Welcome to your CDP Climate Change Questionnaire 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

KLA Corporation is a global leader in process control and a supplier of process-enabling solutions for a broad range of industries, including semiconductors, printed circuit boards and displays. We provide solutions for manufacturing and testing wafers and reticles, integrated circuits, packaging, light emitting diodes, power devices, compound semiconductor devices, microelectromechanical systems, data storage, printed circuit boards, flat and flexible panel displays, and general materials research, as well as providing contracted and comprehensive installation and maintenance services across our installed base.

Within the Semiconductor Process Control segment, our comprehensive portfolio of inspection, metrology and data analytics products, and related service help integrated circuit manufacturers achieve target yield throughout the entire semiconductor fabrication process—from research and development (“R&D”) to final volume production. KLA’s differentiated products and services are designed to provide comprehensive solutions to help customers accelerate development and production ramp cycles, achieve higher and more stable semiconductor die yields and improve their overall profitability.

KLA’s suite of advanced products, coupled with its unique yield management software and services, allow us to deliver the solutions our customers need to achieve their productivity goals by significantly reducing their risks and costs and improving their overall profitability and returns on investment. In doing so, we help our customers achieve improved efficiency, reduced waste, and the achievement of their sustainability goals.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2021	December 31, 2021	No

C0.3

(C0.3) Select the countries/areas in which you operate.

Belgium
China
Denmark
France
Germany
Hong Kong SAR, China
India
Ireland
Israel
Italy
Japan
Malaysia
Republic of Korea
Singapore
Taiwan, China
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	US4824801009

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	While the full Board of Directors monitors KLA's progress on environmental, social and governance (ESG) matters, in 2021 KLA designated the Nominating and Governance Committee of the Board to have oversight for ESG, including climate-related issues. Having a dedicated Board-level Committee allows for the time and focus to be allocated to ESG issues and promotes ongoing progress against the company goals. The Nominating and Governance Committee reports to the Board of Directors. Responsibility for climate-related issues was assigned to the Nominating and Governance Committee as ESG is now part of the principal responsibilities and duties of the Committee. As stated in the Charter of the Nominating and Governance Committee, the Committee is responsible for monitoring the Company's policies, programs and strategies related to environmental stewardship, corporate citizenship, human rights and other social and public matters of significance to the Company. The Board of Directors helps to guide the company's ESG strategy and receives an annual report on the implementation of and progress against ESG goals, including climate-related activities and goals. Examples of climate-related decisions made by the Board: in 2020, in response to geopolitical and environmental risks identified, the Board determined that KLA must proactively and intentionally manage ESG topics, including climate-related issues. In response, KLA engaged the expertise and support of a third-party consulting group to conduct the company's first enterprise-wide greenhouse gas inventory, including Scope 1, 2, and 3 emissions under the GHG Protocol. In 2021, the Executive team approved KLA setting a goal to use 100% renewable electricity across its global operations by 2030, and the Board was informed of the decision. This goal formalized the company's commitment to support the transition to a clean energy economy by setting greenhouse gas (GHG) emission reduction targets and reporting climate-related information to stakeholders in alignment with the recommendations of the Task

	Force on Climate-related Financial Disclosures (TCFD).

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Monitoring implementation and performance of objectives	The Nominating and Governance Committee meets at least once per quarter or more frequently, as deemed appropriate, and climate-related issues are a scheduled agenda item at some meetings. The Committee is comprised of no fewer than three non-employee members of the Board. 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 the company's overall ESG performance. The Nominating and Governance Committee of the Board receives regular updates on the implementation of and progress against ESG and climate-related goals and activities from the Global ESG Leader who chairs the ESG Steering Committee. Accordingly, the Nominating and Governance Committee has oversight of each of the governance mechanisms selected, including guiding company strategy, major plans of actions, and risk management policies, and monitoring implementation of performance objectives and progress towards KLA's climate-related goals. The Board of Directors also receives an annual presentation from the Global ESG Leader on progress against ESG goals and the implementation of projects and related activities, as appropriate. These activities consequently contribute to the Board's oversight of and responsibility for review and guidance of climate-related issues. The Board also has visibility to KLA's assessment of climate risks and opportunities. In 2021, KLA conducted its first in-depth climate risk and opportunity assessment that aligned with the framework and general recommendations of the Task Force on Climate-Related

		Financial Disclosures (TCFD) and included potential physical and transition risks and opportunities across the global enterprise and value chain. Key senior leaders and subject matter experts were engaged to assess their relevance to the business and prioritize them.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	Our board includes several current and former C-level executives at large companies with established ESG programs. Their experience helps to inform our strategy on climate and other material ESG topics.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify Executive Vice President and Chief Strategy Officer	Both assessing and managing climate-related risks and opportunities	Annually
Environment/ Sustainability manager	Both assessing and managing climate-related risks and opportunities	Annually

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

KLA's Executive Vice President and Chief Strategy Officer is the highest management-level position with responsibility for climate change. This position reports directly to the CEO and is responsible for the overall company strategy, including ESG strategy.

The Global ESG Leader reports to the Executive Vice President and Chief Strategy Officer and oversees the company's ESG program. This position is responsible for day-to-day management of KLA's ESG strategy, including climate change, and is best placed to coordinate the inherently cross-functional aspects of KLA's response to climate change. The Global ESG Leader chairs the ESG Steering Committee and provides progress updates to the Nominating and Governance Committee of the Board and an annual report to the Board of Directors. Responsibilities include:

• Collaborating with the Board, Nominating and Governance Committee of the Board, executive leadership and the ESG Steering Committee on KLA's strategic direction for program activities and the development of short- and long-term sustainability plans;
• Conducting regular climate risk and opportunity assessments aligned with the framework and general recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), to identify and manage potential impacts on KLA's businesses, strategy and financial planning;
• Developing and executing climate-related goals, such as KLA's goal to achieve 100% renewable electricity by 2030;
• Providing company-wide guidance and leadership for change management across product and operational teams, including integrating ESG principles, commitments and accountability mechanisms into core business functions;
• Supporting the development of KLA's sustainability value propositions for KLA's customers; and
• Corporate reporting and disclosure including producing KLA's annual Global Impact Report and CDP reports.

KLA's ESG Steering Committee, composed of cross-functional senior executives across the global business, receives oversight from the Nominating and Governance Committee of the Board. This committee has a mandate to support the company's on-going commitment to ESG and monitor risks and opportunities related to ESG topics, including climate-related issues. The ESG Steering Committee assists the Executive Management Team in: (a) setting general strategy relating to ESG Matters, (b) developing, implementing, and monitoring initiatives and policies based on that strategy, (c) overseeing communications with employees, investors and stakeholders concerning ESG Matters, and (d) monitoring and assessing developments relating to, and improving the Company's understanding of ESG Matters. The Committee includes business leaders responsible for relevant disciplines, including environmental, health and safety; security; facilities operations; design & construction; legal; investor relations; government affairs; corporate governance; finance; human resources; communications; and the product groups.

The ESG Steering Committee meets monthly, and key climate topics addressed include: industry trends, initiatives and benchmarking; KLA's greenhouse gas data collection and analysis; climate strategy, goal setting and progress against our annual goals; climate risk and opportunity management; and climate reporting and disclosure. Climate-related issues are monitored by the Nominating and Governance Committee of the Board, Chief Strategy Officer, ESG Steering Committee and the Global ESG Leader through our annual climate risk and opportunity assessment and biannual sustainability materiality assessment process which is guided by the Global Reporting Initiative (GRI) Reporting Principles and uses GRI's definition of

materiality to identify and assess priority sustainability topics across the value chain. The Board reviews progress toward improvements.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Management bonus based on annual goals & targets.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Environment/Sustainability manager	Monetary reward	Emissions reduction target Efficiency target	Our short-term incentive program evaluates operational excellence based on our balanced scorecard, which considers aspects of our ESG performance, including climate-related issues. KLA's Global ESG Leader receives an annual bonus that includes performance on climate-related objectives, such as KLA's goal to use 100% renewable electricity across global operations by 2030. Our long-term incentives do not currently include targets associated with ESG performance; we are working to evolve and implement incentives as our climate strategy continues to develop.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	2	Strategic planning processes typically take a 1-2 year time horizon into account for short-term horizon planning purposes, and are aligned with our Enterprise Risk Management process.
Medium-term	2	4	Strategic planning processes typically take a 2-4 year time horizon into account for medium-term horizon planning purposes, and are aligned with our Enterprise Risk Management process.
Long-term	4	6	Strategic planning processes typically take a 4-6 year time horizon into account for long-term horizon planning purposes, and are aligned with our Enterprise Risk Management process.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

We identify climate-related risks and opportunities and assess them based on potential impact, likelihood and vulnerability. Impact is measured across multiple attributes, including financial, reputational and operational impact, using clearly defined thresholds and definitions of risk. Substantive financial or strategic impacts are those that would affect or impact our stakeholders, whether it is our ability to provide differentiated and compelling solutions for our customers, or our ability to attract and retain world-class employees, or provide returns to our shareholders or support the communities in which we operate.

Financially, we define risks that have a substantive financial or strategic impact at the corporate level as having an adverse impact on our revenue or an increase in expenses greater than $118 million USD, either as an isolated event or combination of factors that may impact our corporate strategy and business continuity.

