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# KLA's UK Modern Slavery Act Statement 2023

This Statement is made pursuant to the United Kingdom's Modern Slavery Act of 2015 and provides information regarding the efforts taken by KLA Corporation during the fiscal year ended June 30, 2023, to ensure that slavery and human trafficking are not taking place in its business and supply chains. This Statement covers KLA Corporation and its subsidiaries identified in the attached addendum.

#### Structure, Business Model and Supply Chain

KLA promotes an inclusive and diverse culture that promotes worker health, safety, and wellbeing through our KLA Global Human Rights Standards which can be found at the following link: https://www.kla.com/documents/2023/Global\_Human\_Rights\_Standards\_Policy.pdf

The KLA Global Human Rights Standards set out KLA's commitments to worker wellbeing, and reflect our commitment to respecting international human rights standards, particularly the rights of people in vulnerable communities (women, children, and migrant workers) as defined by the UN Guiding Principles on Business and Human Rights. They apply to the KLA Corporation and its subsidiary and affiliated entities worldwide ("KLA") and to KLA suppliers and partners, as well as their next tier suppliers. Additional requirements are found in our Standards of Business Conduct and other human resource policies and procedures.

In addition, KLA believes that any activities that fuel social conflict, violate human rights or lead to serious environmental degradation are unacceptable. We want to ensure that all materials used in our products come from socially and environmentally responsible sources. The issue is especially acute with regards to so-called "conflict minerals" from the Democratic Republic of Congo ("DRC") and adjoining countries. Even though KLA does not source or buy metals directly, we are very concerned about the potential link between mining and the conflict in the DRC and adjoining nations. We are appalled by the reports from the conflict areas and strictly condemn all activities that fuel conflict or benefit militant groups. We require high ethical standards in our own operations and our supply chain and take action to ensure that metals from the conflict areas that fund the conflict in those regions do not enter our supply chain. KLA has actively worked independently and with suppliers, industry peers and other stakeholders to improve traceability and ensure responsible sourcing. We are participants in the Responsible Minerals Initiative ("RMI") and work to identify smelters in our supply chain using the RMI's Conflict Minerals Reporting Template.

KLA maintains a set of policies, procedures and processes respecting human rights and that identify, prevent, and mitigate human rights abuses. These mechanisms continue to keep KLA free from human rights violations and provide for continuous improvement opportunities. There were no human rights violations reported or discovered in any of our facilities worldwide during the time period covered by this statement.

### Supply Chain Expectations and Requirements

KLA recognizes the potential human rights issues and labor risks that may occur in our supply chain, especially for vulnerable populations in society, including women, children, and minority groups.

KLA has a long-standing commitment to uphold and respect the human rights of all people, wherever it operates, including those who work in its supply chain. KLA expects our suppliers to adhere to the same commitment to support and protect the equal employment and human rights of all persons.

In 2002, KLA established a global supply chain management program ("SCM"), which it continues to evolve. A critical part of KLA's SCM is to establish, support, ensure and continuously improve KLA supplier's adherence to the Global Human Rights Standards described herein. The SCM includes the following expectations and requirements:

## KLA Expects Suppliers to Follow Globally Recognized Standards

KLA expects its suppliers to adhere and comply with the following globally recognized standards, including, but not limited to:

- the UN Guiding Principles on Business and Human Rights which include the UN Universal Declaration of Human Rights and the International Labor Organization (ILO) 1998 Declaration on Fundamental Principles and Rights at Work: and
- the industry best practices for major electronics companies, its customers, and suppliers as
  defined and adopted by the Responsible Business Alliance (RBA) which can be found at
  www.responsiblebusiness.org. By adopting the RBA Code, we set standards and expectations for
  labor, health and safety, environment, ethics, and management systems that are consistent across
  the electronics industry supply chain. The Code prohibits the use of forced labor and requires
  suppliers to flow down these requirements to next-tier suppliers and within their supply chains.

