



TAX POLICY

Introduction

KLA Corporation (KLA), headquartered in Milpitas, CA, United States, develops industry-leading equipment and services that enable innovation throughout the electronics industry. We provide advanced process control and process enabling solutions for manufacturing wafers and reticles, integrated circuits, packaging, and printed circuit boards to leading customers worldwide. As an S&P 500 company, KLA is among the largest semiconductor capital equipment companies in the world.

This document (Tax Policy) describes KLA's approach to conducting our tax affairs and dealing with tax uncertainties and risks worldwide. The Tax Policy aligns with KLA's Values in Action and Standards of Business Conduct (SoBC), a commitment to sustainably conduct business ethically in compliance with government laws and regulations while making a positive impact on our employees, customers, and community.

Tax Governance and Risk Management

KLA is exposed to tax obligations and risks through our routine business operations. The tax function, along with assistance from professional tax advisors, regularly reviews enacted tax legislation to ensure that changes in tax law are properly reflected in our tax and financial reporting. A description of potential risks is contained in our latest annual report on Form 10-K filed with the United States Securities and Exchange Commission.

In accordance with SoBC, KLA is committed to complying with the tax laws and regulations in all countries where we operate. We continually monitor for any changes in tax laws to ensure compliance and minimize tax risks. Where there is uncertainty in the interpretation of tax law, we will seek assurance from professional tax advisors. In addition, we have set up procedures and various levels of review and approval in compliance with the U.S. Sarbanes-Oxley Act (SOX) that occurs on a quarterly basis. These controls are monitored by the company's Internal Audit department who reports to the Chief Financial Officer and the Audit Committee of KLA's Board of Directors.

Attitude to Tax Planning

KLA does not engage in artificial or aggressive tax planning. Our tax planning supports the operational substance of the business. Our legal entities are based in locations where commercial activities take place. We do not participate in any tax shelter transactions that are prohibited by the U.S. and other taxing jurisdictions. The aim of our overall tax planning is to adopt the most tax-efficient method in structuring our commercial activities while ensuring compliance with all relevant laws and regulations. Transactions between affiliates are conducted on an arms-length basis in accordance with the appropriate transfer pricing rules.

Approach Towards Tax Authorities

KLA adopts a collaborative and transparent approach when interacting with government tax authorities. We provide accurate and clear documentation and support when requested. We are committed to having proactive and constructive communication with all tax authorities to efficiently resolve any disagreements that arise.