We are subject to a variety of federal, state and local governmental laws and regulations related to the protection of the environment, including without limitation the management of hazardous materials that we use in our business operations. Compliance with these environmental laws and regulations has not had, and is not expected to have, a material effect on our capital expenditures, financial condition, results of operations or competitive position. However, any failure to comply with environmental laws and regulations may subject us to a range of consequences, including fines, suspension of certain of our business activities, limitations on our ability to sell our products, obligations to remediate environmental contamination, and criminal and civil liabilities or other sanctions. In addition, changes in environmental laws and regulations could require us to invest in potentially costly pollution control equipment, alter our manufacturing processes or use substitute materials. Our failure to comply with these laws and regulations could subject us to future liabilities.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

A specific climate-related risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Climate-related risks and opportunities impacting our direct operations are identified and assessed at KLA through the following processes:

1. Climate-related risk and opportunity management, which includes short, medium, and long-term risks, providing a holistic view of KLA's risk profile and enabling senior management to determine if additional activities are required to address significant risks and capitalize on opportunities. In 2021, we conducted our first in-depth climate risk and opportunity assessment that aligned with the framework and general recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and included potential physical and transition risks and opportunities across the global enterprise and value chain. Through research and stakeholder engagement, we identified climate-related risks and opportunities, as defined by TCFD risk types and classifications, with the potential to impact the business. For example, we considered physical risks such as increasing frequency and severity of extreme weather events impacting our manufacturing and critical R&D sites and enterprise IT systems. We considered transition risks such as a growth in carbon regulations increasing our fossil fuel energy costs. We also considered opportunities such as improving operational energy and resource efficiency and decarbonizing energy sources to reduce our operating costs. 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 their relevance to the business and prioritize them based on potential impact, likelihood and vulnerability assessments. The input provided by these stakeholders through workshops led by a third-party consultant provided expert judgement of the magnitude of impact and the ability of the business to control and mitigate risks and capitalize on opportunities. Results are reported to the ESG Steering Committee, which is composed of KLA executives who oversee the ESG strategy and receive oversight

from the Nominating and Governance Committee of the Board. Outputs are used to inform 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. Thus, by proactively tracking and staying ahead of climate-related risks and opportunities, we aim to mitigate any inherent risks identified and turn them into opportunities.
2. Our biannual ESG materiality assessment is guided by the Global Reporting Initiative (GRI) Reporting Principles and uses GRI's definition of materiality to identify and assess priority sustainability topics across the value chain. This assessment informs our corporate ESG strategy and reporting activities, including climate-related issues. This process involves a detailed review of industry trends, best practices and standards, investor assessments, and benchmarking of peers and industry leaders. We also engage our executive team and investors through interviews and our employees through a company-wide survey and focus group discussions. Collecting the perspectives from a range of KLA stakeholders helps us develop a robust ESG strategy that capitalizes on our biggest opportunities, increases positive impact and business growth, and addresses areas of risk, such as operating in a carbon-constrained world.
3. Within our Environmental Management System, we have a risk register which assesses physical risks and opportunities across our global operations. Risks and opportunities are part of our ISO 140001 facility-level certification process and evaluated using a 1/2/3 rating scale outlined in our Environmental Health and Safety 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 which is tracked quarterly.
4. Our ESG Steering Committee meets monthly to discuss ESG-related risks and opportunities across the business impacting the implementation of our ESG strategy and goals, including our goal to use 100% renewable electricity across global operations by 2030, as needed.

Value chain stage(s) covered

Upstream

Risk management process

A specific climate-related risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Upstream climate-related risks and opportunities are identified and assessed at KLA through the following processes:

1. Climate-related risk and opportunity management, which includes short, medium, and long-term risks, providing a holistic view of KLA's risk profile and enabling senior management to determine if additional activities are required to address significant risks and capitalize on opportunities. In 2021, we conducted our first in-depth climate risk and opportunity assessment that aligned with the framework and general recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and included potential physical and transition risks and opportunities across the global enterprise and value chain. Through research and stakeholder engagement, we identified climate-related risks and opportunities, as defined by TCFD risk types and classifications, with the potential to impact the business. For example, we considered physical risks such as increasing frequency and severity of extreme weather events negatively impacting our supply chain operations. These disruptions could delay or disrupt shipments of products to our customers, interfere with our ability to perform services requested by our customers, or prevent/disrupt installation and acceptance of our products at customer sites – which could result in cancellation of orders, delays in deliveries or other business activities, or loss of customers and could seriously harm our business. We also considered upstream opportunities such as incorporating climate scenarios into our supply chain strategies to improve resilience and lower the risk of supply disruption. 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 their relevance to the business and prioritize them based on potential impact, likelihood and vulnerability assessments. The input provided by these stakeholders through workshops lead by a third-party consultant provided expert judgement of the magnitude of impact and the ability of the business to control and mitigate risks and capitalize on opportunities. Results are reported to the ESG Steering Committee, which is composed of KLA executives who oversee the ESG strategy and receive oversight from the Nominating and Governance Committee of the Board. Outputs are used to inform adjustments to our supply chain strategy and management plans, including leveraging opportunities to further enforce KLA's requirement that suppliers have disaster recovery / business continuity plans in place and to explore a potential strategy to engage with our top suppliers around setting GHG emission reduction goals. Thus, by proactively tracking and staying ahead of climate-related risks and opportunities, we aim to mitigate any inherent risks identified and turn them into opportunities.
2. Our biannual ESG materiality assessment is guided by the Global Reporting Initiative (GRI) Reporting Principles and uses GRI's definition of materiality to identify and assess priority sustainability topics across the value chain. This assessment informs our corporate ESG strategy, including our Supply Chain Sustainability Program. This process involves a detailed review of industry trends, best practices and standards, investor assessments, and benchmarking of peers and industry leaders. We also engage our executive team and investors through interviews and our employees through a company-wide survey and focus group discussions. Collecting the perspectives from a range of KLA stakeholders helps us develop a robust ESG strategy that capitalizes on our biggest opportunities, increases positive impact and business growth, and addresses areas of risk, such as operating in a carbon-constrained world.

3. Our ESG Steering Committee meets monthly to discuss ESG-related risks and opportunities across the business impacting the implementation of our ESG strategy and goals, including assessing the feasibility of setting targets covering emissions reductions in our operations and value chain (Scopes 1, 2 & 3).

Value chain stage(s) covered

Downstream

Risk management process

A specific climate-related risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Downstream climate-related risks and opportunities are identified and assessed at KLA through the following processes:
1. Climate-related risk and opportunity management, which includes short, medium, and long-term risks, providing a holistic view of KLA's risk profile and enabling senior management to determine if additional activities are required to address significant risks and capitalize on opportunities. In 2021, we conducted our first in-depth climate risk and opportunity assessment that aligned with the framework and general recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and included potential physical and transition risks and opportunities across the global enterprise and value chain. Through research and stakeholder engagement, we identified climate-related risks and opportunities, as defined by TCFD risk types and classifications, with the potential to impact the business. For example, we considered physical risks such as increasing frequency and severity of extreme weather events negatively impacting our customer operations. We considered market-related transition risks such as shifts in customer preferences toward more energy efficient products and services increasing R&D and product development costs and time. We also considered downstream opportunities such as innovation to enhance the G of existing and/or new products to support customer climate goals and enhance KLA's value proposition and customer satisfaction. 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 their relevance to the business and prioritize them based on potential impact, likelihood and vulnerability assessments. The input provided by these stakeholders through workshops lead by a third-party consultant provided expert judgement of the magnitude of impact and the ability of the business to control and mitigate risks and capitalize on opportunities. Results are reported to the ESG Steering Committee, which is composed of KLA executives who oversee the ESG strategy and

receive oversight from the Nominating and Governance Committee of the Board. Outputs are used to inform adjustments to 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. Thus, by proactively tracking and staying ahead of climate-related risks and opportunities, we aim to mitigate any inherent risks identified and turn them into opportunities.
2. Our biannual ESG materiality assessment is guided by the Global Reporting Initiative (GRI) Reporting Principles and uses GRI's definition of materiality to identify and assess priority sustainability topics across the value chain. This assessment informs our corporate ESG strategy, including climate-related issues. This process involves a detailed review of industry trends, best practices and standards, investor assessments, and benchmarking of peers and industry leaders. We also engage our executive team and investors through interviews and our employees through a company-wide survey and focus group discussions. Collecting the perspectives from a range of KLA stakeholders helps us develop a robust ESG strategy that capitalizes on our biggest opportunities, increases positive impact and business growth, and addresses areas of risk, such as operating in a carbon-constrained world.
3. Our ESG Steering Committee meets monthly to discuss ESG-related risks and opportunities across the business impacting the implementation of our ESG strategy and goals, including assessing the feasibility of setting targets covering emissions reductions in our operations and value chain (Scopes 1, 2 & 3).
4. We also monitor potential marketplace risks and opportunities and customer preferences through a 'voice of the customer' process which gathers customer feedback on topics such as cost of ownership, and requests related to environmental attributes and performance. Additionally, we gather market insight from industry working groups such as the Responsible Business Alliance (RBA) and SEMI, the global industry association that unites the entire electronics manufacturing and design supply chain.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	We are committed to complying with applicable legislation and have processes in place to monitor current regulatory requirements and their impact on our business operations. For example, our 2021 climate risk and opportunity assessment included an assessment of potential impacts of failing to comply with climate-related regulations, as well as our operational control methods to mitigate risks and ensure compliance.