### KLA Expects Supplier to be Transparent

KLA expects suppliers to be transparent and fully cooperate to provide information KLA requires to conduct due diligence, risk assessments, and ensure forward transparency, and so that it may meet its legal requirements, including, but not limited to:

- the requirements of the California Transparency in Supply Chains Act of 2010 which can be found in Section 1714.43 at <a href="https://www.leginfo.ca.gov">www.leginfo.ca.gov</a>
- the requirements of the UK Modern Slavery Act of 2015 which can be found in Part 6, Section 54 Transparency in Supply Chains at <a href="http://www.legislation.gov.uk/ukpga/2015/30/contents/enacted">http://www.legislation.gov.uk/ukpga/2015/30/contents/enacted</a>,
- the requirements of the U.S. Customs and Border Protection Uyghur Forced Labor Prevention Act of December 23, 2021, which can be found at <u>Uyghur Forced Labor Prevention Act</u> | U.S. Customs and Border Protection (cbp.gov

# KLA's Approach to Enforcement of these Global Human Rights Standards, Including Supply Chain Expectations and Requirements

KLA expects that its suppliers and their supply chains adhere to these Global Human Rights Standards and the related supply chain expectations and requirements. We strive to enforce such policies via a three- pronged approach of (1) sourcing and supplier selection, (2) contractual supplier requirements and (3) ongoing supplier relationship management.

#### Sourcing and Supplier Selection

To become a key supplier to produce KLA's goods and services, suppliers are evaluated through a selection and qualification process that is a critical part of the company's SCM process. Typically, such evaluations include supplier visits and/or supplier quality audits of the supplier's people, processes, and capabilities against predetermined evaluation criteria. During these assessments, the team qualifies how well the supplier meets KLA's standards, including KLA's Global Human Rights Standards. Only the suppliers that meet KLA's standards and that optimize or meet the overall selection criteria are selected. Those suppliers then become part of KLA's supply base and are, as appropriate, managed for continuous improvement.

### **Contractual Supplier Requirements**

Purchase Order Terms and Conditions: As a condition of doing business and as a means of self- certification, our purchase order standard terms and conditions stipulate that "Seller represents and warrants that it complies with all applicable laws and regulations, including eradication of forced, bonded, indentured, involuntary convict or compulsory labor, as well as illegal child labor in its facilities, and requires their suppliers, including labor agencies, to do the same. Seller warrants that its supply chain and materials incorporated into its products comply with the laws prohibiting slavery and human trafficking. Seller agrees to adopt sound human rights practices, to treat workers fairly and with dignity and respect, provide a safe and healthy work environment for their workers, conduct business in compliance with applicable environmental and employment laws, and refrain from corrupt practices."

### Standard Supplier Purchase Agreement

Additionally, key KLA suppliers sign KLA's standard purchase agreement that specifically states that the supplier "represents and warrants that it complies with all applicable laws and regulations, including eradication of forced, bonded, indentured, involuntary convict or compulsory labor, as well as illegal child labor in its facilities, and requires their suppliers, including labor agencies, to do the same. Seller warrants that its supply chain and materials incorporated into its products comply with the laws prohibiting slavery and human trafficking," and the supplier "agrees to adopt sound human rights practices, to treat workers fairly and with dignity and respect, provide a safe and healthy work environment for their workers, conduct business in compliance with applicable environmental and employment laws, and refrain from corrupt practices." Furthermore, it also stipulates that a supplier "shall comply with all applicable laws regarding non-discrimination in terms and conditions of employment, payment of minimum wage and legally mandated employee benefits, and compliance with mandated work hours. Seller shall comply with all applicable laws regarding employment of underage or child labor and shall not employ children under the age of 16."

