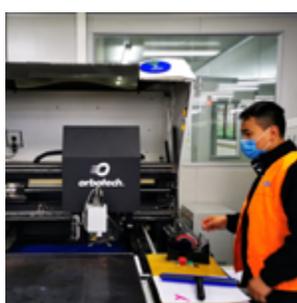
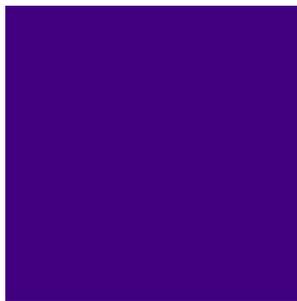
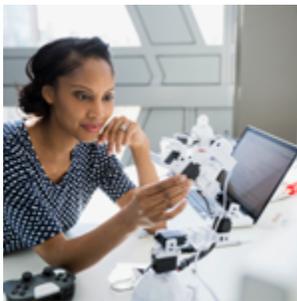




2019-2020

ENVIRONMENTAL, SOCIAL, GOVERNANCE FACTSHEET

January 1, 2019 - December 31, 2020



+ Advancing Humanity

As a global technology leader, KLA is advancing humanity through technology by creating solutions that drive industry progress and transform lives. We provide high quality process enabling, process control and yield management solutions for the semiconductor and related electronics industries. Our products and services enable evolution and innovation in the data era across key industries including communications, automotive and data centers. Core to our business, and our environmental, social and governance (ESG) strategy, is our efforts to design products that help reduce waste and increase efficiencies for our customers.

Growth, Diversification and Responsible Business

The expanding scale and scope of KLA's business over the past five years created the opportunity to elevate and harmonize our ESG strategy. In 2020, we conducted a materiality assessment to cover our expanded business, engaged internal and external stakeholders, established an updated baseline, and evolved our ESG strategy and practices. For more information on our materiality assessment, please see the KLA 2019-2020 Global Impact Report.

COVID-19 Response

When the COVID-19 pandemic began to spread around the world, KLA acted swiftly to protect our employees, support our customers, and execute on long-term investments to drive the business forward. Our response to the pandemic included introducing enhanced safety protocols, additional wellbeing benefits, pandemic leave and expanded family benefits for employees; developing remote customer support processes and tools using augmented reality and virtual reality technology; and delivering medical supplies to hospitals in COVID-19 hotspots through a combined effort by the company and the KLA Foundation.

Business Overview*

2019



19
Countries in which
KLA has facilities



\$5.3 billion
Revenue



56,800
Tools worldwide



6,550
Global Employees

Acquisitions

In 2019, KLA completed the acquisitions of Orbotech, Ltd. and SPTS, which enabled us to diversify and address market opportunities in the high-growth PCB, display, packaging and semiconductor manufacturing industries.

2020



19
Countries in which
KLA has facilities



\$6.1 billion
Revenue



58,500
Tools worldwide



10,700
Global Employees

Acquisitions

In 2020, KLA completed the acquisition of Qoniac GmbH, which contributed to the growth of our data analytics product portfolio.

*All data in this document represents calendar year performance, unless otherwise noted.

+ Corporate Governance

We uphold the highest ethical standards while conducting business and governing our operations. This commitment starts with our Board of Directors, which operates in accordance with all applicable laws and our [Corporate Governance Standards](#). We train our employees, including members of the executive leadership team, on the company's [Standards of Business Conduct](#). We encourage a culture of ethics through our company values, which we bring to life in our daily work, feature on our intranet and promote in employee meetings and communications, including directly from our CEO.



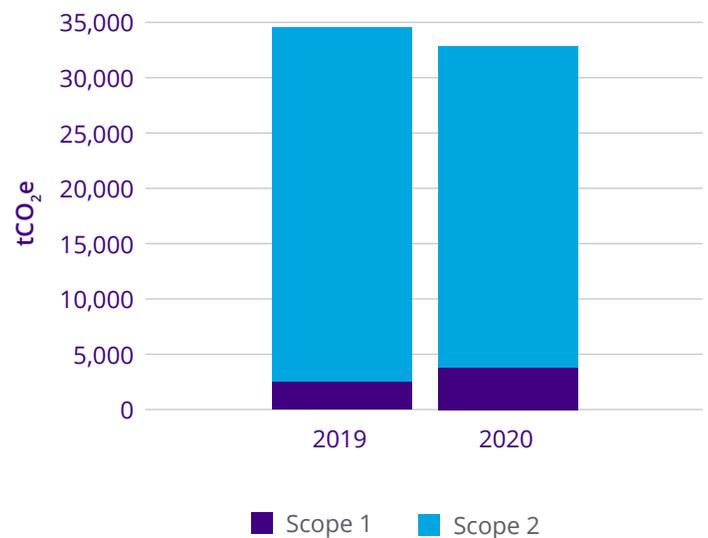
+ Climate Action

In 2020, we expanded the scope of our annual greenhouse gas (GHG) inventory to provide a full accounting of the emissions footprint from our business and enable us to set targets that cover activities across our value chain. The inventory covered our company-wide Scope 1, 2 and 3 emissions for calendar years 2019 and 2020, in alignment with the requirements of the World Resource Institute and World Business Council for Sustainable Development's GHG Protocol.