		We are exposed to various risks related to the legal, regulatory and tax environments in which we perform our operations and conduct our business. We are subject to various risks related to compliance with new, existing, different, inconsistent, or even conflicting laws, rules and regulations enacted by legislative bodies and/or regulatory agencies in the countries in which we operate and with which we must comply, including environmental regulations. Our failure or inability to comply with existing or future laws, rules or regulations, or changes to existing laws, rules, or regulations (including changes that result in inconsistent or conflicting laws, rules or regulations), in the countries in which we operate could result in violations of contractual or regulatory obligations that may adversely affect our operating results, financial condition and ability to conduct our business. In addition, changes in environmental regulations (including regulations relating to climate change and GHG emissions) could require us to invest in potentially costly pollution control equipment, alter our manufacturing processes or use substitute (potentially more expensive and/or rarer) materials. The cost of complying, or of failing to comply, with these and other regulatory restrictions or contractual obligations could adversely affect our operating results, financial condition and ability to conduct our business. In addition, we may from time to time be involved in legal proceedings or claims regarding environmental regulations. There can be no assurance regarding the outcome of current or future legal proceedings or claims, which could adversely affect our operating results, financial condition and ability to operate our business. This risk is not currently deemed substantive for our organization.
Emerging regulation	Relevant, always included	We evaluate the emergence of and potential for emerging climate-related regulations and assess potential impacts on our business operations as well as operational control methods needed to mitigate risks and ensure compliance. For example, our 2021 climate risk and opportunity assessment included an assessment of emerging carbon regulations (e.g. emissions trading schemes, carbon taxes, compliance standards) impacting fossil fuel energy costs and cost of goods sold. We also assessed the potential impact of emerging climate disclosure regulations. We are subject to a variety of federal, state and local governmental laws and regulations related to the protection of the environment, including the management of hazardous materials that we use in our business operations. Compliance with these environmental laws and regulations has not had, and is not expected to have, a material effect on our capital expenditures, financial condition, results of operations or competitive position. However, any failure to comply with environmental laws and regulations may subject us to a

		range of consequences, including fines, suspension of certain of our business activities, limitations on our ability to sell our products, obligations to remediate environmental contamination, and criminal and civil liabilities or other sanctions. In addition, changes in environmental laws and regulations could require us to invest in potentially costly pollution control equipment, alter our manufacturing processes or use substitute materials. Our failure to comply with these laws and regulations could subject us to future liabilities. This risk is not currently deemed substantive for our organization.
Technology	Relevant, always included	We monitor potential technology risks that could affect our business strategy. For example, our 2021 climate risk and opportunity assessment included an assessment of the potential for changing customer preferences toward more energy efficient products and services to increase R&D and product development costs and time as climate change concerns become more prominent. Our tools and technologies help drive manufacturing process improvements for customers that can achieve higher yield while reducing energy use, emissions and waste in the process. Therefore, changing customer requirements present both risks and opportunities for KLA to meet and exceed customer requirements and invest in new technology solutions that improve efficiency. We are currently prioritizing the need to generate and adopt innovation that will enhance our products' energy efficiency during use, and evaluating future climate goals addressing Scope 3 emissions. This risk is not currently deemed substantive for our organization.
Legal	Relevant, always included	Legal risks may be informed by climate-related issues. This risk type is relevant and always included in the form of exposure to environmental liability or lawsuits. For example, our 2021 climate risk and opportunity assessment included an assessment of changing environmental laws and regulations, including evolving climate change regulations, that could expose us to potential financial liability and increase our operating costs. In addition, as part of our ISO certification at manufacturing sites in the U.S., Israel, Wales and Singapore, we maintain a list of legal requirements applicable at each site, which includes environmental, health, safety, and climate-change, and regularly evaluate our compliance and assess our risk toward each legal requirement. This risk is not currently deemed substantive for our organization.
Market	Relevant, always included	We continually monitor potential marketplace risks and opportunities that might affect our ability to conduct business as well as potential operational, environmental, regulatory and marketplace risks that may affect our ability to conduct business and compromise our reputation to our customers and to the public. For example, our 2021 climate risk and opportunity assessment included an assessment of the potential

		for changing customer preferences toward more energy efficient products and services to reduce demand for our products and services. We are prioritizing the need to generate and adopt innovation that will enhance our products' energy efficiency during use. To better understand our current baseline, we have established working groups across our businesses to segment KLA product groups, define best practice methodologies and assumptions for calculating energy consumption and gather more accurate data. Leveraging the SEMI S23 Guide for Conservation of Energy, Utilities and Materials Used by Semiconductor Manufacturing Equipment, wherever possible we are measuring the energy consumption of our tools and components in our labs rather than relying on modeling or industry averages In 2022, we are exploring a product energy efficiency strategy that aims to: 1) integrate efficiency metrics into product development processes, 2) generate and adopt innovation that will enhance our products' energy efficiency during use, and 3) evaluate future climate goals addressing Scope 3 emissions.
Reputation	Relevant, always included	We consider our business' reputation within the industry, with our customers, and with our stakeholders, and understand the critical need to preserve our brand. Reputational risks may be informed by climate-related issues and are included in our climate risk and opportunities assessment process. For example, in 2021 we assessed the potential impact of failing to meet growing expectations from stakeholders to implement and report climate goals on KLA's brand reputation and its ability to attract and retain key talent, customers and shareholders. Our customers are increasingly looking to partner with suppliers that demonstrate corporate responsibility, assess and mitigate climate-related risks, and transparently report on climate performance. If we are not considered to be making meaningful progress on climate change or if our products and services are not perceived to be meeting customer requirements, we could be subject to reputational risk (e.g. through decreased scores in public sustainability rankings such as CDP, shareholder resolutions, or lower preference by customers). In 2021, we announced a goal to use 100% renewable electricity across our global operations by 2030. In 2022, we announced a new target to reduce Scope 1 and 2 emissions by 50% by 2030 from our 2021 baseline and a target to achieve net zero Scope 1 and 2 emissions by 2050. The Scope 1 and 2 reduction goal is informed by the Science Based Targets initiative (SBTi) Corporate Net-Zero Standard. This risk is not currently deemed substantive for our organization, and we believe our current climate strategy and ambitious goals will help to mitigate this risk in the future.

Acute physical	Relevant, always included	We consider acute physical risks in our climate risk and opportunity assessment process. In 2021, we assessed the potential impact of extreme weather events increasing the frequency of power outages, property damage and temporary site closure of our facilities, and negatively impacting staff productivity, costs and real estate asset values. We also assessed our risk exposure to extreme weather events that could negatively impact enterprise and customer IT systems, as well as supply chain operations. Additionally, we evaluated our operational control methods to mitigate physical risks related to climate change. KLA has redundancy, Business Continuity Plans and disaster recovery plans in place as well as flexible work arrangements globally to mitigate business interruption and ensure resilience. We contractually require that our suppliers have Business Continuity Plans in place. This risk is not currently deemed substantive for our organization.
Chronic physical	Relevant, always included	We consider chronic physical risks in our climate risk and opportunity assessment process. In 2021, we assessed the potential impact of physical changes arising from sustained temperature increases directly impacting our operations, and our suppliers' operations. For example, KLA's global manufacturing and R&D facilities are located in different regions around the world, including some that may be susceptible to changes in average temperatures. These temperature changes could result in increased operational and manufacturing costs associated with heating and cooling our physical real estate assets. Additionally, we evaluated our operational control methods to mitigate physical risks related to climate change. KLA has Business Continuity Plans in place as well as flexible work arrangements globally to ensure resilience, and we contractually require that our suppliers have Business Continuity Plans in place. This risk is not currently deemed substantive for our organization.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

No

C2.3b

(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?

	Primary reason	Please explain
Row 1	Risks exist, but none with potential to have a	In 2021, we conducted a climate risk and opportunity assessment aligned with the framework and general recommendations of the

	substantive financial or strategic impact on business	Task Force on Climate-Related Financial Disclosures (TCFD) that included potential short, medium, and long-term physical and transition risks and opportunities across the global enterprise and value chain. Key senior leaders and subject matter experts were engaged to assess the relevance of climate-related risks and opportunities to the business and evaluate them based on potential impact, likelihood and vulnerability assessments. A total inherent risk / opportunity score and total residual risk / opportunity score was calculated and assessed against our climate risk and opportunity assessment thresholds. Through this process, we did not identify any climate-related risks that we currently anticipate would have a potential substantive impact on the business. As a supplier of equipment and services for the electronics industry, our carbon footprint is lower than other industry partners, such as semiconductor manufacturers, and our energy costs are low compared to our other operating expenses. In addition, our current climate strategy and goals align with the latest climate science recommendations to limit global warming to 1.5C, which reduces our inherent risks related to energy consumption and GHG emissions as well as risks from physical climate changes. These goals include: 1) using 100% renewable electricity across our global operations by 2030, 2) reducing Scope 1 and 2 emissions by 50% by 2030 from our 2021 baseline, and 3) achieving net zero Scope 1 and 2 emissions by 2050. Additionally, we have robust redundancy, Business Continuity Plans and disaster recovery plans in place for our manufacturing facilities, critical R&D facilities and data centers to mitigate business interruption and improve resilience, and we contractually require our suppliers to have Business Continuity Plans in place. We also offer flexible work arrangements globally, further reducing our carbon footprint due to the transportation of people and increasing our overall resilience to physical climate changes. Initial results from our assessment will be used to evaluate opportunities to further enhance our climate risk and opportunity assessment process.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

No

C2.4b

(C2.4b) Why do you not consider your organization to have climate-related opportunities?