### Supplier Relationship Management

Key KLA suppliers participate in the KLA Supplier Scorecard program. The Scorecard includes several qualitative and quantitative measurement criteria related to a supplier's performance against defined criteria. Nonquantifiable ratings can include a review of the supplier's adherence to KLA's policies. Any deterioration below certain levels require a Supplier Action Request. Supplier Action Requests are managed throughout the business review process. KLA may discontinue business with suppliers that fail to either improve their Supplier Scorecard rating over a defined period or do not resolve requests in a timely manner. The Supplier Relationship Management program includes planned business reviews, site visits and performance audits that include adherence to human rights policies. Site visits and performance-related audits occur when and if a supplier's scorecard performance is declining and/or if supplier risk is determined through the course of normal supplier visits.

#### Mitigating modern slavery risk in our business operations and activities

Our internal accountability standards, policies and procedures help us to determine that all our employees conduct business in an ethical manner. KLA requires its employees to comply with the laws of the countries in which we operate and all KLA policies and procedures. Violation of the law or company policies is subject to disciplinary action, up to and including termination of employment. Our employees are encouraged to identify, prevent and if necessary, report potential slavery or human trafficking issues.

At KLA, we believe that training is an important part of effective human rights practices. We intend to implement training sessions for our key employees on human trafficking and slavery, particularly on mitigating risks within supply chains, and we encourage the raising of questions and concerns relating to ethical business practices. Employees have several available channels to raise a question of concern, including confidentially through our EthicsPoint Hotline.

## How KLA goes further to "Advance Humanity"

KLA's Values are at the heart of its business and the fabric of its strong ethical culture. KLA "Advances Humanity", using our expertise and innovative thinking to overcome monumental challenges and improve lives. Proactively managing our environmental, social and governance (ESG) impacts is an integral part of our mission to advance humanity. Our ESG strategy serves as a roadmap to get us there informing our decisions, holding us accountable for progress within our business and our communities, and helping our customers achieve their own ESG goals.

For more information on related actions and policies of KLA, please refer to our Global Impact Report (GIR) at <u>https://www.kla.com/company</u>.

### **Declaration and Board Approval**

This statement has been made in accordance with the reporting requirements of clause 54, Part 6 of the UK Modern Slavery Act for the financial year ending June 30, 2023. This statement applies to all parts of KLA Corporation.

This statement was approved by the Board of Directors and is signed on behalf of the Board.

Signed on by

DocuSigned by: Rick Wallace

Rick Wallace President, CEO, and Member of the Board of Directors KLA Corporation

Date:11/17/2023

# <u>Addendum</u>

List of Covered Subsidiaries

| Subsidiary Name                                       | JURISDICTION OF<br>INCORPORATION /<br>ORGANIZATION |
|---|--|
| International Sales & Business, Inc.                  | United States                                      |
| KLA-Tencor China Corporation                          | United States                                      |
| KLA-Tencor International Corporation                  | United States                                      |
| VLSI Standards, Inc.                                  | United States                                      |
| Belize Holdings, LLC                                  | United States                                      |
| KLA-Tencor Asia-Pac Distribution Corporation          | United States                                      |
| Dino Acquisition Technology L.L.C.                    | United States                                      |
| Zeta Instruments, Inc.                                | United States                                      |
| KT Recreation Association, LLC                        | United States                                      |
| Whiskey Holding Sub, LLC                              | United States                                      |
| Microsense, LLC                                       | United States                                      |
| Nanomechanics Inc.                                    | United States                                      |
| Filmetrics, Inc.                                      | United States                                      |
| Orbotech, Inc.  | United States                                      |
| Photon Dynamics, Inc.                                 | United States                                      |
| Photon Dynamics Solar Corporation                     | United States                                      |
| Orbotech LT Solar, LLC                                | United States                                      |
| Anchor Semiconductor, Inc.                            | United States                                      |
| ECI Technology, Inc.                                  | United States                                      |
| ECI Technology International, Inc.                    | United States                                      |
| Front Edge Technology, Inc.                           | United States                                      |
| ICOS Vision Systems Corporation BVBA                  | Belgium  |
| ICOS Vision Systems NV                                | Belgium  |
| Lee Ta Technologies (BVI), Inc.                       | British Virgin Islands                             |
| KLA-Tencor Corporation (Cayman) Limited, I            | Cayman Islands                                     |
| KLA-Tencor Corporation (Cayman) Limited, III          | Cayman Islands                                     |
| KLA-Tencor Corporation (Cayman) Limited, IV           | Cayman Islands                                     |
| ICOS Vision Systems (Shenzhen) Co. Ltd.               | China  |
| KLA-Tencor International Trading (Shanghai) Co., Ltd. | China  |