From 2019 to 2020, we saw a small increase in our Scope 1 emissions due to increase in natural gas use and the availability of higher-quality refrigerant use data. We saw a decrease in our Scope 2 emissions from the use of more "carbon-free" sources of energy and a continued focus on improving the efficiency of our operations.

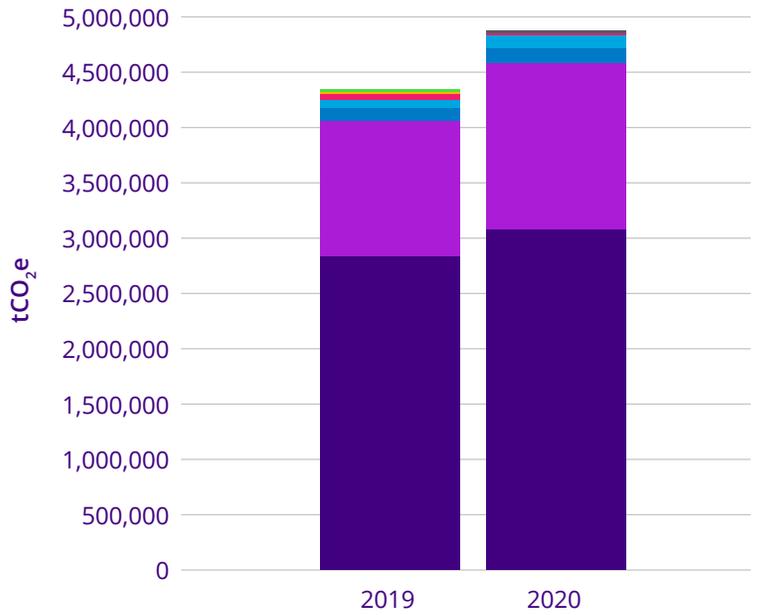
The use of sold products is our largest Scope 3 emission source. The increase in Scope 3 emissions between 2019-2020 is due largely to increased product sales, spend on purchased goods and services and product transportation. For more information on our inventory and the results, please see our 2019-2020 Global Impact Report.

KLA Market-Based GHG Emissions

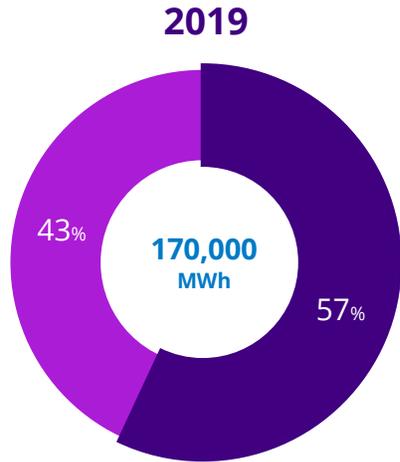


KLA Scope 3 GHG Emissions

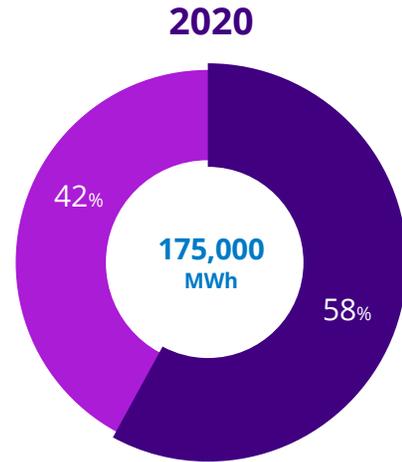
- Upstream leased assets
- Employee commuting
- Waste generated in operations
- Fuel -and energy-related activities (FERA) (not included in scope 1 or scope 2)
- Business travel
- Capital goods
- Upstream transportation and distribution
- Purchased goods and services
- Use of sold products