	Primary reason	Please explain
Row 1	Opportunities exist, but none with potential to have a substantive financial or strategic impact on business	In 2021, we conducted a climate risk and opportunity assessment aligned with the framework and general recommendations of TCFD that included potential short, medium, and long-term physical and transition risks and opportunities across the global enterprise and value chain. Key senior leaders and subject matter experts were engaged to assess the relevance of climate-related risks and opportunities to the business and evaluate them based on potential impact, likelihood and vulnerability assessments. A total inherent risk/opportunity score and total residual risk/opportunity score was calculated and assessed against our climate risk and opportunity assessment thresholds. Through this process, we did not identify any climate-related opportunities that we currently anticipate would have a potential substantive impact on the business. However, we are committed to climate action, rooted in our goals: 1) use 100% renewable electricity across our global operations by 2030, 2) reduce Scope 1 and 2 emissions by 50% by 2030 from our 2021 baseline, and 3) achieve net zero Scope 1 and 2 emissions by 2050. In 2022, we are exploring a product energy efficiency strategy that aims to: 1) integrate efficiency metrics into product development processes, 2) generate and adopt innovation that will enhance our products' energy efficiency during use, and 3) evaluate future climate goals addressing Scope 3 emissions.

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

Yes, we have a transition plan which aligns with a 1.5°C world

Publicly available transition plan

Yes

Mechanism by which feedback is collected from shareholders on your transition plan

We do not have a feedback mechanism in place, and we do not plan to introduce one within the next two years

Attach any relevant documents which detail your transition plan (optional)

Our transition plan consists of our publicly announced climate targets. Please see our 2021 Global Impact Report at https://www.kla.com/company/environmental-social-governance

link to KLA ESG webpage.docx

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative, but we plan to add quantitative in the next two years

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios Bespoke transition scenario	Company-wide	1.5ºC	As part of KLA's 2021 climate-related risk and opportunity assessment, we conducted workshops with key stakeholders that included a qualitative scenario analysis of physical and transition risks. The qualitative scenario analysis began with education of senior leaders across the business on the potential impacts of various future climate scenarios, including a Business-as-Usual scenario (4C), moderate warming scenario (2-4C) and a Net Zero (1.5C) scenario. The workshops helped to identify trends and implications of the overarching set of parameters with potential to impact our business. The discussions also included an assessment of the potential impact of different climate scenarios on various risk types, including implications of current and emerging regulation, investor and market perspective, disruptions in the supply chain leading to increased costs, etc. Additionally, stakeholders discussed the implications of

			increasing frequency and severity of extreme weather events impacting operations and supply chain under various future pathways. The scope of our assessment included our own operations, as well as upstream and downstream activities. The assessment was based on short-, medium-, and long-term horizons considering the expected lifetime of assets or activities.
Physical climate scenarios Bespoke physical scenario	Company-wide	2.1ºC - 3ºC	As part of KLA's 2021 climate-related risk and opportunity assessment, we conducted workshops with key stakeholders that included a qualitative scenario analysis of physical and transition risks. The qualitative scenario analysis began with education of senior leaders across the business on the potential impacts of various future climate scenarios, including a Business-as-Usual scenario (4C), moderate warming scenario (2-4C) and a Net Zero (1.5C) scenario. The workshops helped to identify trends and implications of the overarching set of parameters with potential to impact our business. The discussions also included an assessment of the potential impact of different climate scenarios on various risk types, including implications of current and emerging regulation, investor and market perspective, disruptions in the supply chain leading to increased costs, etc. Additionally, stakeholders discussed the implications of increasing frequency and severity of extreme weather events impacting operations and supply chain under various future pathways. The scope of our assessment included our own operations, as well as upstream and downstream activities. The assessment was based on short-, medium-, and long-term horizons considering the expected lifetime of assets or activities.
Physical climate scenarios Bespoke physical scenario	Company-wide	3.1ºC - 4ºC	As part of KLA's 2021 climate-related risk and opportunity assessment, we conducted workshops with key stakeholders that included a qualitative scenario analysis of physical and transition risks. The qualitative scenario analysis began with education of senior leaders across the business on the potential impacts of various future climate scenarios, including a Business-as-Usual scenario (4C), moderate warming scenario (2-4C) and a Net Zero (1.5C) scenario.

			The workshops helped to identify trends and implications of the overarching set of parameters with potential to impact our business. The discussions also included an assessment of the potential impact of different climate scenarios on various risk types, including implications of current and emerging regulation, investor and market perspective, disruptions in the supply chain leading to increased costs, etc. Additionally, stakeholders discussed the implications of increasing frequency and severity of extreme weather events impacting operations and supply chain under various future pathways. The scope of our assessment included our own operations, as well as upstream and downstream activities. The assessment was based on short-, medium-, and long-term horizons considering the expected lifetime of assets or activities.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

What impact could climate-related risks and opportunities have on our business, strategy and operations?

What impact could climate-related risks and opportunities have on our supply chain?

What impact could climate-related risks and opportunities have on our products and investment in R&D?

Results of the climate-related scenario analysis with respect to the focal questions

Through our 2021 climate risk and opportunity assessment process, we did not identify any climate-related risks or opportunities that we currently anticipate would have a potential substantive impact on the business.

As a supplier of equipment and services for the electronics industry, our carbon footprint is lower than other industry partners, such as semiconductor manufacturers, and our energy costs are low compared to our other operating expenses. In addition, our current climate strategy and goals align with the latest climate science recommendations to limit

global warming to 1.5C, which reduces our inherent risks related to energy consumption and GHG emissions as well as risks from physical climate changes. These goals include: 1) using 100% renewable electricity across our global operations by 2030, 2) reducing Scope 1 and 2 emissions by 50% by 2030 from our 2021 baseline, and 3) achieving net zero Scope 1 and 2 emissions by 2050. Additionally, we have robust redundancy, Business Continuity Plans and disaster recovery plans in place for our manufacturing facilities, critical R&D facilities and data centers to mitigate business interruption and improve resilience, and we contractually require our suppliers to have Business Continuity Plans in place. We also offer flexible work arrangements globally, further reducing our carbon footprint due to the transportation of people and increasing our overall resilience to physical climate changes. In 2022, we are exploring a product energy efficiency strategy that aims to: 1) integrate efficiency metrics into product development processes, 2) generate and adopt innovation that will enhance our products' energy efficiency during use, and 3) evaluate future climate goals addressing Scope 3 emissions.

Initial results from our assessment will be used to evaluate opportunities to further enhance our climate risk and opportunity assessment process, including by identifying and scoping financial and operational scenario analyses to further enhance and validate qualitative assessment results.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Evaluation in progress	We are currently reviewing our product platforms for energy reduction opportunities, with a focus on our most energy-intense tools. Our tools and technologies help prevent semiconductor chips with defects from ever escaping the fab, which makes the products they enable safer and more reliable. And the chips themselves become lighter, less energy-intensive and more powerful. We are prioritizing the need to generate and adopt innovation that will enhance our products' energy efficiency during use. To better understand our current baseline, we have established working groups across our businesses to segment KLA product groups, define best practice methodologies and assumptions for calculating energy consumption and gather more accurate data. Leveraging

		the SEMI S23 Guide for Conservation of Energy, Utilities and Materials Used by Semiconductor Manufacturing Equipment, wherever possible we are measuring the energy consumption of our tools and components in our labs rather than relying on modeling or industry averages. In 2022, we are exploring a product energy efficiency strategy that aims to: 1) integrate efficiency metrics into product development processes, 2) generate and adopt innovation that will enhance our products' energy efficiency during use, and 3) evaluate future climate goals addressing Scope 3 emissions. We improved our carbon footprint methodology by measuring the energy use of our products more accurately. We also fine-tuned energy use estimates by using destinations for product shipments, which provides a more accurate representation of the electricity grids in those locations. In 2021 the emissions generated from the Use of Sold Products accounted for 79% of our Scope 3 emissions.
Supply chain and/or value chain	Evaluation in progress	We are currently reviewing our direct and indirect procurement practices to identify opportunities for reductions. We will continue to implement and expand upon our Supply Chain Sustainability Program across the business and partner with our suppliers in key strategic areas such as human & labor rights, ethics, conflict minerals, inclusion & diversity and climate & energy. We are also aiming to launch a pilot program to improve our engagement with KLA's indirect service providers, following RBA guidance. Additionally, we are currently exploring a potential strategy to engage with our top suppliers around setting GHG emission reduction goals. The emissions generated from purchased goods and services account for 17% of our Scope 3 emissions.
Investment in R&D	Evaluation in progress	Investment in R&D is a cornerstone of innovation for KLA. We are currently evaluating our climate-related risks and opportunities and how this will inform our strategy for investment in R&D.