| KLA-Tencor Semiconductor Equipment Technology (Shanghai) Co., Ltd. | China          |
|--|----------------|
| KLA-Tencor France SARL   | France         |
| KLA-Tencor GmbH  | Germany        |
| KLA-Tencor MIE GmbH  | Germany        |
| KLA-Tencor MIE Holdings GmbH & Co. KG                              | Germany        |
| KLA-Tencor MIE Holdings Verwaltungs GmbH                           | Germany        |
| ICOS Vision Systems Ltd.   | Hong Kong      |
| KLA-Tencor Software India Private Limited                          | India          |
| KLA-Tencor Ireland Ltd.  | Ireland        |
| Optical Metrology Patents Limited                                  | Ireland        |
| KLA-Tencor Corporation (Israel)                                    | Israel         |
| KLA-Tencor Corporation Holding (1987) Ltd.                         | Israel         |
| KLA-Tencor Corporation (1992) Ltd.                                 | Israel         |
| KLA-Tencor Integrated Metrology (Israel) (2002) Ltd.               | Israel         |
| KLA-Tencor Italy S.R.L.  | Italy          |
| KLA-Tencor Japan, Ltd.   | Japan          |
| KLA-Tencor Korea, Inc.   | South Korea    |
| KLA-Tencor MIE Holdings S.à r.l.                                   | Luxembourg     |
| KLA-Tencor (Malaysia) Sdn Bhd                                      | Malaysia       |
| KLA-Tencor (Singapore) Pte. Ltd.                                   | Singapore      |
| KLA-Tencor Singapore Holding Co. Pte. Ltd.                         | Singapore      |
| KLA-Tencor Singapore Holding Co. Pte II Ltd.                       | Singapore      |
| KLA Instruments S.A.   | Switzerland    |
| KLA-Tencor (Thailand) Limited                                      | Thailand       |
| KLA-Tencor Limited   | United Kingdom |
| Lakers Holding Company APS   | Denmark        |
| Capres A/S   | Denmark        |
| Orbotech Ltd   | Israel         |
|  |                |

| Laser Imaging Systems GmbH                 | Germany                |
|--|------------------------|
| New System SRL                             | Italy                  |
| Orbotech Deutschland GmbH                  | Germany                |
| Orbotech S.A.                              | Belgium                |
| Orbotech Pacific Ltd.                      | Hong Kong              |
| Orbotech Electronics (Shenzhen) Co., Ltd   | China                  |
| Orbotech Electronics (Suzhou) Co Ltd       | China                  |
| Orbotech Trading (Shanghai) Co., Ltd       | China                  |
| Orbotech Japan Ltd                         | Japan                  |
| Orbotech Asia Ltd                          | Hong Kong              |
| Orbotech Singapore Corporation Pte Ltd     | Singapore              |
| Orbotech Korea Ltd                         | Korea                  |
| Orbotech Logistics Ltd                     | Hong Kong              |
| SPTS Technologies Limited                  | UK                     |
| SPTS Technologies Ltd                      | Taiwan                 |
| SPTS Technologies UK Ltd                   | UK                     |
| SPTS Technologies Overseas Holdings Ltd.   | UK                     |
| Orbotech Holding GmbH                      | Germany                |
| Orbotech B.V.                              | Netherlands            |
| Orbotech Caribbean Ltd.                    | British Virgin Islands |
| Anchor (Shanghai) Semiconductor Inc.       | China                  |
| Hefei Shen'An Semiconductor Technology Co. | China                  |
| ECI Japan Inc.                             | Japan                  |