Energy Mix

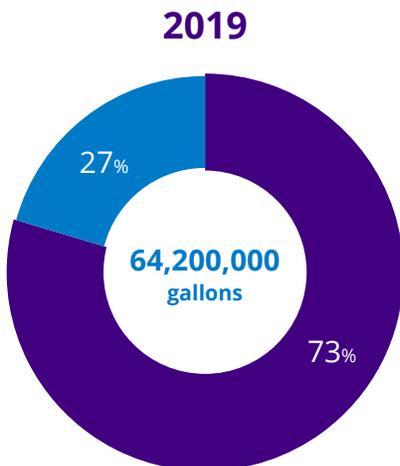


- Low-Carbon Energy
- Conventional Energy

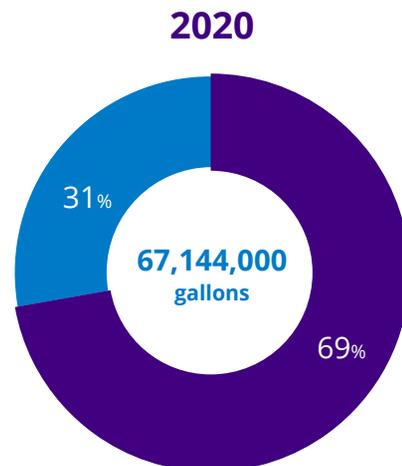


- Low-Carbon Energy
- Conventional Energy

Water Withdrawal

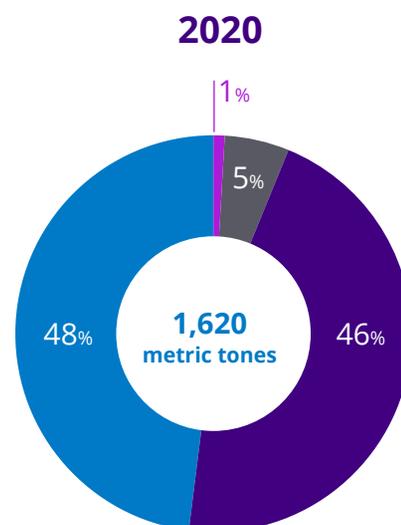
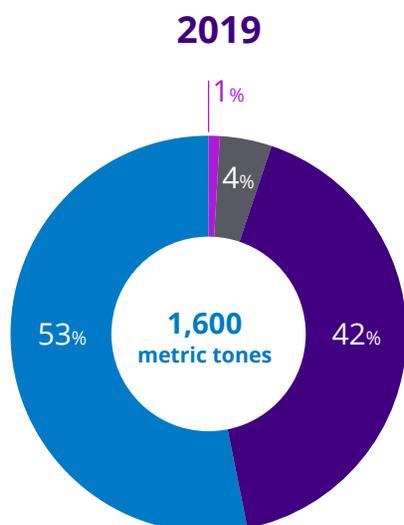


- Municipal Water
- Recycled Water



- Municipal Water
- Recycled Water

Waste* by Destination



■ Composted ■ Diverted for Energy Use
■ Landfilled ■ Recycled/Reused

■ Composted ■ Diverted for Energy Use
■ Landfilled ■ Recycled/Reused

*Non-hazardous waste only.

+ Advancing Innovation

The innovative ideas and devices that are transforming our world all begin with research, development, and inspiration. At KLA, our investment in innovation drives our technology edge and is a key differentiator for our customers, employees and investors. We take on the most daunting technical challenges to meet the current and emerging needs of our customers. This focus on research and development energizes and empowers our employees as they contribute first-hand to the products and services helping to advance humanity.

2019

2020



15.5%

Investment in research and development
(as a percent of revenue)

14.4%



2,710^x

Full-time research and development
personnel

2,870*



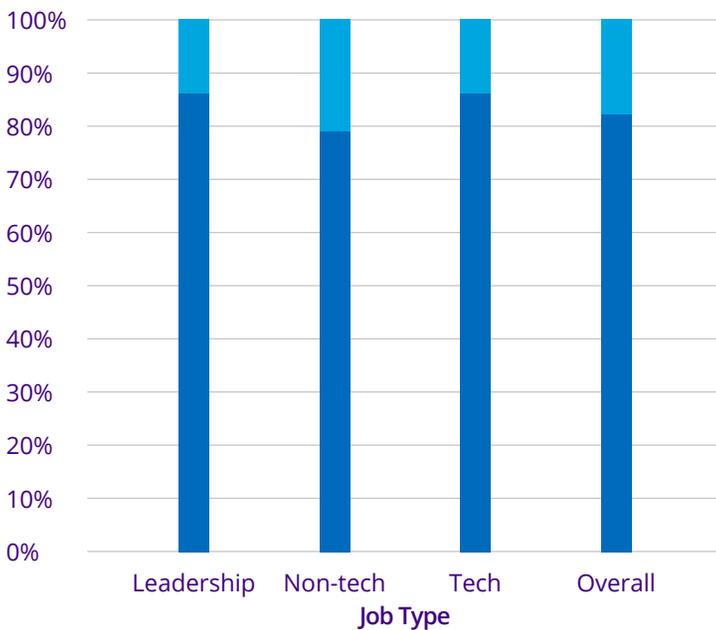
* As of June 30, 2020
^x As of June 30, 2019