Operations	Yes	Across our operations, we are identifying opportunities to implement energy efficiency measures. In 2021, despite continued growth in our business, we achieved absolute reductions in energy and emissions at several sites due to energy efficiency measures, such as installing LED lighting and tuning chillers, converting air conditioning systems to variable frequency drives, and replacing conventional gas vehicles with hybrid models. We are working to expand these efforts worldwide as part of executing toward our renewable electricity goal.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Indirect costs Access to capital	Climate-related risks and opportunities have begun to influence our financial planning as we better understand the needs and desires from key business stakeholders, such as our customers and our investors. Integrating climate-related risks and opportunities into planning, through our strategic planning process, ensures that we are aligned strategically as a business, and that we are meeting stakeholder needs. In 2020, we conducted an ESG assessment and research to better understand customer climate programs and preferences. This includes looking at customers that have set targets, and made Net Zero commitments. We anticipate that this will be a growing conversation that may have impact in the future on revenues. As part of the same ESG assessment, we sought to better understand key investor priorities, including climate change and greenhouse gas emissions. In this, we learned that many of our top investors are actively integrating ESG as part of their core investment philosophy and decision making. These stakeholder preferences are beginning to influence our financial and strategic planning to ensure we continue to meet stakeholder needs. As an example, in June 2022 KLA announced a $1.5 billion, five-year sustainability-linked revolving credit facility that ties financial performance to environmental goals.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's transition to a 1.5°C world?

No, and we do not plan to in the next two years

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

No target

C4.1c

(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.

	Primary reason	Five-year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years	We expect our emissions, without intervention or reduction initiatives implemented, will increase over the five-year period. This growth across Scope 1, 2, 3, categories will be in line with our projected business growth.	We continue to build on the comprehensive greenhouse gas (GHG) inventory we developed in 2020 by reporting across all emissions scopes, improving estimation methods for certain categories including Use of Sold Products (Scope 3), and expanding our datasets to encompass the completed acquisition and integration of Orbotech and SPTS divisions. We recently completed our first third-party verification of the 2021 GHG inventory for Scopes 1 and 2, Scope 3 business travel, and our renewable energy progress. In 2021, KLA took a major step toward significantly reducing GHG emissions by setting a goal to use 100% renewable electricity across our global operations by 2030, which served the functional equivalent of a Scope 2 emissions reduction goal. This goal formalizes our commitment to support the transition to a clean energy economy by working to set GHG emission reduction targets and reporting climate-related information to stakeholders in alignment with the recommendations of the Task Force on

			Climate-related Financial Disclosures (TCFD). In 2022, KLA also announced a new target to reduce Scope 1 and 2 emissions by 50% by 2030 from our 2021 baseline and a target to achieve net zero Scope 1 and 2 emissions by 2050. The Scope 1 and 2 reduction goal is informed by the Science Based Targets initiative (SBTi) Corporate Net-Zero Standard. In addition, we currently plan to provide an update regarding our Scope 3 strategy by the end of 2023.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2021

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2021

Consumption or production of selected energy carrier in base year (MWh)

197,187

% share of low-carbon or renewable energy in base year

52.4

Target year

2030

% share of low-carbon or renewable energy in target year

100

% share of low-carbon or renewable energy in reporting year

52.4

% of target achieved relative to base year [auto-calculated]

0

Target status in reporting year

New

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

In 2021, KLA took a major step toward significantly reducing GHG emissions by setting a goal to use 100% renewable electricity across our global operations by 2030. This goal formalizes our commitment to support the transition to a clean energy economy by working to set GHG emission reduction targets and reporting climate-related information to stakeholders in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Plan for achieving target, and progress made to the end of the reporting year

Since 2018, we have continued to increase our procurement of electricity from carbon-free sources across our global operations year-over-year. In 2021, 52% of our electricity was sourced from renewable energy sources. This consisted of renewable energy from the grid and the purchase of Renewable Energy Credits (RECs). We are now moving forward with due diligence on our long-term renewables procurement strategy and have engaged with third-party consultants to further develop our action plan. At the same time, we are working to conduct energy audits and improve efficiency across our sites. In 2021, despite continued growth in our business, we achieved absolute reductions in energy and emissions at several sites due to energy efficiency measures, such as installing LED lighting and tuning chillers, converting air conditioning systems to variable frequency drives and replacing conventional gas vehicles with hybrid models. We are working to expand these efforts worldwide as part of executing toward our renewable electricity goal.

List the actions which contributed most to achieving this target

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	3	25,027
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy consumption

Low-carbon electricity mix

Estimated annual CO2e savings (metric tonnes CO2e)

17,361

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

<1 year

Comment

Enrollment in the Silicon Valley Clean Energy GreenStart program for our Milpitas, California site.

Initiative category & Initiative type

Low-carbon energy consumption
Low-carbon electricity mix

Estimated annual CO2e savings (metric tonnes CO2e)

923

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

<1 year

Comment

Enrollment in the SmartestEnergy fuel mix (over the Conventional fuel mix) at the Newport (Wales) site.

Initiative category & Initiative type

Low-carbon energy consumption
Low-carbon electricity mix

Estimated annual CO2e savings (metric tonnes CO2e)

6,743

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

95,355

Payback period

No payback

Estimated lifetime of the initiative

<1 year

Comment

Voluntary purchase of RECs

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Internal finance mechanisms	We are evaluating our criteria for investing in emissions reduction activities. Historically our target return on investment is 2 years. Each project is reviewed on a case by case basis by various stakeholders, depending on capital requirements.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	In 2021, we continued to build on the comprehensive greenhouse gas (GHG) inventory we developed in 2020 by reporting across all emissions scopes, improving estimation methods for certain categories including Use of Sold Products (Scope 3), and expanding our datasets to encompass the completed acquisition and integration of Orbotech and SPTS divisions. We define our organizational boundaries for the inventory using the Operational Control approach per the GHG Protocol guidelines. Under this approach, we accounted for 100% of the GHG emissions from sources over which we have operational control. This includes 14 KLA ""Super Sites"" (compared with 11 such sites in 2020), numerous leased offices, warehouses, and other classes of facilities, company vehicles, and all equipment operated by KLA. We define a Super Site as KLA-owned or leased facilities where we have significance presence. We collect detailed data on operations at these locations for energy, water, waste, backup generators, vehicles, refrigerants and other emissions sources. Methodology changes in 2021: - Expanded data availability - Improved data quality - Revised emissions factors - Use of Sold Products: Country-specific emissions factors and updated product testing results - Recategorization of data sources (facilities previously accounted for

		in Scope 3 Upstream Leased Assets in 2020, were reassigned to Scope 2)

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	Although we previously established 2019 as our base year for emissions reporting, moving forward KLA has set 2021 as the new baseline year for GHG emissions targets to reflect a more comprehensive view of the impact of our integrated operations. The primary reason for this change is because GHG data from recently acquired SPTS and Orbotech were not fully included in the 2019 GHG inventory since the data systems were not yet integrated with KLA. Now we are able to include the additional GHG data and provide a more accurate measure of KLA's total carbon footprint. In 2021, we also completed our first third-party verification of the 2021 GHG inventory for Scopes 1 and 2, Scope 3 business travel, and our renewable energy progress.

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

4,698

Comment

Scope 2 (location-based)

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

69,057

Comment

Scope 2 (market-based)

Base year start
January 1, 2021

Base year end
December 31, 2021

Base year emissions (metric tons CO2e)
43,623

Comment

Scope 3 category 1: Purchased goods and services

Base year start
January 1, 2021

Base year end
December 31, 2021

Base year emissions (metric tons CO2e)
654,643

Comment

Scope 3 category 2: Capital goods

Base year start
January 1, 2021

Base year end
December 31, 2021

Base year emissions (metric tons CO2e)
24,816

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start
January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

17,879

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

110,405

Comment

Scope 3 category 5: Waste generated in operations

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

372

Comment

Scope 3 category 6: Business travel

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

10,789

Comment

Scope 3 category 7: Employee commuting

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

6,915

Comment

Scope 3 category 8: Upstream leased assets

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

0

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

3,027,237

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

4,698

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

69,057

Scope 2, market-based (if applicable)

43,623

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

654,643

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions were calculated based on spend data per spend category and the use of Environmentally-Extended Input-Output (EEIO) emission factors.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

24,816

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions were calculated based on amount spent on "assets" (as classified by our firm's financial department) per spend category and the use of Environmentally-Extended Input-Output (EEIO) emission factors.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

17,879

Emissions calculation methodology

Other, please specify

Market-based Scope 1 & 2 energy consumption-related emissions multiplied by default emission factors for fuel-production and transmission & distribution losses.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

16

Please explain

Represents the percentage of emissions calculated using supplier-specific market-based emission factors.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

110,405

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions were calculated based on spend data per spend category and the use of Environmentally-Extended Input-Output (EEIO) emission factors.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

372

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Quantity of waste per waste type multiplied by standard emission factors.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

10,789

Emissions calculation methodology

Spend-based method

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

GHG emissions from air travel were quantified based on data obtained from travel providers.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

6,915

Emissions calculation methodology

Other, please specify

Anthesis White Paper, Feb 2021 - No Survey Approach: "Estimating Energy Consumption & GHG Emissions for Remote Workers"

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

As employees had been working remotely (“working from home” or “WFH”) since March 2020 due to the COVID-19 pandemic, an employee commute survey was not conducted for 2020 or 2021. Accordingly, the “No Survey” approach from the Anthesis “Estimating Energy Consumption & GHG Emissions for Remote Workers” White Paper released in February 2021 was followed to estimate the emissions associated with incremental energy use from remote work.

