHG emissions goals and our renewable electricity goals. Forward-looking statements also include the assumptions underlying or relating to any of the foregoing statements. These forward-looking statements are based on current information and expectations and involve a number of risks and uncertainties. We claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 for all forward- looking statements.

Actual results and actual events may differ materially from those projected in such statements due to various factors, including but not limited to: our ability to achieve the various environmental, social and corporate governance plans, goals and commitments set forth in this report and unexpected delays, difficulties, and expenses in executing against such plans, goals and commitments; impacts of climate change or of any actions, by various parties, taken to mitigate or adapt to climate change; our vulnerability to a weakening in the condition of the financial markets and the global economy; risks related to our international operations; evolving Bureau of Industry and Security of the U.S. Department of Commerce rules and regulations and their impact on our ability to sell products to and provide services to certain customers in People's Republic of China; risks related to recently announced tariffs; costly IP disputes that could result in our inability to sell or use the challenged technology; risks related to the legal, regulatory and tax environments in which we conduct our business; increasing attention to ESG matters and the resulting costs, risks and impact on our business; unexpected delays, difficulties and expenses in executing against our environmental, climate, inclusion or other ESG target, goals and commitments; our ability to attract, retain and motivate key personnel; our vulnerability to disruptions and delays at our third-party service providers; cybersecurity threats, cyber incidents affecting our and our business partners' systems and networks; our inability to access critical information in a timely manner due to system failures; risks related to acquisitions, integrations, strategic alliances or collaborative arrangements; climate change, earthquake, flood or other natural catastrophic events, public health crises such as the COVID-19 pandemic or terrorism and the adverse impact on our business operations; the war between Ukraine and Russia, escalation of hostilities in the Middle East, and the significant military activity in those regions; lack of insurance for losses and interruptions caused by terrorists and acts of war, and our self-insurance of certain risks including earthquake risk; risks related to fluctuations in foreign currency exchange rates; risks related to fluctuations in interest rates and the market values of our portfolio investments; risks related to tax and regulatory compliance audits; any change in taxation rules or practices and our effective tax rate; compliance costs with federal securities laws, rules, regulations, NASDAQ requirements, and evolving accounting standards and practices; ongoing changes in the technology industry, and the semiconductor industry in particular, including future growth rates, pricing trends in end-markets, or changes in customer capital spending patterns; our vulnerability to a highly concentrated customer base; the cyclicality of the industries in which we operate; our ability to timely develop new technologies and products that successfully address changes in the industry; risks related to AI; our ability to maintain our technology advantage and protect proprietary rights; our ability to compete in the industry; availability and cost of the materials and parts used in the production of our products; our ability to operate our business in accordance with our business plan; risks related to our debt and leveraged capital structure; we may not be able to declare cash dividends at all or in any

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

particular amount; liability to our customers under indemnification provisions if our products fail to operate properly or contain defects or our customers are sued by third parties due to our products; our government funding for R&D is subject to audit, and potential termination or penalties; we may incur significant restructuring charges or other asset impairment charges or inventory write offs; we are subject to risks related to receivables factoring arrangements and compliance risk of certain settlement agreements with the government; and risks related to the Court of Chancery of the State of Delaware being the sole and exclusive forum for certain actions and proceedings.

Additionally, certain of the standards and metrics used, and the expectations and assumptions they are based on, have been subject to certain internal and third-party verification procedures. However, certain disclosures may be based on assumptions or estimates due to inherent measurement uncertainties. Standards and metrics used in preparing this report, including any underlying data used in preparing such metrics, continue to evolve and are based on expectations and assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees. We expect methodologies, including regarding the calculation of greenhouse gas emissions and associated reductions, to continue to evolve and we cannot guarantee that our approach will align with the preferences of any particular stakeholder. Moreover, our disclosures based on any standards may change due to revisions in framework requirements, availability of information, changes in our business or applicable governmental policies, or other factors, some of which may be beyond our control. We cannot guarantee that our statements or underlying methodologies may align with the expectations of any particular stakeholder, and the application of different standards or interpretations may result in material differences from our historical reporting. Some information herein is also reliant on third-party information, and any errors in such information may cause actual results and performance to differ. In addition, various aspects of this report are based on processes and procedures that we believe apply appropriate levels of support to address issues in scope and, while these statements may use words such as "ensure", "prevent", or similar language, such terms should not be considered to mean (as there can be no guarantee) that such efforts will be successful in all situations. We also refer you to those factors discussed in “Risk Factors” included in documents that we file from time to time with the SEC, including KLA’s Annual Report on Form 10-K for the fiscal year ended June 30, 2025, and other subsequent filings with the Securities and Exchange Commission (including, but not limited to, the risk factors described therein). All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by all these factors. KLA Corporation assumes no obligation to, and does not currently intend to, update these forward-looking statements. You should not place undue reliance on any forward-looking statement. We do not have, and expressly disclaim, any obligation to update or revise any forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made. In KLA’s ESG materiality assessment and throughout this report, use of the terms “material” and “materiality” is different than how these terms are used for the purpose of complying with any reporting requirements, including under U.S. federal securities laws and other European and other international disclosure regimes. Given the uncertainties and assumptions required to make some of the disclosures in this report, and the timelines involved, materiality is inherently difficult to assess far in advance. Moreover, given the inherent uncertainty of the estimates, assumptions and timelines contained in this report, we may not be able to anticipate whether or the degree to which we will or will not be able to meet our plans, targets or goals in advance. Separately, certain information included in this report may be used for compliance with various legal obligations; however, this report is necessarily broader than certain legal requirements, and any such use shall not be deemed to incorporate portions of this report that are not responsive to such obligations or references to same. It is not intended, and we hereby disclaim, any legal relations, rights or obligations to any third-party in connection with these disclosures. Moreover, by providing this information, neither we nor any of our affiliates are conceding any specific item is required or applicable under any legal obligation, nor are we conceding any particular interpretation of such legal requirements. Moreover, in certain circumstances, information included in this report may differ from information included in regulatory reporting due to differences in methodologies for the calculation of certain metrics or other factors, which may be in or out of our control.

INTRODUCTION
PEOPLE
PRODUCTS AND SUPPLY CHAIN
ENVIRONMENT
GOVERNANCE AND ETHICS
APPENDIX
Data Tables
GRI and SASB Index
TCFD Report
GHG Verification Statement
Notes About This Report

Global Impact Report
2024