+ Inclusion & Diversity

At KLA, inclusion and diversity is a shared aspiration, commitment and responsibility. We are committed to providing a workplace that fosters kindness, respect and a culture of inclusion across our operations. We celebrate the diversity of our employees, customers and partners, and we are committed to fostering a culture of inclusion across our operations. We are tracking our diversity metrics at different levels of the company and have trainings, educational programs and targeted outreach in place to drive continuous improvement.

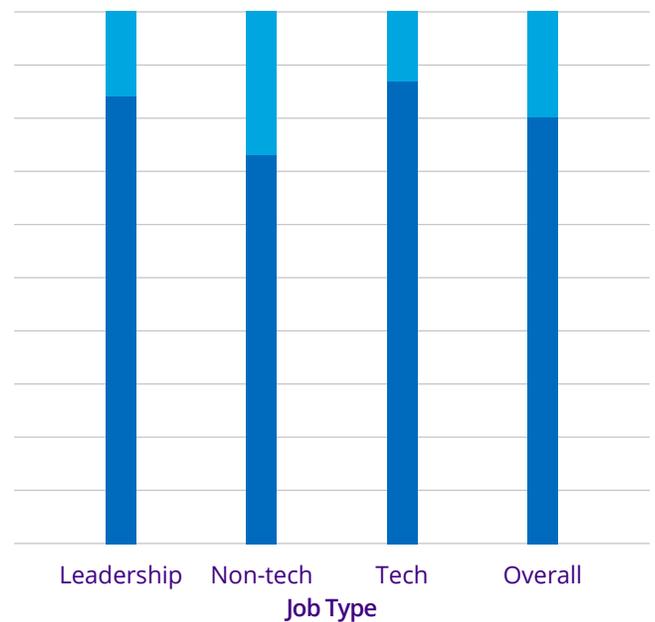
Data below as of July 1, 2021. Leadership comprises director-level and above. Technology roles include engineering and research and development. To align with U.S. government requirements, this data uses the traditional gender categories of male and female.

Gender: Global

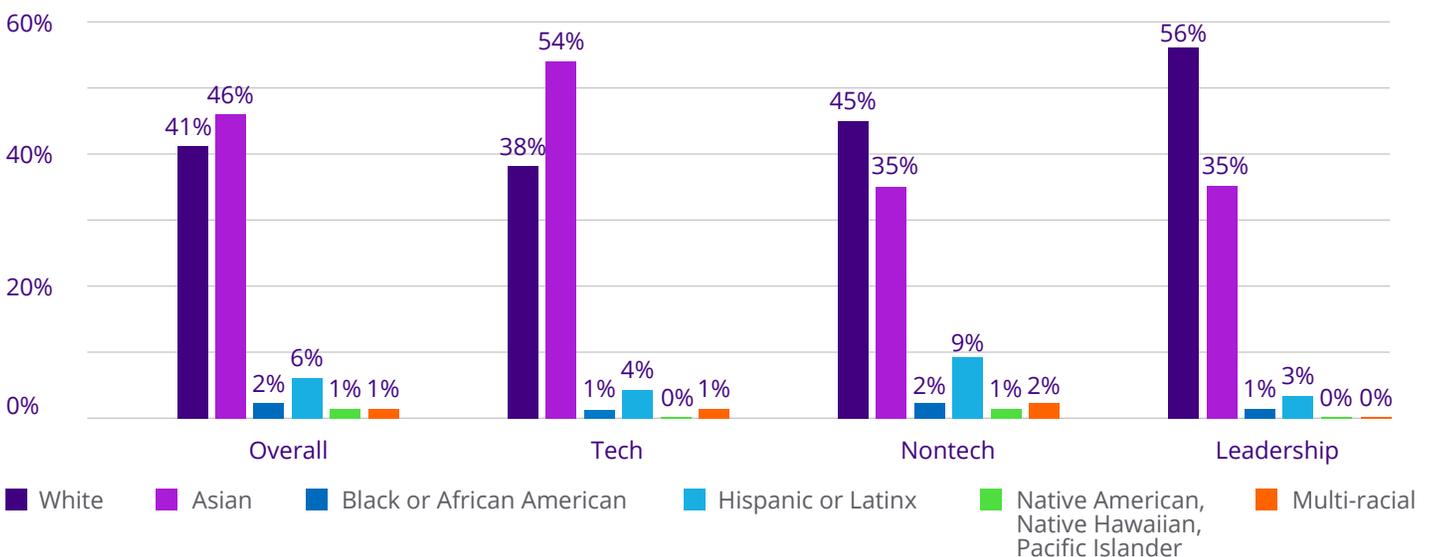


Gender: U.S.