Upstream leased assets

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

0

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

No emissions recorded for this reporting year since the leased facilities reported in 2020 have been recategorized as S1&2 emissions.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Please explain

Data unavailable for this reporting year; we aim to collect the data and calculate the emissions in future reporting efforts.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Not applicable to KLA; our products do not receive further processing by external third parties (e.g., manufacturers) prior to sale.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

3,027,237

Emissions calculation methodology

Methodology for direct use phase emissions, please specify

GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard - Direct Use-Phase Emissions

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Direct electricity use of sold products per product division were measured following S23 and/or F47/E6 measurement approaches or estimated via Total Equivalent Energy (TEE) estimation methodologies for the majority of the tools shipped. In 2022, a significant effort to test tools according to the S23 methodology was conducted. For remaining tools without direct testing data, electricity usage per tool was assumed to be equal to the average for the appropriate company or division. Product divisions that conducted testing according to the S23 methodology obtained a total energy use for that division that included both the direct electrical (i.e. plug-in) consumption, as well equivalencies for energy-consuming processes required to run the tools, such as nitrogen, clean dry air, and creating vacuum. These energy uses are summed to estimate the total energy usage per product division. The total is then divided by the number of products shipped per product division to yield an energy use value per individual product per product division. Then, the energy usage per product is multiplied by the number of products shipped to different countries or regions and by that country or region's electrical grid emissions factor to estimate the total emissions for each product division.

KLA's products are built to last, which avoids emissions associated with creation of new tools, however, the application of median product lifetimes ranging from 12-25 years results in relatively large lifetime GHG emissions. Lifetimes for KLA-specific products are average retirement rates. In the absence of product lifetime data for a given product division, a conservative default assumption of 25 years, based on the Restriction of Hazardous Substances (ROHS) standard, was applied. Product lifetimes by Division were obtained from the Global Products Group.

The end-users' Scope 2 and Scope 3 FERA emissions are included. In 2019 and 2020, global average IEA emission factors were used for the Scope 2 emissions and global average IEA T&D factors and average Defra WTT factors were used for the users' Scope 3 FERA emissions. In 2021, given that customer shipment destinations were available, emissions factors specific to the customer end-use location were used in place of global averages.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Please explain

Our products have considerably long product lifetimes - the estimated average lifespan of a KLA product is over 20 years in operation. We also provide professional services to collect, upgrade, and then sell remanufactured existing equipment, which further extends product life and avoids emissions from the creation of new products. Data were unavailable for this reporting year, and while this is likely to be a relatively small source

of our overall GHG emissions, we aim to collect the data and calculate emissions in future reporting efforts for completeness.

Downstream leased assets

Evaluation status

Relevant, not yet calculated

Please explain

We have consigned tools that are later converted to sale, however, data for consigned tools could not be distinguished from sales data. As a result, any GHG emissions from the consigned tools are captured in Scope 3 Category 11, Use of Sold Products. Going forward we will aim to distinguish between the two for more representative GHG emissions accounting.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Not applicable to KLA because the company does not have any franchises.

Investments

Evaluation status

Relevant, not yet calculated

Please explain

We have an investment arm - KT Ventures - but activity is minimal and data was unavailable for this reporting year; we aim to collect the data and calculate the emissions in future reporting efforts.

Other (upstream)

Evaluation status

Not evaluated

Please explain

KLA evaluated Scope 3 emissions across the 15 distinct reporting categories as defined by the GHG Protocol.

Other (downstream)

Evaluation status

Not evaluated

Please explain

KLA evaluated Scope 3 emissions across the 15 distinct reporting categories as defined by the GHG Protocol.

C-CG6.6

(C-CG6.6) Does your organization assess the life cycle emissions of any of its products or services?

	Assessment of life cycle emissions	Comment
Row 1	No, and we do not plan to start doing so within the next two years	We recently grew through 7 acquisitions. We are evaluating with our product groups worldwide.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000058928

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

48,321

Metric denominator

unit total revenue

Metric denominator: Unit total

8,200,000,000

Scope 2 figure used

Market-based

% change from previous year

23.5

Direction of change

Decreased

Reason for change

Scope 2 market-based GHG emissions decreased year over year due to increasing amounts of low-carbon sources of electricity from KLA's utility providers while revenue increased year over year. Please note the CY2020 total revenues reported in C6.10 last year were incorrectly reported in the millions (vs billions), which affected last year's

intensity figure. Also, last year's reported Scope 1 + Scope 2 figure has been adjusted to 44,733 MT instead of 32,934 MT due to methodology improvements. The CY21 '% change from previous year's figure shown here is based on the corrected year-over-year revenues and associated intensity values.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	4,660	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	3	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	6	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	30	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	1,776
Israel	1,764
China	1
Germany	379
United Kingdom of Great Britain and Northern Ireland	444
Singapore	33
Belgium	241
Hong Kong SAR, China	30
India	30

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By facility

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Milpitas, HQ	1,623	37.42135	-121.924094
Israel - Migdal HaEmek	990	32.675234	35.240527
Singapore	33	1.372353	103.868355
Wales	445	51.481583	-3.17909
Israel - Yavne	774	31.91205	34.802216
Shenzhen	1	22.533333	114.133333
Weilburg	331	50.483333	8.25
Ann Arbor	153	42.3296	-83.7093
India	30	12.9598	80.2404
Brussels	43	50.85	4.352
Jena	48	50.927	11.586
Leuven	198	50.88	4.701
Gorizia	30	45.94	13.62

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	23,214.563	241.895
Israel	17,286.619	16,029.624
Singapore	11,536.459	11,536.459
China	7,199.158	7,199.158
Germany	2,048.262	2,402.405
Hong Kong SAR, China	656.541	360.398
United Kingdom of Great Britain and Northern Ireland	2,191.854	2,369.707
Belgium	139.407	5.192
India	1,769.664	321.195

Italy	78.23	138.991
France	18.34	18.747
Ireland	12.674	19.17
Japan	655.764	655.764
Malaysia	42.352	42.352
Taiwan, China	283.829	283.829
Netherlands	71.57	89.685
Denmark	25.888	83.283
Republic of Korea	1,825.361	1,825.361

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By facility

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Ann Arbor	1,313.414	70.078
Brussels	4.322	5.192
Gorizia	67.185	119.81
Hong Kong	538.416	242.273
India	1,459.197	10.727
Jena	589.357	1,042.229
Leuven	135.085	0
Migdal HaEmek	5,980.149	4,723.154
Milpitas	19,390.874	0
Shenzhen	1,551.172	1,551.172
Singapore	10,909.265	10,909.265
Wales	2,153.995	2,355.964
Weilburg	961.574	499.602
Yavne	6,895.408	6,895.408
US Office	2,510.275	171.817
Italy Office	11.046	19.18

Hong Kong, China Office	118.124	118.124
India Office	310.467	310.467
Germany Office	497.331	860.575
Israel Office	4,411.061	4,411.061
China Office	5,647.986	5,647.986
Singapore Office	627.194	627.194
UK Office	37.859	13.743
France Office	18.34	18.747
Ireland Office	12.674	19.17
Japan Office	655.764	655.764
Korea Office	1,825.361	1,825.361
Malaysia Office	42.352	42.352
Taiwan Office	283.829	283.829
Netherlands Office	71.57	89.685
Denmark	25.888	83.283

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	25,027	Decreased	55.95	Due to enrollment in green energy products in the Milpitas and Newport sites in 2021, and the procurement of additional RECs of 21,633 MWh, Scope 1+2 market-based emissions decreased by 25,027 tCO2e or 55.95%. The change in emissions between the current reporting year and previous year was

				calculated as (-25,027/44733.46)*100 = -55.95% (i.e. a decrease of 55.95%)
Other emissions reduction activities				
Divestment				
Acquisitions				
Mergers	0			
Change in output				
Change in methodology	28,615	Increased	63.97	Emissions increased due to the inclusion of facilities previously accounted for in Scope 3 Upstream Leased Assets in 2020. There was an increase in Scope 1+2 emissions due to the combination of consumption change (due to better data quality) and a change in emission factors. This represents a 63.97% increase in Scope 1+2 emissions from the prior year. The percent increase was calculated as (28615 tCO2e [equivalent scope 1+2 increase] /44733 tCO2e = 63.97%)
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C-CG7.10

(C-CG7.10) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?

Decreased

C-CG7.10a

(C-CG7.10a) For each Scope 3 category calculated in C6.5, specify how your emissions compare to the previous year and identify the reason for any change.

Purchased goods and services

Direction of change

Decreased

Primary reason for change

Change in methodology

Change in emissions in this category (metric tons CO2e)

838,958

% change in emissions in this category

56

Please explain

GHG emissions from purchased goods and services (Scope 3, Category 1) and capital goods (Scope 3, Category 2) were calculated following the Spend-Based Method in the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Under this method, environmentally extended input-output (EEIO) emissions intensities (presented in tonnes CO2e / million dollars) are used to estimate cradle-to-grate GHG emissions based on the amount spent in a given product category. A primary factor in the decrease in emissions in 2021 was improved data scrubbing (removed duplicates) and also revised emission factors.

Capital goods

Direction of change

Decreased

Primary reason for change

Change in methodology

Change in emissions in this category (metric tons CO2e)

93,043

% change in emissions in this category

79

Please explain

GHG emissions from purchased goods and services (Scope 3, Category 1) and capital goods (Scope 3, Category 2) were calculated following the Spend-Based Method in the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Under this method, environmentally extended input-output (EEIO) emissions intensities (presented in tonnes CO2e / million dollars) are used to estimate cradle-to-grate GHG

emissions based on the amount spent in a given product category. A primary factor in the decrease in emissions in 2021 was improved data scrubbing (removed duplicates) and also revised emission factors.