■ Men ■ Women



Race & Ethnicity: U.S.



+ Talent

The innovation and creation happening at KLA would be impossible without our talented and dedicated employees. Our talent initiatives center on attracting top talent, developing and inspiring our global workforce, and providing the resources and training they need to achieve their personal and professional goals. We seek to recruit world class candidates, with a variety of backgrounds, characteristics and perspectives that allow us to leverage the experiences of a diverse and global workforce.

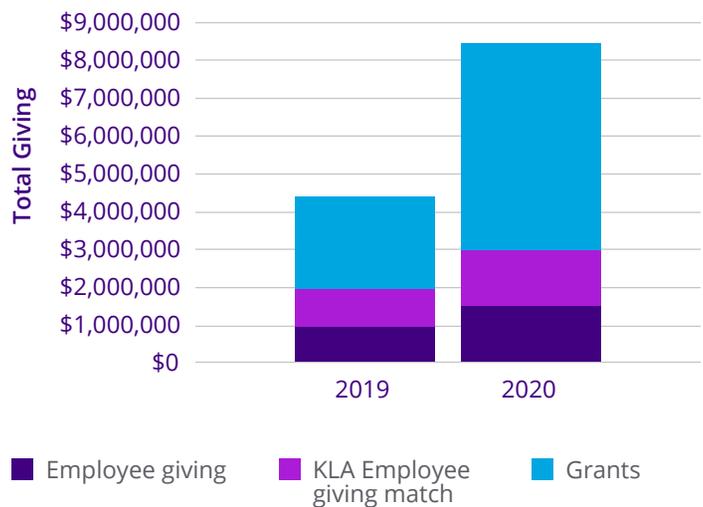
2019		2020
1,505	Total new employee hires	1,207
4.2%	Total employee voluntary turnover*	4.3%
	Average training hours per FTE	44.32
100%	Percentage of total employees who receive a regular performance review	100%
0.14%	Employees covered by collective bargaining agreements	0.94%

*Turnover data does not include Orbotech/SPTS employees.

+ Community Engagement

The KLA Foundation, a separate 501(c)(3), is committed to advancing humanity by investing in our communities to create a more equitable, inclusive and accessible world. We believe making an impact requires listening, ongoing collaboration, patience and a holistic understanding of human needs. The KLA Foundation strategically partners with organizations that know their communities best to create upstream solutions for sustainable change and empower our employees to get involved in causes that are close to their hearts. The Foundation is focused in three strategic program areas: education, wellness and community enrichment. KLA employees may take advantage of a \$10,000 matching gift and the Dollars for Doers volunteer programs to expand their contributions to the community.

Total Community Investment: KLA Foundation



In 2020, the KLA Foundation invested \$8.5 million in the communities where we live and work

Health & Safety

Protecting the health and safety of our employees and contractors is a top priority for KLA. We strive for a zero-accident workplace through our global injury and illness prevention program.

Metric	2019	2020
OSHA citations	0	0
High-consequence work-related injuries: employees		
Number	0	0
Rate*	0	0
Recordable work-related injuries: employees		
Number	25	18
Rate*	0.29	0.16
Fatalities - number		
Employees	0	0
Contractors	0	0

*Rate per 200,000 hours worked.

Supply Chain

KLA's supply chain plays an essential role in helping us deliver on our commitments to customers while ensuring high standards of ethics, integrity and protection of human rights. KLA is a proud member of the Responsible Business Alliance (RBA), an industry coalition dedicated to championing corporate responsibility in global supply chains through resource and best practice sharing. We require all KLA suppliers to:

- Officially commit to the principles in the [RBA Code of Conduct](#) and bolster this commitment with supporting policies and programs covering the entire supplier organization.
- Complete an annual [Self-Assessment Questionnaire](#) through the RBA online reporting platform.

KLA integrates assessment for compliance with the RBA Code of Conduct into the regular performance reviews and on-site audits we conduct for our suppliers.