Fuel and energy-related activities (not included in Scopes 1 or 2)

Direction of change

Increased

Primary reason for change

Change in output

Change in emissions in this category (metric tons CO2e)

11,458

% change in emissions in this category

178

Please explain

Increased electricity, gas, and vehicle emissions in Scopes 1 & 2

Upstream transportation and distribution

Direction of change

Decreased

Primary reason for change

Change in output

Change in emissions in this category (metric tons CO2e)

30,489

% change in emissions in this category

21.6

Please explain

Reduced spend & revised emission factors

Waste generated in operations

Direction of change

Increased

Primary reason for change

Change in output

Change in emissions in this category (metric tons CO2e)

4

% change in emissions in this category

1.08

Please explain

Emissions are calculated by multiplying the operational waste amounts (mass) per above waste stream by emission factors derived from the U.S. EPA Emission Factors for GHG Inventories for U.S.-based sites and Defra for international sites. Emissions increased only slightly, and primarily due to business growth. However our waste reduction efforts helped to counter the increased emissions. For example, in Milpitas, we achieved a 94% rate of waste diverted away from landfills, outperforming our 2020 rate. In Singapore, we diverted 71% of waste away from the landfill. And in Migdal HaEmek, Israel, we reduced solid waste over 2020 levels by 11.6%, normalized for production.

Business travel

Direction of change

Decreased

Primary reason for change

Change in output

Change in emissions in this category (metric tons CO2e)

759

% change in emissions in this category

6.5

Please explain

Scope 3 emissions from business travel are included for the following sources of travel: commercial air travel, rental cars, rail, taxi and car services, and hotel stays. Emissions resulting from business travel (Scope 3) were 10,789 tons (MTCO2e) in 2021, compared with 11,548 tons in 2020. One reason for the decrease is because business travel was still very limited in 2021, and the 2020 figure includes ‘pre-pandemic' travel in early 2020, which was at a much higher rate.

Employee commuting

Direction of change

Increased

Primary reason for change

Change in output

Change in emissions in this category (metric tons CO2e)

5,571

% change in emissions in this category

414

Please explain

Employee commute emissions increased significantly due to employees returning to work sites, and the inclusion of employee work-from-home emissions that were not estimated during 2020.

Upstream leased assets

Direction of change

Decreased

Primary reason for change

Change in methodology

Change in emissions in this category (metric tons CO2e)

8,836

% change in emissions in this category

100

Please explain

Leased facilities under KLA's operational control are now accounted for entirely in Scope 2.

Use of sold products

Direction of change

Decreased

Primary reason for change

Change in methodology

Change in emissions in this category (metric tons CO2e)

53,234

% change in emissions in this category

1.7

Please explain

Across our portfolio, we build KLA products to last—the estimated average lifespan of a KLA product is over 20 years in operation. To more accurately calculate the environmental impact of our tools during use, we established working groups across our businesses that completed rigorous evaluations using SEMI S23 guidelines to measure total energy use across the lifecycle of each product family.

The results give us better insight into lifecycle impacts including the provision of clean and dry air, nitrogen, exhaust, vacuum, and ultrapure water, going beyond previous measurements focused solely on direct electricity use. We are further improving our testing cycles and processes to align with evolving industry standards.

Consequently, our revised carbon footprint methodology measures the energy use of our products more accurately. We also fine-tuned energy use estimates by using

destinations for product shipments, which provides a more accurate representation of the electricity grids in those locations.

Please see the Products & Supply Chain: Keep Looking Ahead section of our 2021 Global Impact Report for more information on our plans to utilize this data in 2022 as we work to improve product energy efficiency.
"

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh

Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	22,824	22,824
Consumption of purchased or acquired electricity		103,377	93,810	197,187
Consumption of self-generated non-fuel renewable energy		0		0
Total energy consumption		103,377	116,634	220,011

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

Comment

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

8,533

MWh fuel consumed for self-generation of electricity

718

MWh fuel consumed for self-generation of heat

7,815

Comment

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

14,291

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

14,291

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

Comment

Total fuel

Heating value

Total fuel MWh consumed by the organization

22,824

MWh fuel consumed for self-generation of electricity

718

MWh fuel consumed for self-generation of heat

22,106

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	718	718	0	0
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

Country/area of low-carbon energy consumption
United States of America

Tracking instrument used

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
74,649

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment
Our Milpitas facility is enrolled in the Silicon Valley Clean Energy (SVCE) GreenStart electricity offering. Electricity supplied to our Milpitas facility has 90% RE. Only a zero emission factor was applied to this quantity.

Sourcing method
Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier
Electricity

Low-carbon technology type
Low-carbon energy mix, please specify

Country/area of low-carbon energy consumption
United Kingdom of Great Britain and Northern Ireland

Tracking instrument used
Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
3,300

Country/area of origin (generation) of the low-carbon energy or energy attribute
United Kingdom of Great Britain and Northern Ireland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Our Wales facility is enrolled in the SmartestEnergy electricity offering, with 31.8% renewable energy.

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

India

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1,717

Country/area of origin (generation) of the low-carbon energy or energy attribute

India

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Quantity consumed (MWh) is the amount of wind power generated and supplied by the TamilNadu Generation and Distribution Corporation Ltd. to our India facility. Only a zero emission factor was applied to this quantity.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

Country/area of low-carbon energy consumption

Germany

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1,011

Country/area of origin (generation) of the low-carbon energy or energy attribute

Germany

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

35% of electricity supplied to our Weiburg site comes from renewable sources.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

Country/area of low-carbon energy consumption

United States of America

Tracking instrument used

US-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

18,581

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

REC product comes from Green-e certified new renewable generation facilities. Breakdown as to technology type is not provided.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

Country/area of low-carbon energy consumption

United Kingdom of Great Britain and Northern Ireland

Tracking instrument used

REGO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

131

Country/area of origin (generation) of the low-carbon energy or energy attribute

United Kingdom of Great Britain and Northern Ireland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

REC product certified by EECS. Breakdown as to technology type is not provided.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

Country/area of low-carbon energy consumption

India

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

279

Country/area of origin (generation) of the low-carbon energy or energy attribute

India

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

REC product certified by I-REC Standard. Breakdown as to technology type is not provided.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

Country/area of low-carbon energy consumption

Belgium

Tracking instrument used

GO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

52

Country/area of origin (generation) of the low-carbon energy or energy attribute

Belgium

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

REC product certified by EECS. Breakdown as to technology type is not provided.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

Country/area of low-carbon energy consumption

Belgium

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

792

Country/area of origin (generation) of the low-carbon energy or energy attribute

Belgium

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Electricity in the Leuven site is supplied by Eneco, which has the energy mix in 2021 as follows: 97% wind, 3% solar, and <1% biomass.

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

C-CG8.5

(C-CG8.5) Does your organization measure the efficiency of any of its products or services?

	Measurement of product/service efficiency	Comment
Row 1	Yes	Across our portfolio, we build KLA products to last—the estimated average lifespan of a KLA product is over 20 years in operation. To more accurately calculate the environmental impact of our tools during use, we established working groups across our businesses that completed rigorous evaluations using SEMI S23 guidelines to measure total energy use across the

		lifecycle of each product family. The results give us better insight into lifecycle impacts including the provision of clean and dry air, nitrogen, exhaust, vacuum, and ultrapure water, going beyond previous measurements focused solely on direct electricity use. We are further improving our testing cycles and processes to align with evolving industry standards. Consequently, our revised carbon footprint methodology measures the energy use of our products more accurately. We also fine-tuned energy use estimates by using destinations for product shipments, which provides a more accurate representation of the electricity grids in those locations. Please see the Products & Supply Chain: Keep Looking Ahead section of our 2021 Global Impact Report for more information on our plans to utilize this data in 2022 as we work to improve product energy efficiency.

C-CG8.5a

(C-CG8.5a) Provide details of the metrics used to measure the efficiency of your organization's products or services.

Category of product or service

Product or service (optional)

% of revenue from this product or service in the reporting year

Efficiency figure in the reporting year

Metric numerator

Metric denominator

Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1		

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

KLA RY2021 CDP Verification Statement Limited_vFINAL 7.25.22.pdf

Page/ section reference

All

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

KLA RY2021 CDP Verification Statement Limited_vFINAL 7.25.22.pdf

Page/ section reference

All

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

KLA RY2021 CDP Verification Statement Limited_vFINAL 7.25.22.pdf

Page/ section reference

All

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

KLA RY2021 CDP Verification Statement Limited_vFINAL 7.25.22.pdf

Page/section reference

All

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

KLA RY2021 CDP Verification Statement Limited_vFINAL 7.25.22.pdf

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Energy consumption	ISO14064-3	Total purchased grid electricity
C8. Energy	Renewable energy products	ISO14064-3	Purchased renewable electricity: 1. Renewable portion of grid-purchased renewable electricity 2. Energy Attribute Certificates (EACs) retired 3. Total purchased renewable electricity (grid purchase + EACs)
C8. Energy	Renewable energy products	ISO14064-3	Total percent renewable electricity
C8. Energy	Energy consumption	ISO14064-3	Year-over-year change in electricity consumption (CY2020 to CY2021)

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Other, please specify

Supplier Assessment Questionnaire covers Environment and some climate-related topics

% of suppliers by number

5

% total procurement spend (direct and indirect)

80

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

We currently engage our top 80% direct spend suppliers in the Responsible Business Alliance (RBA)'s Facility Supplier Assessment Questionnaire; this includes environment and some climate-related topics.

Currently emissions from purchased goods and services account for 17% of Scope 3 emissions. We are currently exploring a potential strategy to engage with our top suppliers around setting GHG emission reduction goals.

Impact of engagement, including measures of success

Key direct suppliers to KLA are included per RBA Guidance in our annual program which includes the supplier completing an annual Supplier Assessment Questionnaire which assesses Labor, Health & Safety, Environment, Ethics, and Management

Systems of our suppliers.

The Supplier Assessment Questionnaire provides an overall risk score for evaluation. Any High- Risk scores require a third-party audit to identify areas for improvement and track those issues to closure.

In 2021 we continued to meet our targeted 85% response rate on the RBA SAQ assessment. We aim to expand our RBA SAQ program by launching a pilot program with our key indirect professional service providers.

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Impact of engagement, including measures of success

We are currently exploring a potential strategy to engage with our top suppliers around setting GHG emission reduction goals.

Comment

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, and we do not plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

KLA engages in ESG and climate-related industry efforts and is participating in several SEMI climate initiatives. These engagements are overseen by our ESG Global Leader and ESG Steering Committee which drive our climate strategy and initiatives.

Our ESG steering committee receives oversight from the Nominating and Governance Committee and meets monthly to discuss ESG-related initiatives, which may include trade association engagement.

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify

Semiconductor Industry Association (SIA)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

The U.S. semiconductor industry, one of the country's top export sectors, is responsible for a fraction of one percent of U.S. greenhouse gas (GHG) emissions, according to the EPA's most recent GHG Reporting Program data (2016). The EPA data shows that out of 2,990 million metric tons of carbon dioxide equivalents (mmt CO2e) emitted by industrial facilities in the U.S., only 6.2 mmt CO2e — or 0.2 percent — is emitted by electronics manufacturers, including semiconductor manufacturers. Most of the industry's emissions are associated with the use of fluorinated gases (F-gases) used in complex manufacturing processes, without which advanced semiconductor manufacturing is not technically feasible.

The SIA understands semiconductors are a key part to addressing global climate change while also advancing economic growth. The SIA announced it will continue to take action to address climate change and promote environmental sustainability.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Trade association

Other, please specify

SEMI

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

SEMI is committed to environmentally sound policies and the health and safety of the community that works in the electronics supply chain. As a member-driven collaborative platform, SEMI facilitates industry-wide efforts that are more effectively undertaken by the industry association rather than by individual companies. SEMI organizes working groups composed of industry experts to address regulatory challenges. These working

groups stop onerous, inappropriate, or misguided regulations, educate regulators of superior technical solutions, and reduce the burden of regulatory compliance for SEMI Members.

SEMI takes responsibility to address climate change seriously and will continue to foster industry collaboration to advance technology that will help mitigate climate change.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Trade association

Other, please specify

Silicon Valley Leadership Group (SVLG)

Is your organization's position on climate change consistent with theirs?

Unknown

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

As the importance of climate change has become increasingly clear, so has the need for a more comprehensive approach to the issue - from causes to consequences. California has a long history of enacting public policy and developing innovative technologies to prevent and overcome environmental challenges. The Climate & Energy Policy Team is proud to work at this intersection of innovation and policy; fostering solutions that benefit our region, state and nation. The Climate and Energy Policy team is focused on supporting policies and legislation that encourages the development of solutions to environmental challenges. Our top policy priorities are the climate crisis; water supply reliability, infrastructure improvement, and reliable, high-quality, environmentally responsible and competitively-priced energy.

SVLG understands the importance of climate change and the need for a comprehensive approach to the issue. The Climate and Energy Policy Team works to support policies and legislation that encourages the development of solutions to environmental

challenges, such as the climate crisis, water supply reliability, and infrastructure improvement.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

link to KLA ESG webpage.docx

Page/Section reference

See:
Environment: Stewardship Priorities, Climate & Energy

Governance & Ethics: Corporate Governance & ESG

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

In 2021, we expanded the scope of our annual greenhouse gas (GHG) inventory to provide a full accounting of our corporate GHG emissions. The inventory covered our

company-wide Scope 1, Scope 2 and Scope 3 emissions, in alignment with the requirements of the World Resources Institute and World Business Council for Sustainable Development's GHG Protocol. The inventory also accounts for our seven recent acquisitions, significantly expanding our operational footprint. We've now established 2021 as our base year against which we will measure our future GHG emissions, and in 2022 we had our GHG data verified by a third-party assurance provider. Moving forward, we plan to continue tracking and quantifying our emissions on a calendar year cycle and continue the work to build our ambitious climate strategy.

Publication

In voluntary communications

Status

Complete

Attach the document

URL to KLA ESG webpage.docx

Page/Section reference

All

Content elements

Governance
Strategy
Emissions figures
Emission targets
Other metrics

Comment

Climate-related data & information is also available on our website and updated each year in alignment with our annual Global Impact Report.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues
Row 1	No, and we do not plan to have both within the next two years

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity
Row 1	No, and we do not plan to do so within the next 2 years

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?
Row 1	No, and we do not plan to assess biodiversity-related impacts within the next two years

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?
Row 1	No, and we do not plan to undertake any biodiversity-related actions

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
No publications		

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

KLA's 2022 announcement of a $1.5 billion, five-year sustainability-linked revolving credit facility that ties financial performance to environmental goals further reinforces our commitment to integrating ESG programs and goals into our core business operations. Our progress will be measured on achieving goals of increased usage of renewable electricity within our operations and reduction in Scope 1 and 2 emissions.

In 2022, KLA also announced a new target to reduce Scope 1 and 2 emissions by 50% by 2030 from our 2021 baseline and a target to achieve net zero Scope 1 and 2 emissions by 2050. The Scope 1 and 2 reduction goal is informed by the Science Based Targets initiative (SBTi) Corporate Net-Zero Standard.

To advance our efforts to address Scope 3 emissions, we are currently exploring a potential product energy efficiency strategy as well as a strategy to engage with our top suppliers around setting GHG emission reduction goals. This work will inform the development of future Scope 3 climate goals.

KLA will continue to engage in ESG and climate-related industry efforts and is participating in several SEMI climate initiatives. We aim to develop additional reduction targets for water, energy and waste throughout our own operations and will share our methodologies as they are finalized.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Strategy Officer	Other C-Suite Officer

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

KLA Corporation is a global leader in process control and a supplier of process-enabling solutions for a broad range of industries, including semiconductors, printed circuit boards and

displays. We provide solutions for manufacturing and testing wafers and reticles, integrated circuits, packaging, light emitting diodes, power devices, compound semiconductor devices, microelectromechanical systems, data storage, printed circuit boards, flat and flexible panel displays, and general materials research, as well as providing contracted and comprehensive installation and maintenance services across our installed base.

Within the Semiconductor Process Control segment, our comprehensive portfolio of inspection, metrology and data analytics products, and related service help integrated circuit manufacturers achieve target yield throughout the entire semiconductor fabrication process—from research and development ("R&D") to final volume production. KLA's differentiated products and services are designed to provide comprehensive solutions to help customers accelerate development and production ramp cycles, achieve higher and more stable semiconductor die yields and improve their overall profitability.

KLA's suite of advanced products, coupled with its unique yield management software and services, allow us to deliver the solutions our customers need to achieve their productivity goals by significantly reducing their risks and costs and improving their overall profitability and returns on investment. In doing so, we help our customers achieve improved efficiency, reduced waste, and the achievement of their sustainability goals.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	8,200,000,000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Taiwan Semiconductor Manufacturing Company, Ltd.

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

1,040

Uncertainty (±%)

Major sources of emissions

Verified
No

Allocation method
Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

---

Requesting member
Taiwan Semiconductor Manufacturing Company, Ltd.

Scope of emissions
Scope 2

Allocation level
Company wide

Allocation level detail

Emissions in metric tonnes of CO2e
9,656

Uncertainty (±%)

Major sources of emissions

Verified
No

Allocation method
Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

---

Requesting member

Samsung Electronics

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

605

Uncertainty (±%)

Major sources of emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

---

Requesting member
Samsung Electronics

Scope of emissions
Scope 2

Allocation level
Company wide

Allocation level detail

Emissions in metric tonnes of CO2e
5,618

Uncertainty (±%)

Major sources of emissions

Verified
No

Allocation method
Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

---

Requesting member
Intel Corporation

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

274

Uncertainty (±%)

Major sources of emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

---

Requesting member

Intel Corporation

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

2,548

Uncertainty (±%)

Major sources of emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

---

Requesting member

Micron Technology, Inc.

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

191

Uncertainty (±%)

Major sources of emissions

Verified

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member
Micron Technology, Inc.

Scope of emissions
Scope 2

Allocation level
Company wide

Allocation level detail

Emissions in metric tonnes of CO2e
1,777

Uncertainty (±%)

Major sources of emissions

Verified
No

Allocation method
Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member
Robert Bosch GmbH

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

10

Uncertainty (±%)

Major sources of emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

---

Requesting member

Robert Bosch GmbH

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

90

Uncertainty (±%)

Major sources of emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

KLA 2021 Scope 1 & 2 total emissions are disclosed in section 6 of this 2022 CDP Climate Change response.

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

Surveys

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms