

# 2025

## Global Impact Report





# CEO Message

KLA remains focused on delivering value to customers and supporting the communities where we live and work. Central to this focus is working to improve the performance and efficiency of our products and operations around the world. Since publishing our last Global Impact Report, we have made meaningful progress on this journey — strengthening how we embed sustainability into our technology, business practices and culture.

As you will read in this year's report, we are on track to achieve our near-term, science-based greenhouse gas (GHG) emissions reduction targets across Scopes 1, 2, and 3, which were validated by the Science Based Targets initiative (SBTi). We are progressing toward our goal of 100% renewable electricity, reflecting a

continued focus on reducing the environmental impact of our global operations. We've also expanded our product sustainability efforts over the past year, increasing tool efficiency and working closely with customers to improve yield while reducing waste and energy intensity.

Additionally, collaboration across our ecosystem remains a key enabler of our progress. We have deepened our engagement with customers and partners, earning recognition for our contributions to innovation and operational excellence, while supporting their own sustainability goals. And our progress continues to be recognized by leading external and industry organizations, reflecting the strength of our approach and the consistency of our execution.

As our industry grows — driven in part by accelerating demand for artificial intelligence (AI) and advanced technologies — we remain focused on supporting that growth while working to minimize associated emissions and environmental impact. Guided by our values, we are investing in our people, expanding our global footprint, and advancing initiatives that position KLA for long-term, responsible growth. While there is more work ahead, we are encouraged by the progress we have made and the foundation we are building to support sustainable innovation for our customers and the industry.

A handwritten signature in black ink that reads "RP Wallace".

**Rick Wallace**  
President and  
Chief Executive Officer

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# About This Report

KLA Corporation's Global Impact Report discloses the company's most significant environmental, social and governance (ESG) activities and impacts for calendar year (CY) 2025, showing how we manage and measure progress against our ESG goals and stakeholder expectations.

The report's content aligns with topic areas identified in our ESG materiality assessment as key priorities for both our stakeholders and KLA's sustainable growth. In preparing this report, we considered recommended disclosures from the [Global Reporting Initiative](#) (GRI), the [Sustainability Accounting Standards Board](#) (SASB) semiconductor industry standard and the [Task Force on Climate-Related Financial Disclosures](#) (TCFD). See the [Appendix](#) for more information.

Our Scope 1, 2 and 3 GHG data are subject to a limited level of third-party assurance, and our water and waste data undergo both internal review and external audits using the [International Organization for Standardization \(ISO\) 14001 framework for environmental management systems](#). See [Environmental Management](#) for the scope of the audit.

Unless otherwise noted, all year references and data reflect KLA's global operations for CY 2025. Monetary figures are in United States dollars (USD). Some data figures are rounded using standard conventions.

A relentless drive to innovate shapes KLA's impact on our business, customers, industry and the world. While we highlight and celebrate KLA's 2025 ESG achievements, we also recognize that we must constantly challenge ourselves as a company and as individuals to continue making progress toward our sustainability goals. Throughout the report, Keep Looking Ahead sections preview specific ESG initiatives on the horizon in 2026 and beyond.



For more information about our ongoing ESG activities, please contact [ESG@kla.com](mailto:ESG@kla.com).





# About KLA

KLA develops industry-leading equipment and services that enable innovation throughout the electronics industry. Virtually all key technological breakthroughs that shape our age — from AI to cloud and smart devices — have relied on KLA innovations to reach the market.

The core of our business is engineering comprehensive process control and process-enabling solutions for manufacturing semiconductor wafers and reticles, integrated circuits (ICs, or chips), packaging and printed circuit boards. In collaboration with leading partner companies around the globe, our physicists, engineers, data scientists and problem-solvers design solutions that open new technology frontiers, advance our customers' businesses and drive efficiencies that aid the transition to a low-carbon economy.

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

## Business Snapshot<sup>1</sup>

~16,000  
employees



KLAC  
Nasdaq



\$1.44B

invested in R&D  
during CY 2025, an  
increase of 9% over  
2024

\$12.74B

CY 2025 revenue,  
an increase of  
\$1.9 billion  
over 2024

<sup>1</sup> As of December 31, 2025

# Our ESG Strategy and Materiality Assessment

KLA's ESG strategy is built around four strategic pillars: opportunity, innovation, environmental stewardship and leadership.

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

To focus our ESG efforts, KLA conducts periodic materiality<sup>1</sup> assessments to identify and evaluate the ESG topics most significant to the company's stakeholders and most relevant to our business. These assessments include a review of industry trends, ESG best practices and standards, annual enterprise risk assessment results, and benchmarking of peers and industry leaders. Annually, the ESG Steering Committee reviews the latest materiality assessment results and approves the ESG topics that inform KLA's strategy and reporting.

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

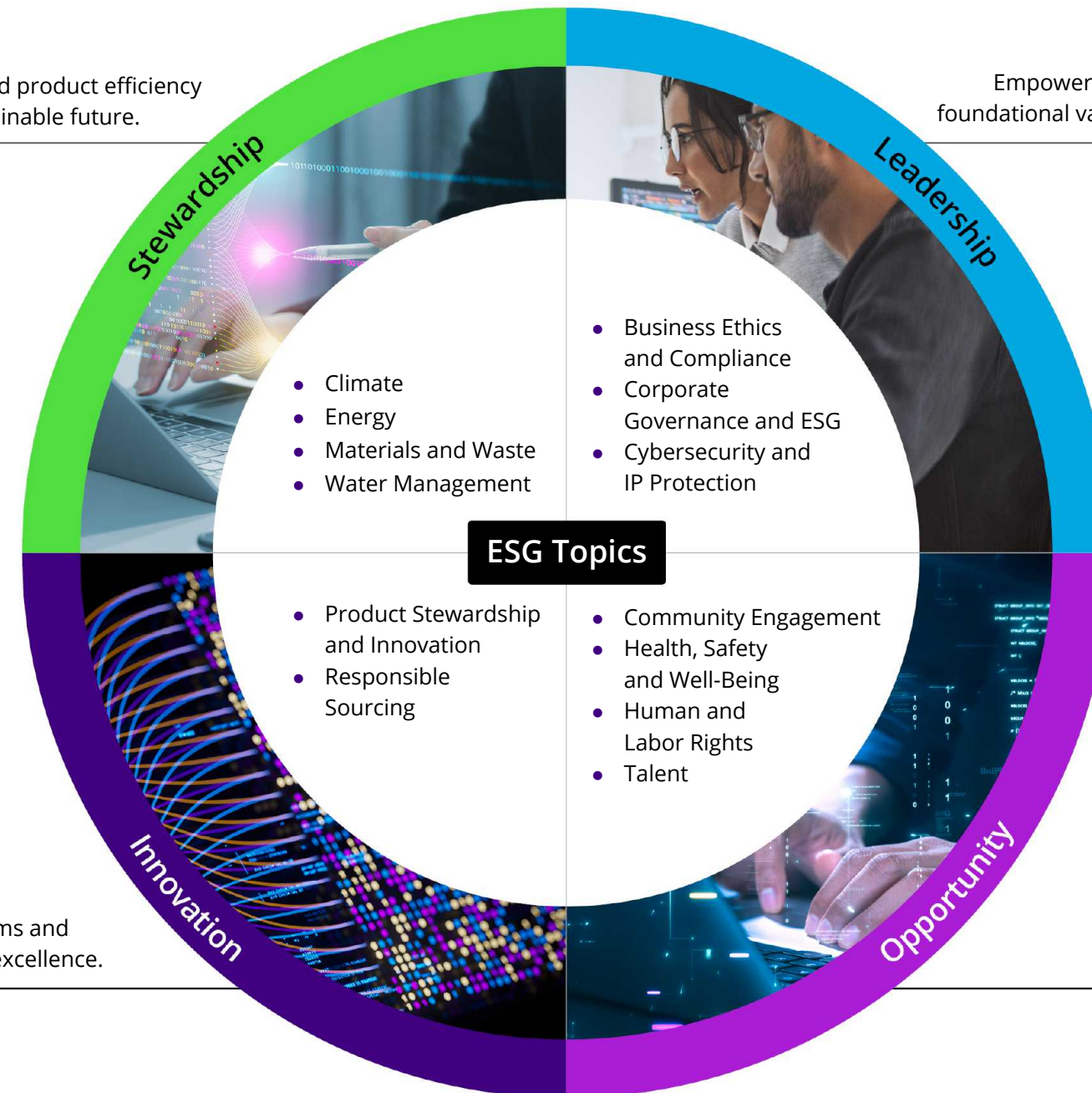
<sup>1</sup> In KLA's ESG materiality assessment and throughout this report, use of the terms "material" and "materiality" differs from how these terms are defined for the purpose of complying with any reporting requirements, including under U.S. federal securities laws, various European regimes and other international disclosure regimes.

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

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

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

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





# Stakeholder Engagement

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



## Industry Peers and Partners

Member,  
**SEMI Sustainability Initiative**

Founding member,  
**Semiconductor Climate Consortium**

Regular member,  
**Responsible Business Alliance** (RBA)



## Customers

We collaborate with customers to innovate next-generation solutions that help foster a sustainable industry.

KLA products help improve yield in our customers' manufacturing, which helps reduce waste, water use and chemical use.



## Suppliers

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



## Communities

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



## Employees

We offer training, development and opportunities for employees around wellness.

The KLA Connection employee intranet site keeps our employees informed and engaged.

# KLA Operating Model

KLA's **values** inspire us to drive progress and transform industries. By staying true to these values and embedding sustainability into our products and operations, we believe we can have a meaningful influence on our world.



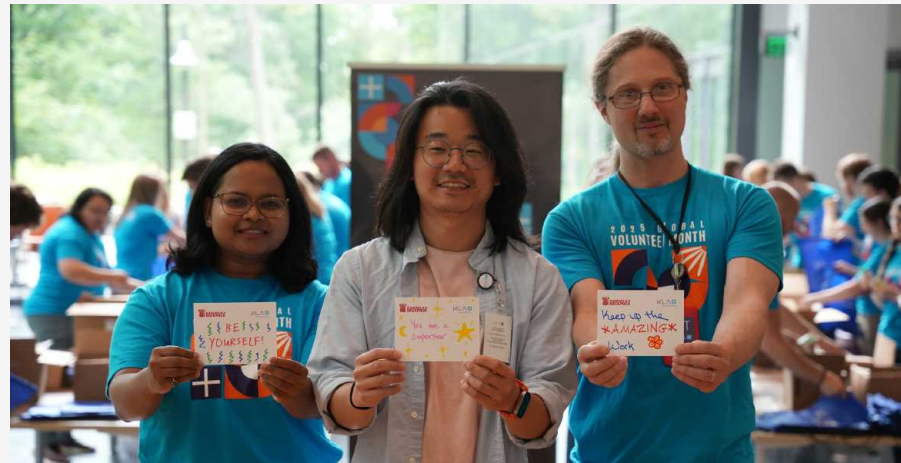


# 2025 ESG Highlights

## People

### Opened

a new Learning and Knowledge Services (LKS) Training Center in Taiwan to support technical training



## Products and Supply Chain

### Invested

\$1.44 billion in R&D

### Completed

our first pilot life cycle assessment screening

### Increased

engagement with key suppliers to encourage energy-efficient measures and establish climate goals



## Environment



### On track

toward meeting 2030 climate goals

### Named

one of the World's Most Sustainable Companies by TIME

### Implemented

a new carbon accounting platform to provide increased transparency into our GHG emissions calculations

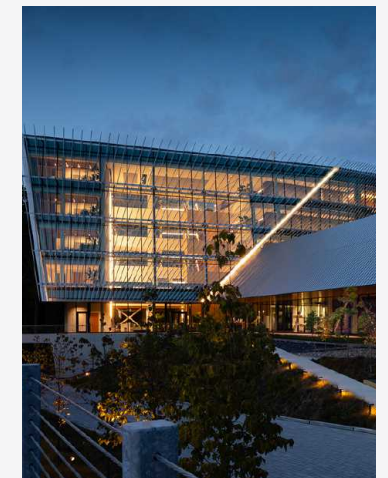
## Governance and Ethics

### Named

one of America's Most Responsible Companies by Newsweek

### Received

Sustainalytics Industry ESG Top Rated award in 2025



# Awards and Recognition

## Corporate and ESG



51job.com: Employer Excellence China 2025

Newsweek: World's Greenest Companies 2025

Barron's: 100 Most Sustainable U.S. Companies 2025

Straits Times: Singapore's Best Employers 2025

Financial Times: Best Employers APAC 2025

TIME: World's Best Companies 2025



Forbes: America's Best Companies 2025

TIME: World's Best Companies in Sustainable Growth 2025

Forbes: World's Best Employers 2025

TIME: World's Most Sustainable Companies 2025



Fortune 500: member since 2021

U.S. News & World Report: Best Companies to Work For, Manufacturing and Agriculture 2025-26

Glassdoor: Best-Led Companies of 2025

USA Today: America's Climate Leaders 2025

Investor's Business Daily: Best Companies of 2025

Achieved ISS ESG Prime rating

Newsweek: America's Greatest Companies 2025

Named to the Dow Jones Best-In-Class North America Index 2025

Newsweek: America's Most Responsible Companies 2025

Sustainalytics: Industry ESG Top Rated award 2025

## Customer

Amkor: Supplier Excellence Award 2025

SK Hynix: Best Supplier Award 2025

Micron: Diamond Safety and Health Award 2025, KLA Taiwan

SK Siltron: Best Collaboration Award 2025

Samsung: Best in Value Award for Outstanding Support and Contribution to Our Mutual Success 2025

Soitec: Strategic Innovation Partner Award 2025

Samsung: Certificate of Appreciation for Outstanding Support of the SCS Parts Business 2025

SMMC: Best Supplier Award 2025, KLA Singapore

Sandisk: Best Supplier Award 2025

TSMC: Excellent Production Support 2025

Sandisk: Supplier Summit Performance Excellence Award 2025

TSMC: Group Excellence Award, KLA Metrology BU Team 2025

SK Hynix: Best Collaboration Award 2025

UMC: Carbon Reduction Pioneer Award 2025



# People

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When your business lives in the microscopic depths of the nanoverse, its impact extends far beyond what’s visible. From cars to phones, from VR to AI, from the cloud to space, you’ll find innovations KLA has empowered, expanding possibilities for technology and the people who use it.

Our people power that innovation, working within a culture that’s always driving forward, solving the thorniest challenges to advance the next generation of technology. On any given day, in any corner of our company, you’ll find physicists, engineers and data scientists working together across disciplines and geographies, building on each other’s wisdom and experience to push boundaries and bring new ideas and products to light.

That’s the secret to our continued success: all 16,000 of us, across 18 regions, bringing curiosity, initiative, and varied backgrounds, experiences and skills to advancing solutions that benefit our customers, company, our communities and the world.

- 

KLA’s facility in Newport, Wales, received its 13th consecutive Gold Award from the Royal Society for the Prevention of Accidents (RoSPA).
- 

KLA welcomed more than 1,800 new employees in 2025.



# Talent

We live our values by developing high-performance teams, challenging ourselves with the drive to be better, and persevering in creating solutions to the industry’s most demanding problems. Our aim is to conduct business in a way that is honest, forthright and consistent, and through distinctive capabilities, products and services, we deliver value that makes KLA indispensable to our customers.

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

“KLA’s people are our competitive advantage. Our engineers, technologists and problem-solvers tackle the most complex challenges in semiconductor manufacturing to deliver long-term, sustainable value to customers. We invest in the development of our teams by building critical skills, supporting continuous learning and fostering a culture that aligns talent with business priorities.”

**John Van Camp**  
Executive vice president and chief human resources officer

| Talent Performance                                     |        |
|--------------------------------------------------------|--------|
| 2024                                                   | 2025   |
| Total new employee hires                               |        |
| >1,400                                                 | >1,800 |
| Response rate to the annual Employee Engagement Survey |        |
| 91%                                                    | 91%    |
| Average training hours per full-time employee (FTE)    |        |
| 39.9                                                   | 38.3   |
| Total voluntary employee turnover rate                 |        |
| 3.8%                                                   | 3.6%   |





# Employee Learning and Development

To help KLA employees build new skills, expand their careers and better support our customers, we offer an extensive library of training programs and guidance to identify the right learning pathways. Our dedication to employee learning and growth is driven by two crucial departments:

## Corporate Learning Center (CLC)

Equips employees with essential professional and leadership skills in topic areas such as project management, communication and establishing SMART goals (Specific, Measurable, Achievable, Relevant and Time-bound).

## Learning and Knowledge Services (LKS)

Prepares service employees with the technical training they need to operate, maintain and troubleshoot KLA’s equipment and tools, and deliver fast, effective support for customer sites worldwide.

Regularly, employees receive a newsletter that promotes development areas, courses and other learning services, along with a schedule of available virtual and in-person courses. Managers work with their direct reports to drive participation, utilizing flex scheduling and similar approaches as appropriate. Professional skills and compliance courses are available via our learning management

system (LMS), which features self-managed learning paths, personal recommendations based on user preferences, automatic calendar invitations, employee career profile integration, and the ability to search, view and receive credit for video-based content. The LMS also hosts our Working Globally training, which focuses on ways KLA employees can collaborate more effectively across cultures: identifying differentiating cultural attributes, practicing key cross-cultural work skills and analyzing customized KLA case studies to create business game plans. Our LMS is enabled for mobile devices and includes automated closed captioning, increasing its reach across KLA’s global workforce.

Each year, as part of KLA’s strategic planning process, we assess and evolve our training programs for the following year based on data gathered from our annual Employee Engagement Survey, course-specific surveys and focus groups. In 2025, this process resulted in new AI training programs being designed and released.

Across KLA’s global operations, our full-time employees completed an average of 38.3 hours of training in 2025, accessing approximately 440 unique learning courses. Additionally, we opened a new, 31,700-square-foot LKS Training Center in Taiwan, with classrooms, labs, a cleanroom and augmented reality/virtual reality (AR/VR) capabilities, supporting both talent development and technical training.

In 2025, more than 99.9% of global employees received performance reviews through our

comprehensive performance management program, which incorporates self-assessments, management and skip-level reviews, and open conversations about career development. Individuals participate at least once per year, receiving feedback from managers, peers and other stakeholders. We also support our employees by providing career-focused tools and self-directed learning.

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

“With a legacy of technology breakthroughs, customer collaboration and talent development, KLA’s role is pivotal in advancing the semiconductor industry. The opening of our new LKS office and training center underscores our commitment to Taiwan’s innovation ecosystem and vision for shaping the future of chip manufacturing.”

**Rollin Kocher**  
Senior vice president and president of KLA Taiwan

## Career-Focused Tools and Self-Directed Learning

### My KLA Career

This comprehensive web-based toolkit helps employees manage their careers through assessment tools (including opportunity graphs to explore potential new roles), tips for identifying development and advancement opportunities, and ideas for building visibility and reputation within KLA.

### Career Development Content

Our CLC includes more than 80 on-demand courses on topics including mentoring, coaching, job crafting, aligning personal strengths with work, networking, effective meetings with managers, impactful storytelling and more. KLA employees completed over 3,800 hours of on-demand coursework in 2025.

### KLA Connection

Our internal platform links employees to resources where they can learn about opportunities for career growth, including certification requirements for engineering career tracks such as software, AI, algorithms and applications.

# Investing in Our Future Leaders

We want our people to grow in their careers and capabilities, rising to leadership roles and helping propel the company's future business success. As such, we make it our goal to promote from within, boasting a 78% internal promotion rate at the vice president level. Our CEO even started out as a KLA engineer, which is pretty good proof that we're a company of opportunity.

By laying out clear paths for advancement and promoting a culture of continuous learning and innovation, we encourage employees to stay with KLA for the long term.

Our 10-month Managing the KLA Operating System training accelerates managers' growth and effectiveness through sessions that include management fundamentals, advanced skills and various focus topics. Over the past two years, we've broadened participation in this training, growing more than fourfold from 2024 to 2025, with cohorts in the U.S., India and Europe.

We also offer employee coaching sessions utilizing both internal and external resources, with 2025 sessions focusing on topics such as skills reinforcement, personal growth and career growth.



As part of our CLC, we offer training and development courses to support both new and experienced managers:

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

# Employee Engagement

KLA is the sum of our collective skills, perspectives and unique experiences, distilled into a powerful engine for innovation. We want each of our people to share their ideas, refine them through teamwork, and collaborate across regions and technology disciplines to bring them to life.

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

KLA gathers insight on our people's experiences, opinions and needs through the annual Employee Engagement Survey, which includes questions related to job satisfaction, purpose and professional growth. Results from the Engagement Survey and additional surveys inform our employee Net Promoter Score (eNPS), which measures overall employee satisfaction. In 2025, our eNPS rose 5 points over 2024.

An internal website displays past survey results and related employee resources, and employee personal dashboards give our people access to their scores and comments from past surveys, along with total company results.

To help managers and individual contributors enhance their team engagement skills, we offer Engagement Drivers resources on our

microlearning platform, as well as manager guides that include examples of good engagement practices and outcomes across areas such as leadership, communication and incorporating employee feedback.

## Annual Employee Engagement Survey Results

**8.4/10**  
overall engagement score, top 25% of technology companies

**91%**  
response rate



## Talent Acquisition

KLA strives to attract and retain people who think big, push through challenges and drive transformative innovations for a more sustainable future. We want people who share **our values and ethics** and whose knowledge and energy take their teams to a new level, helping make KLA indispensable to our customers' success. We celebrate our employees' individual perspectives and encourage a work environment built on inclusion, trust, communication and respect. Along the way, we aim to have fun and give back to our communities.

**KLA welcomed more than 1,800 new employees in 2025, with approximately:**

- 53% hired in the Asia Pacific (APAC) region
- 29% in the U.S.
- 17% in the Europe, Middle East and Africa (EMEA) region

### Emerging Talent

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

In the U.S., KLA participates in College Track's Career Discovery Externship Program, educating visiting college students about opportunities in the semiconductor industry, identifying roles that align with their interests and values, and offering guidance and mock interviews. Another program hosts events for community college and high school students, giving an introduction to KLA, the industry and the corporate environment as a way of expanding pathways to opportunity in the technology field.

Globally, we continue to broaden access to engineering careers through multiple pathways, including advanced-degree hiring, undergraduate internships and apprenticeships. In the U.K., our apprenticeship program gained national recognition in December 2025 when the Prince of Wales visited KLA's new Celtic Lakes R&D and manufacturing center in Newport, Wales, where he also met with apprentices and graduates.

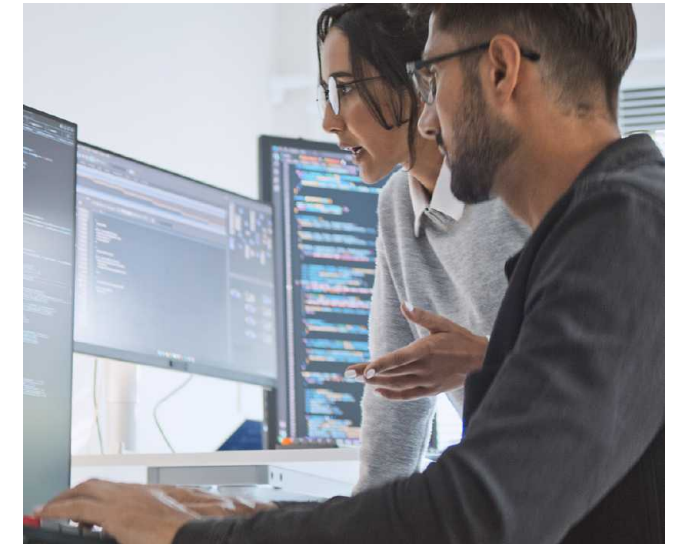
In the United States, select undergraduate interns may participate in a paid master's pathway that includes tuition support and summer employment in exchange for a commitment to work at KLA for a minimum of three years after completing their degree.

A program at our headquarters in Milpitas, California, hires associate test engineer (ATE) trainees while they complete a two-year community college technical program, then offers a pathway to a full-time ATE position upon graduation.

**"Even today after 21 years, I remind my team and potential new hires that I am still learning, and that continuous learning is one of the most rewarding aspects of being part of this organization. I often say to early career people not to fear making mistakes, because mistakes are an essential part of learning and growth. Decisions are made based on the information available at that moment, and outcomes may not always turn out as expected. What matters is to learn from the experience and work through challenges with determination."**

**Elaine Choo**

Director, supply chain



Internal Recruitment

KLA prioritizes internal recruitment by posting open roles internally, enabling employees to explore new opportunities and advance their careers within the company.

Succession Planning

KLA works to identify and develop promising internal talent to build a robust pipeline for future leadership roles. As part of our performance management process, we conduct annual talent forums where company leaders at multiple levels discuss their talent benches and their own succession plans. These events also explore opportunities to elevate candidates’ skills in preparation for leadership positions.

Employee Referral Program

Our referral program awards bonuses to employees whose recommendations lead to candidates being offered positions within KLA. On our KLA Connection intranet portal, the Greater Together campaign spotlights the people and stories behind these referrals — including Zongyu Li and Haowei Xiang.

Zongyu joined KLA’s office in Ann Arbor, Michigan, as an algorithm engineer in February 2024, after completing his Ph.D. at the University of Michigan. “I enjoy being an algorithm engineer,” he says, “because it’s broad and draws from different disciplines — math, programming, physics and image processing.” He also appreciates KLA’s openness to new ideas.

When a role opened on the algorithm team, Zongyu immediately thought of his friend Haowei Xiang, who he’d met in graduate school. The two first bonded over a research paper Haowei had published, the topic of which Zongyu had later expanded upon. “Since he did similar work in our lab at the university, I knew he’d be a good fit,” Zongyu says.



Haowei joined KLA Ann Arbor in 2025, but he’d already gained a good impression of the company as early as 2018, when his project team at university received a KLA-sponsored prize for winning a group competition.

“That experience left me with the impression that KLA is a generous company that really cares about students and research,” he says.

Since joining, Haowei says his transition has been smooth. “My manager has been super helpful, and Zongyu really took the time to help me with the code base and setup,” he says. “It would have been difficult to get started without him.”

# Health, Safety and Well-Being

Employee safety and well-being is a top priority companywide, from our business and manufacturing facilities to the customer sites where our field services teams install, maintain and update KLA products. We take a proactive, risk-based approach to setting and maintaining environmental, health and safety (EHS) standards that align with global health and safety best practices, deliver safe and healthy workplaces, enhance coordination and consistency across our operations, and stay ahead of regulatory changes.

KLA's **Environmental, Health & Safety Commitment Policy** aims for zero injuries, continuous improvement of our EHS management system, pollution prevention, and compliance with laws and standards. The policy scope includes the health, safety and well-being of KLA employees, contractors and other individuals under the company's supervision. We concentrate our key performance indicators (KPIs) on areas such as training, drills and communication systems, and report KPI metrics to the Resilience Leadership Team (RLT) on a quarterly basis.

We support adherence to EHS standards throughout our supply chain by integrating occupational health and safety (OHS) and environmental management system (EMS) criteria into procurement and contractual requirements.

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

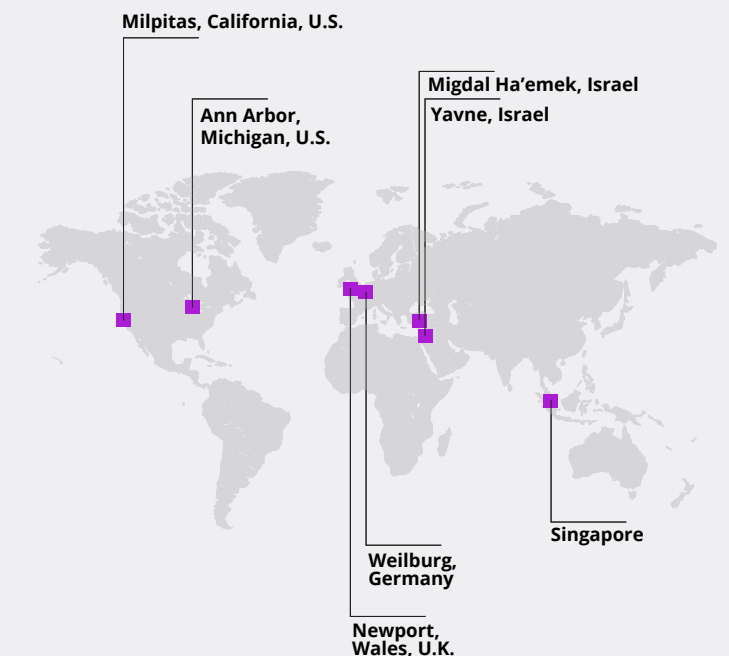


## Global Approach to Safety Management

We continued to enhance our health and safety policies and practices globally in 2025, refining our systems to standardize best practices and establish a single source of truth in areas such as environmental data collection, operational controls, audit tracking, incident management, compliance monitoring and corrective actions.

### Integrated ISO 14001 and 45001 Certification

In 2025, KLA completed a three-year drive to achieve formal integrated certification of our seven largest production and R&D facilities to the ISO 14001 EMS standard and 45001 OHS standard. With these certifications in place, KLA's main EMS and OHS management systems operate under consistent frameworks, improving performance-monitoring capabilities and assuring employees and customers of the company's environmental and safety commitments. Each ISO-certified site sets and tracks objectives and targets for specific significant environmental factors identified for that site. We have also aligned EHS policies, practices and trainings at KLA's smaller, non-certified global sites with those of our ISO-certified sites.





## Health and Safety Training

KLA takes a consistent approach to employee health and safety across our global locations. Training is assigned based on job roles and associated hazards, supporting regulatory compliance and reinforcing KLA's EHS policies and procedures. These courses address key topics and help promote a shared baseline of knowledge and awareness across the organization.

New employees are required to complete a site-specific health and safety orientation and designated training within three months of hire. Service technicians complete targeted safety training to achieve and maintain specialized certifications. Other trainings available through our on-demand library address global processes and specific hazards, including:

- **Emergency response and crisis notification:** This training promotes awareness of our global emergency alert notification system, emergency protocols, and actions to be taken during crisis events impacting our employees and operations. In 2025, we also conducted multiple tabletop exercises focused on emergency response and crisis notification, including a drill designed to enhance the capabilities of our Core Crisis Management Team (CCMT).
- **Hazardous materials:** Hazard communication training educates employees on chemical container labeling and safety data sheets. Additionally, we require employees who handle hazardous materials to complete EMS-05 Hazardous Materials and EMS-08 Universal and Hazardous Waste procedures training, per ISO 14001 compliance requirements.
- **Laser and radiation safety:** Relevant employees must attend critical safety trainings on laser and radiation safety, which are updated to address new technologies and evolving best practices and regulatory requirements. In 2025, for example, our Milpitas facilities continued a multi-year initiative to enhance laser safety procedures and trainings based on the greater risks associated with today's more powerful and complex laser systems.
- **Health and safety management systems:** Trainings for KLA employees and on-site contractors explain the benefits of ISO 14001/45001 certification and its associated compliance and accountability requirements. Before commencing work, contractors in the U.S., APAC and EMEA must also demonstrate understanding and agreement with the provisions of our contractor safety program, which aims to minimize potential for injury, property damage or adverse environmental impact during contractors' on-site activities.

## EHS Awards and Recognition

### RoSPA Gold Award

KLA's facility in Newport, Wales, received its 13th consecutive Gold Award from RoSPA, recognizing the site's ongoing commitment to maintaining high safety standards and protecting the well-being of our employees.

### TSMC EHS Award

KLA Taiwan received the TSMC Excellent Contractor Award for outstanding EHS performance and safety management.

### Micron EHS Award

For the second straight year, the KLA Taiwan team accepted Micron's highest-level Diamond Safety and Health Award.



# Safety and Compliance

KLA embeds a focus on workplace risks into policies, practices and behaviors across the organization, fostering a culture of safety and compliance that’s holistic, sustained and proactive. As part of our integrated ISO certifications initiative, we utilize the ISO Plan-Do-Check-Act (PDCA) model, a framework that promotes risk-based thinking and continuous improvement of workplace health and safety management systems.

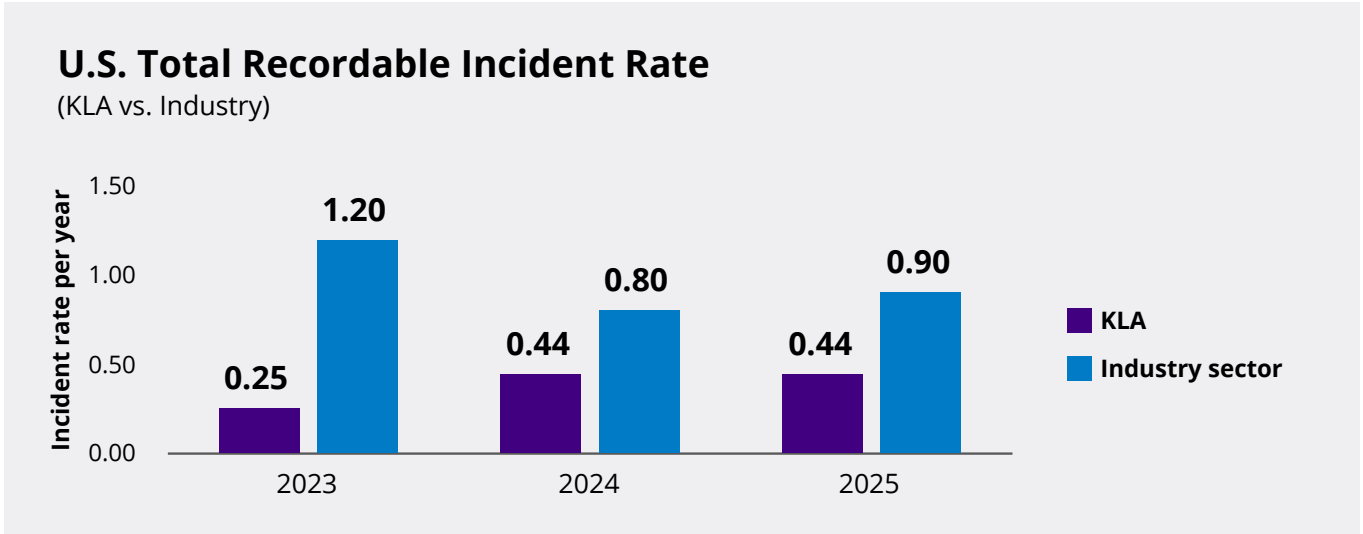
At our ISO-certified facilities, regular inspections are conducted to proactively identify facility-specific hazards and reduce risks to KLA employees. On-site management walk-throughs, Gemba audits and additional checks also generate facility-specific reports identifying good practices, potential risks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

KLA’s goal is always zero injuries globally, and we maintain an online safety incident reporting system (SIRS) to aid reporting and tracking. In 2025, our U.S. total recordable incident rate (TRIR) was 0.44,

which is below our industry’s average of 0.90 (based on 2024 injury and illness rates published by the U.S. Department of Labor’s Bureau of Labor Statistics). In addition, KLA’s continued low risk score from the Responsible Business Alliance (96/100) demonstrates a commitment to safety in our supply chain and with customers.

Twenty of our largest locations maintain a standardized emergency response (ER) framework and site-level response plans. Each year, we conduct training, drills and exercises to test plan effectiveness and team readiness.

In 2025, we expanded our Global Security Operations Center (GSOC) footprint with a secondary operations center in Singapore, increasing overall resilience through a geographically distributed operating model. This capability supports continuous monitoring and coordinated incident response across security, environmental, health and safety events globally. We also added a dedicated global security operations specialist to accelerate team upskilling and further standardize response protocols and practices. Together, these investments strengthen our ability to detect, assess and respond to incidents quickly and consistently worldwide.



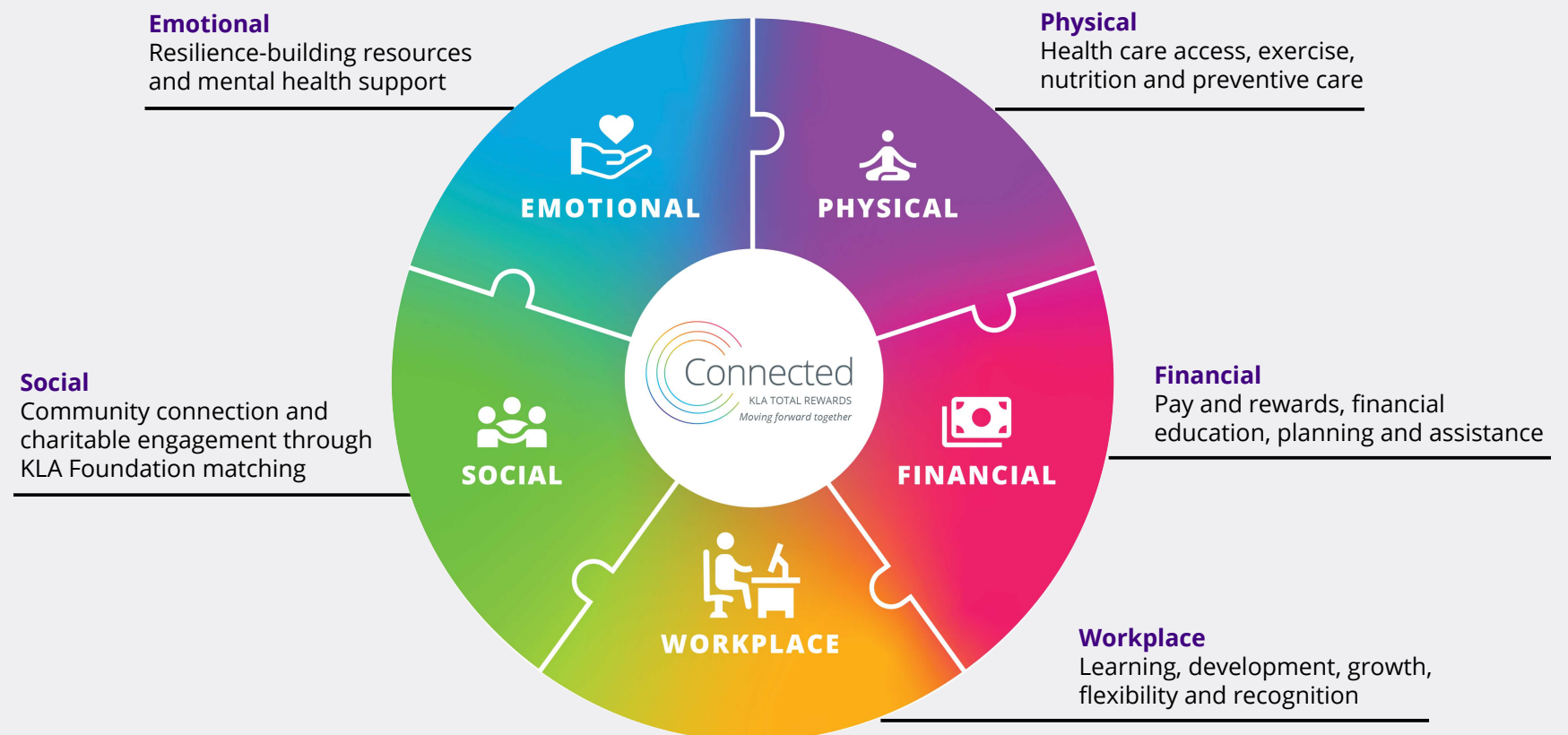
## Employee Well-Being

KLA continued to advance employee well-being by expanding access to holistic benefits, strengthening local relevance, and introducing new benefit programs informed by employee feedback and evolving workforce needs. These efforts reflect our commitment to supporting employees and their families across locations, life stages and ways of working.

Each year, KLA sponsors a Global Well-Being Challenge designed to encourage participation across regions and roles. In 2025, the challenge emphasized physical activity, emotional resilience, workplace connection and financial health, reinforcing our holistic approach to employee well-being.

In the U.S., KLA offers a combination of employee-directed and employer-provided **benefit programs** to support physical and financial well-being. These include tax-advantaged health accounts, flexible spending options for health and dependent care, and an employer-provided well-being spending benefit that employees can use for eligible wellness-related expenses such as fitness and nutrition.

Our My Connected portal organizes Total Rewards offerings into five interconnected pillars of well-being that guide program design, employee engagement and global alignment:





## Supporting Physical and Emotional Well-Being

Beyond core physical and mental health benefits, KLA offers a mix of global and locally delivered virtual and in-person programs addressing fitness, nutrition, mindfulness, burnout prevention, sleep, hydration and relaxation.

KLA offers regionally relevant health and wellness benefits across our global footprint. These offerings include medical checkup centers, free health screenings for employees and their families, women's health programs focused on menopause and postpartum support, wellness webinars, gym memberships, and family supports such as college readiness programs, virtual tutoring and student loan assistance.

We also onboarded a new provider for our global Employee Assistance Plan (EAP), delivering our employees expanded benefits and educational tools via a new digital platform. In the U.K., KLA rolled out new flexible health and well-being plans that include private health insurance and health cash plans, supporting employee wellness through tailored solutions.

## Building Financial Health

Beyond direct compensation, KLA offers various Total Rewards benefits designed to support financial confidence across life stages and help employees make informed decisions related to health care, retirement, education and long-term financial security.

## Sustaining Social and Workplace Well-Being

KLA fosters workplace well-being through a culture that values flexibility and respect for personal time. Flexible work models, paid leave programs and thoughtful global meeting practices help employees balance professional and personal responsibilities while minimizing unintended impacts across time zones. To support employees and their families across life stages, KLA offers paid leave for caregiving, serious health needs, and bonding following birth, adoption or foster placement, along with parenting resources, return-to-work support, postpartum care access and lactation rooms in many locations.

KLA encourages employees to recognize and appreciate one another's achievements, milestones and everyday contributions through a recognition program called Celebrate, which supports workplace well-being by strengthening connection and a shared sense of purpose within a results-driven culture.

## Urbánek Education Fund Scholarship

Named for Karel Urbánek, longtime CEO of KLA predecessor company Tencor, the Urbánek Education Fund honors our global workforce by awarding need-based scholarships to employees' children studying at U.S. colleges, universities or vocational schools. While students in STEM fields (science, technology, engineering and math) are given a slight edge, full-time students in all disciplines are encouraged to apply.



# Community Engagement

For 25 years, the KLA Foundation has embodied KLA’s commitment to communities worldwide — a legacy of partnership and impact grounded in the belief that thriving communities strengthen us all. Wherever KLA operates, we strive to create opportunity, promote well-being, invest in resources that matter most and transform individual action into collective progress.

Our impact begins with employees’ passions, ideas and dedication to the places they call home. We don’t just give; we listen, collaborate and empower our people to drive change.

Led by KLA Foundation ambassadors across the globe, our employees participate in local grantmaking decisions, organize volunteer projects and build relationships with community partners. Their voices guide investments in education and other priorities in their local communities, creating authentic and lasting impact.

“KLA Foundation partners with global communities to expand STEM educational opportunities by amplifying employee generosity and grantmaking where we operate.”

**Jen Shea**  
Executive director, KLA Foundation

## Celebrating 25 Years of Impact

KLA Foundation marked its 25th anniversary in 2025 with a yearlong celebration of purpose and progress, boosting our Giving Tuesday grants to \$25,000, setting a goal of 25,000 volunteer hours companywide, celebrating employees who reached 25 volunteer hours with special gifts, and spotlighting our programs and stories to inspire future action. Efforts throughout the year aligned with the foundation’s focus on three pillars of community investment:

- Expanding educational opportunities
- Improving health
- Enhancing community resources for those who need it most

## 2025 Impact

### Grants by the Numbers

|                |         |               |
|----------------|---------|---------------|
| Grants awarded | Regions | Total awarded |
| 240            | 15      | \$4.8M        |

### Employee Giving

|                |                          |                                |
|----------------|--------------------------|--------------------------------|
| Matching gifts | Employee volunteer hours | Reward donations to nonprofits |
| \$2.65M        | ~25,400                  | ~\$625,000                     |





# Education

KLA Foundation deepened its commitment to education as a cornerstone of community engagement, supporting initiatives aligned with its new education outcome goals of increasing participants’ skills proficiency. Expanding access to and interest in STEM, and supporting social and emotional development, are key to preparing students for future opportunities and challenges. Foundation grants aligned with these goals totaled \$3.21 million in 2025.

To help remove financial barriers that prevent students from completing their degrees, KLA Foundation joined four industry partners in launching the Semiconductor Pathways Fund, a multimillion-dollar initiative administered by the Last Mile Education Fund. The fund supports U.S. students who are in the final stretch of their STEM degrees but at risk of dropping out due to housing instability, transportation challenges or emergency expenses. KLA Foundation has committed to a \$500,000 donation over three years, joining the collective effort that aims to keep more than 2,000 students with semiconductor career potential on track to graduate each year.

The foundation also awarded \$1.4 million in Education Opportunity Fund grants to seven nonprofits in North America and Asia, selected through a competitive process that included input from 38 KLA employees worldwide. These multi-year grants support programs that strengthen educational systems and enhance STEM access.

## Highlights of our grant support for the year include:

### San Jose, California

10,000 Degrees helps students navigate the path to college and STEM careers through scholarships, mentoring and family engagement.

### Beaverton, Oregon

Beaverton Education Foundation improves math achievement by equipping teachers and families with tools to support student success.

### Hayward, California

Community Resources for Science brings hands-on learning and scientist role models into elementary classrooms.

### Chennai, India

India STEM Foundation provides access to robotics and digital literacy through school-based labs.

### Singapore

Glyph Community Limited offers weekend STEAM (science, technology, engineering, arts and mathematics) enrichment through play-based learning that encourages creativity and exploration.

### Detroit, Michigan

City Year Detroit’s expanded Whole School, Whole Child program addresses student mental health challenges, with trained student success coaches supporting students facing trauma, food insecurity or housing instability.

### Milpitas, California

Silicon Valley Education Foundation’s three-year computer science and AI skills development program prepares middle school students for a tech-driven future.





# Supporting KLA Communities: Driving Impact Together

KLA Foundation works to foster positive community impact through two primary channels: the KLA Foundation’s grantmaking to community-focused nonprofit partners and our employees’ commitment to volunteering and charitable giving.

## Global Volunteer Month: Expanding Our Impact

In 2025, the KLA Foundation expanded its annual volunteer initiative from Global Volunteer Week to Global Volunteer Month, giving employees around the world greater opportunity to serve their communities. More than 1,500 employees participated, volunteering more than 4,100 hours of their time at 83 activities across 30 sites — a 50% increase from 2024. Activities spanned the KLA Foundation’s three pillars: community-focused projects, health and wellness efforts and education initiatives.

Among the highlights:

- Twenty-one KLA employees in Japan led STEM workshops and food drives for disaster-affected communities.
- More than 200 employees in India participated in 10 events, including blood drives and STEM workshops.
- Forty-seven employees in New Jersey assembled 500 meal bags and built beehives.
- Employees and their families in China participated in waterway cleanup, collecting more than 350 pounds of trash.

41%

### Community-Focused Projects:

- Environmental cleanups
- Housing support
- Cultural enrichment

37%

### Health and Wellness Efforts:

- Blood drives
- Food distribution

22%

### Education Initiatives:

- Hands-on STEM experiences
- Mentorship

## Ambassador Summit: Building a Global Network of Changemakers

KLA Foundation ambassadors are full-time KLA employees who also volunteer to serve as the foundation’s local champions, coordinating grantmaking and leading volunteer activities at their work sites. In 2025, the KLA Foundation Ambassador Summit brought together 17 of these employee volunteers from nine countries for a milestone event in Ann Arbor, Michigan — the first time in the foundation’s 25-year history that so many ambassadors have collaborated at a single event.

Jen Shea, executive director, KLA Foundation, noted that the summit “gave us a valuable platform to explore how foundation programs could be strategically employed to deepen community engagement, strengthen employee connections and cultivate a greater sense of belonging across the company through meaningful volunteer experiences.”

A highlight of the summit was a joint volunteer activity at Downtown Boxing Gym, a nonprofit that supports local youth through free tutoring, coaching and resources. Ambassadors engaged with students, sharing stories about their home regions and facets of their cultures — from Israeli halva to Korean pop music and Welsh greetings. This cultural exchange fostered a sense of belonging and unity among ambassadors, driving home the value of working together to inspire children and strengthen community ties.

Grantmaking Where We Operate

KLA Foundation’s grantmaking strategy focuses on partnering with nonprofits to positively impact the communities where our employees live and work. In 2025, foundation grants supported a wide range of community-focused initiatives across North America, Europe, Asia and beyond, from health and food security programs to disaster relief, STEM education and community enrichment. Through these philanthropic investments, the foundation aims to create lasting local impact and amplify the efforts of employees and partners worldwide.

One of our favorite ways to engage local communities is by supporting STEM activities at museums and science centers, spaces designed to spark curiosity and ignite a love of learning in school-age children.



Highlights of our support in 2025 included:

Arizona

Partnering with the Arizona Science Center in Phoenix to deliver hands-on coding, engineering, chemistry and robotics activities for local youth.

California

Supporting The Tech Interactive in San Jose by providing museum access for all students and sponsoring the Tech Challenge, in which teams from grades 4–12 use the engineering design process to solve real-world problems.

Wales

Continuing our longstanding partnership with the Techniquest science discovery center, including sponsorship of the KLA Lab, which offers hands-on workshops to spark interest in STEM among primary school students.

Singapore

Enabling interactive demonstrations at Science Centre Singapore, covering topics from electromagnetism and virtual crime scene investigations to the science of chocolate.

Israel

Supporting Madatech National Museum of Science in Haifa, where programs for elementary and middle school students apply real-world industry practices in technological systems, astronomy, engineering and materials science.

# Amplifying Employee Generosity

KLA maintains several programs that put foundation resources behind our employees’ community-focused donations and organizing efforts:

## Matching Gifts and Donations for Doers

The KLA Foundation partners with KLA employees to make a difference, matching each employee's charitable contributions to approved nonprofits dollar-for-dollar, up to \$10,000 annually. Through the separate Donations for Doers program, employees can turn volunteer hours into charitable support, earning \$25 per volunteer hour (up to \$2,000 annually) that may be donated to the nonprofit or school of their choice. In 2025, employees contributed \$2.65 million in matching gifts — a remarkable 27% increase from 2024.

To celebrate the foundation’s 25th anniversary, we set an ambitious goal of 25,000 volunteer hours. Our employees not only rose to the challenge but surpassed it, logging around 25,400 hours of service throughout the year and sending approximately \$625,000 in Donations for Doers contributions to some 2,800 schools and nonprofits.

\$2.65M

Employee contributions in matching gifts

25,400

Hours of service logged by employees

\$625,000

Donations for Doers contributions

## Team Engagement Grants

Created to support employee-led volunteer initiatives, the Team Engagement Grant Program invites employee teams of five or more to develop service ideas and seek grant funding to bring them to life. In its second year, the program awarded 23 grants, empowering teams to make a tangible difference while deepening connections within KLA and in the communities we serve.

The collective efforts of Team Engagement Grants contributed to approximately 1,600 hours of volunteer service in 2025, an extraordinary boost to the year’s overall impact.

1,600

Team engagement service hours

Highlights from events throughout the year included:

- **Nonprofit Solutioning Session (Michigan and California, U.S.):** A team of 74 Human Resources (HR) employees partnered with the Gratitude Network to host a Shark Tank-style session, offering innovative solutions to a local nonprofit’s real-world HR challenge.
- **Sports Wheelchair Maintenance (Oregon, U.S.):** In collaboration with Bridge City Inclusive Sports, 53 employees took part in a hands-on wheelchair maintenance event to support a community team.
- **Supporting Individuals Experiencing Homelessness (Kildare, Ireland):** Thirty employees from our Ireland office worked with the Dublin Simon Community to assemble kits of hygiene products and fleece blankets.
- **Food Sorting (Michigan, U.S.):** A team of 34 employees from Global Communications and Brand volunteered with Food Gatherers, sorting donations at a local warehouse to help fight food insecurity in the community.



## Giving Tuesday Grants

To celebrate the KLA Foundation's 25th anniversary, individual awards in the annual Giving Tuesday Grant Contest were elevated to \$25,000, supporting causes that matter most to our employees.

In 2025, employees around the globe submitted 109 nominations, which were narrowed to 10 finalists by a 22-member committee of international employees.

Winners were chosen through an all-employee vote, with the following five nonprofits and NGOs receiving milestone grants:

- **Israel Guide Dog Center (Israel):** Trains guide dogs for people who are blind or visually impaired and provides emotional support dogs for children with autism, families with special needs and individuals with PTSD, fostering confidence and independence.
- **Magen David Adom (Israel):** Israel's national emergency medical service delivers lifesaving care and blood services to all communities, powered by volunteers and compassion.
- **Ele's Place (Michigan, U.S.):** Offers free programs for grieving children and teens, using art, play and peer support to build resilience and community healing.
- **SOS Children's Villages (India):** Provides abandoned and vulnerable children with a loving home, education and holistic care to help them thrive with dignity and hope.
- **Friends of Children with Special Needs (California, U.S.):** Supports families navigating developmental disabilities through more than 40 inclusive programs that foster connection and empowerment.



# Keep Looking Ahead

## Next Steps in 2026 and Beyond

### Talent

#### Maturing our Career Advocates program

KLA Career Advocates launched in 2025 to help our U.S. employees navigate internal career opportunities. In 2026, we will share the program framework with our global teams.



#### Accelerating workforce readiness for AI

Across our workforce, we will continue to drive training and awareness of key AI topics.

### Health, Safety and Well-Being

#### Applying technology to advance employee health and safety

In 2026, KLA plans to upgrade campus gas detection systems in Milpitas, California, and Ann Arbor, Michigan.



### Community Engagement

#### Sharpening our focus on education

In 2026, we intend to invest more deeply in education-focused grants and drive greater impact through STEM initiatives.

#### Harnessing AI

We are exploring AI and other innovative technologies to enhance grantmaking and reporting.

#### Recognizing employee generosity

We are investigating new ways of recognizing employees for their commitment to philanthropy.





# Products and Supply Chain

## In This Section

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| Keep Looking Ahead                 | 40 |

Rapid advances in AI are transforming the semiconductor ecosystem and the world at large. In a time when nanoscale chip technologies are the engine of business and society, our customers rely on KLA for comprehensive solutions to help them optimize their operations, boost manufacturing yield and drive efficiency in their next-generation products. Those same goals define our approach to sustainability, enabling reduced energy use and emissions across manufacturing operations and the product life cycle. As our customers drive the next-generation chip innovations that are used by multiple industries to unlock energy advances and aid the transition to a low-carbon economy, KLA’s innovations remain a key enabler of change.

-  In 2025, KLA invested \$1.44B in R&D.
-  Achieved 81% CDP disclosure response rate from targeted suppliers.
-  KLA completed its first pilot life cycle assessment screening.





# Product Stewardship and Innovation

We provide customers with the products to build tomorrow, enabling critical capabilities for the semiconductor industry and virtually every technology that flows from it — from AI and cloud systems to robotics, computers, smartphones and EVs. Through KLA's process control and process-enabling solutions, customers gain visibility into critical aspects of chip and electronic component fabrication, helping them meet precision standards,

intercept defects early in the production cycle and enable corrective actions. The result? Higher yield, lower waste and improved chip performance and efficiency.

Our focus on sustainability is a natural extension of this role, offering process control solutions that drive greater production efficiencies and help manufacturers overcome the hurdles of fabricating

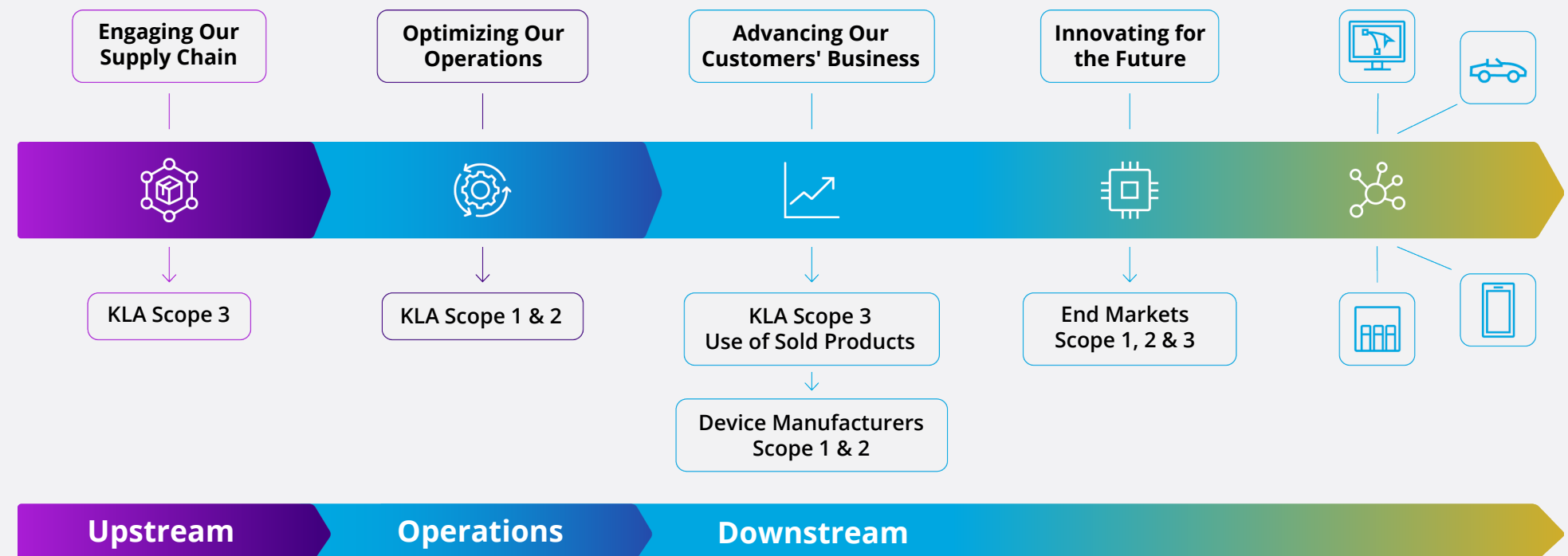
chips that utilize more power-efficient materials such as silicon carbide (SiC) and gallium nitride (GaN). By harnessing our innovation to drive sustainability across the value chain, we're supporting progress toward a low-carbon economy while meeting the needs of our customers, investors and other stakeholders.



## KLA's Value Chain

KLA collects data and insights from across the value chain to gauge the breadth of our impacts. By extending our focus beyond product design and manufacturing to areas such as supplier sourcing of raw materials and lifetime use of sold products, we are better able to address upstream and downstream sustainability opportunities and support the global shift to a low-carbon economy.

→ For more information, see the **Environment** and **Responsible Sourcing** sections of this report.



## Innovating for the Future

Every day, KLA works to innovate the next generation of inspection, metrology, data analytic and process-enabling innovations to help our customers build more power-efficient chips for dynamic, evolving markets.

### Semiconductor Devices

**Accelerating the advancement of power-efficient chips**

- As our customers move to the next design node, chip structures become smaller and more densely packed, improving power efficiency and reducing emissions per transistor.
- We are investing in product innovations that enable higher precision, greater sensitivity, and enhanced process and analytical capabilities to help the industry keep moving forward.

### Dynamic Markets

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

- Our products support the ramp of critical power semiconductors on standard silicon as well as new SiC and GaN materials, whose superior voltage and switching characteristics enable enhanced performance and efficiency within renewable energy systems.
- Our solutions accelerate semiconductor innovation, enabling advanced chip technologies that power AI, advanced compute, servers, mobile, automotive and more.

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



## Advancing Our Customers' Business

In designing our process control and process-enabling solutions, we aim for a twofold sustainability win: improving our own products' energy efficiency and, through those products, helping our customers across the semiconductor ecosystem improve efficiency, reduce waste and manufacture their own power-efficient, lower-emissions chips.

### Semiconductor Manufacturing

#### Enabling our customers to reduce waste by increasing yield

- As yield increases at chip fabrication facilities (fabs), manufacturing emissions per functioning transistor are reduced.
- Defects in semiconductor manufacturing increase costs associated with fab cycle time, scrapped materials, and chemical, energy and water use.
- Our process-enabling tools deliver new, more efficient capabilities, while our process control systems identify defects and variations early — enabling quick corrective action and improving yield and overall manufacturing efficiency.

#### Collaborating with our customers to move to more advanced nodes

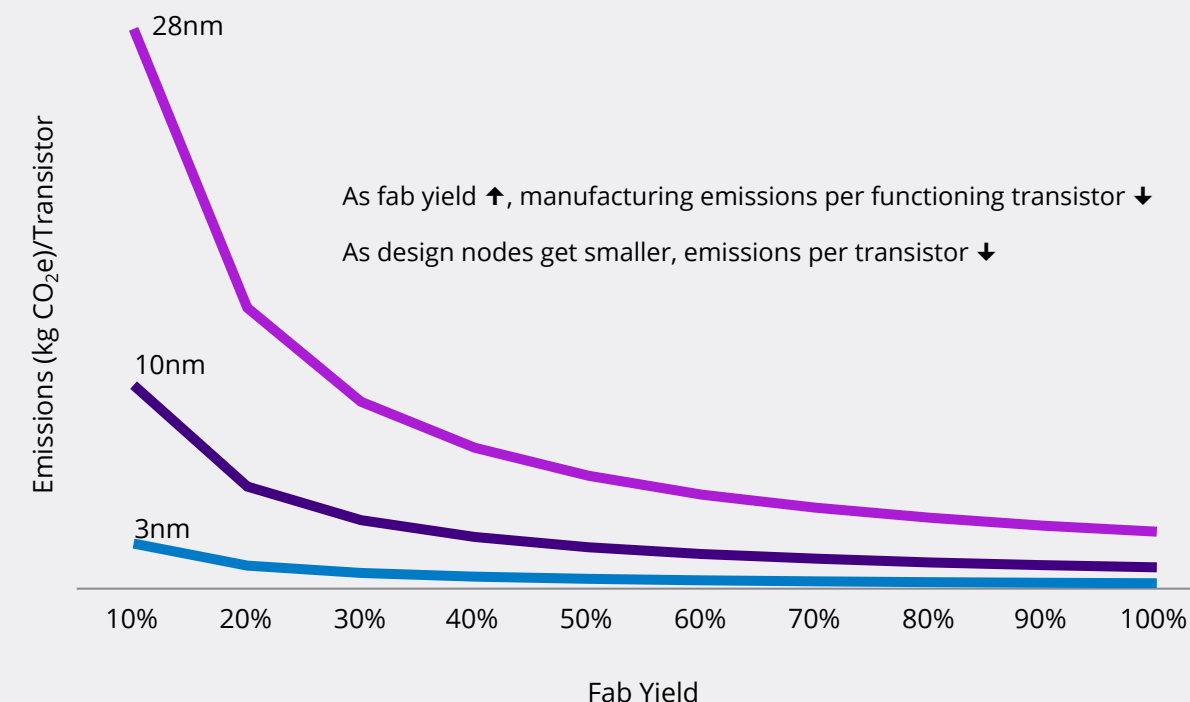
- As the design node gets smaller, emissions per transistor decrease.
- We innovate across our product portfolio, delivering key technologies that help our customers progress to the next node.
- Smaller, denser features in semiconductors result in reduced silicon per transistor, lower leakage currents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

### KLA Products

#### Innovating next-level product performance and efficiency

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

### Comparison of Emissions to Transistor Density (kg CO<sub>2</sub>e/transistor)<sup>1</sup>



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



Artificial Intelligence

AI is a transformative technology. By enhancing efficiency, driving innovation and empowering data-driven decisions, AI has the potential to revolutionize industry, science, creativity and experiences. Semiconductors are at the center of this AI revolution — chip technology drives AI innovation and AI enables next-generation chip performance. As AI and semiconductor technologies progress in unison, they drive the evolution of AI, unlocking new opportunities and defining the future of our digital world.

AI Drives Process Control Demand

AI chips are rapidly increasing in complexity as advances in semiconductor technology enable greater compute power, memory bandwidth and efficiency to support more sophisticated AI models and applications. Specialized chips — such

as GPUs, AI accelerators, HBMs (high-bandwidth memory), DRAM, Flash, ASICs, FPGAs, NPUs and more — are designed to provide high performance computation capabilities and to handle massive data volumes. These advanced chips support large-scale training and deployment of AI models and applications in data centers and real-time decision making for edge device applications.

Across all semiconductor segments — logic, memory and advanced packaging — AI-driven technology inflections are increasing manufacturing complexity. This complexity heightens the need for advanced process control during chip production and packaging to maintain chip yield, performance and reliability. KLA's inspection, metrology and data analytics solutions help identify critical defects, manage variability and support high-volume manufacturing of AI chips.

Semiconductor Technology Inflections Driven by AI Chip Demand

Advanced Logic

- Smaller pattern dimensions
- Larger chip size
- 3D transistor architectures

Memory

- More logic, less pattern redundancy
- Larger chip size
- EUV lithography adoption

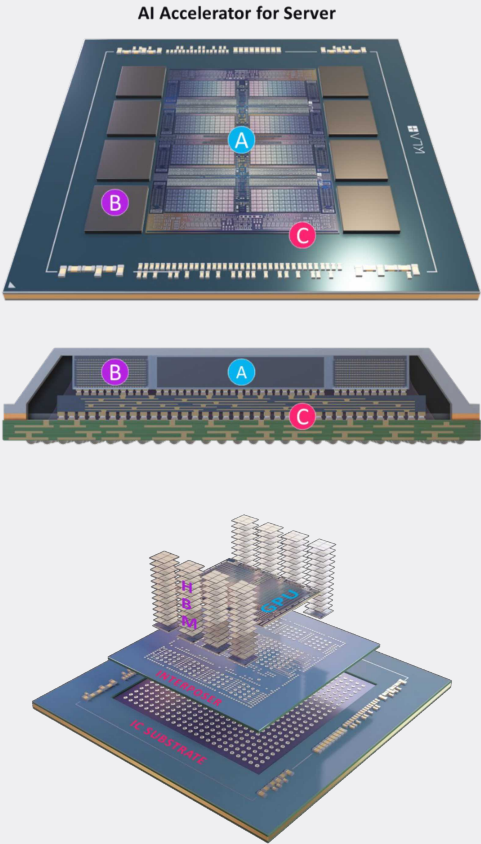
Advanced Packaging

- Chip stacking
- Rising package value
- Interconnect scaling

Powering AI Chip Performance and Reliability

A single, leading-edge AI chip is a complex, multi-chip package, consisting of more than 100 individual, leading-edge chips and complex heterogeneous integration technologies:

- A** A large, leading-edge design node GPU. This delivers the processing power needed for AI training and inference.
- B** Eight or more HBM components, each containing 12 or more DRAM chips and a controller chip stacked vertically. HBMs provide high capacity/speed communication for efficient data handling during AI model training and execution.
- C** An interposer, on which the GPU and HBMs are assembled, and an IC substrate, which serves as the base structure. These provide the power and connections needed for efficient communication and data transfer among the various chips.



KLA's process control systems serve an important role in the production of AI chips designed to meet performance and power efficiency standards. Throughout chip fabrication, KLA's process control systems are used to control defectivity and variations, helping each individual chip and substrate meet stringent quality and reliability standards. During 3D stacking to form HBMs, our process control systems help optimize stack assembly processes and support the formation of high-quality connections.

Finally, as GPUs and HBMs are integrated into a single high-performance AI chip using heterogenous integration, our process control and process-enabling solutions help validate the quality of the inter-chip connections, the assembly processes and the final package.

### AI Enables KLA’s Product Performance

AI and high-performance compute technologies enable next-level performance for our portfolio of differentiated inspection, review, metrology and software systems. Our products use integrated AI to detect the defects and variations that impact chip performance, generating actionable data that helps customers improve process control and production efficiency for chips that power AI innovation.

### Defect Discovery

KLA’s inspection systems capture and identify defects on wafers, reticles, packages, IC substrates and printed circuit boards (PCBs). Using integrated AI, our inspectors employ deep learning and machine learning to distinguish subtle defect signals from surrounding pattern and process noise and adapt to evolving inspection requirements. Our inspectors’ use of AI produces detailed insights into critical defects, helping manufacturers accelerate development, optimize production and speed time-to-market for innovative electronic devices.

### Defect Classification

Our optical and e-beam review systems identify and classify defects for reticles, wafers, packages, IC substrates and PCBs. AI technology in our review, inspection and data analysis systems sort and classify defects, providing data that can help manufacturers make decisions intended to improve yield and production efficiency.

### Metrology

Metrology systems provide precise measurement of pattern dimensions, film thickness, pattern placement and alignment, surface topography and additional properties. Our metrology systems use AI technology to enhance profile modeling and improve measurement accuracy, helping manufacturers control process variability, for better device performance and higher yield.

### Connected Systems and Data

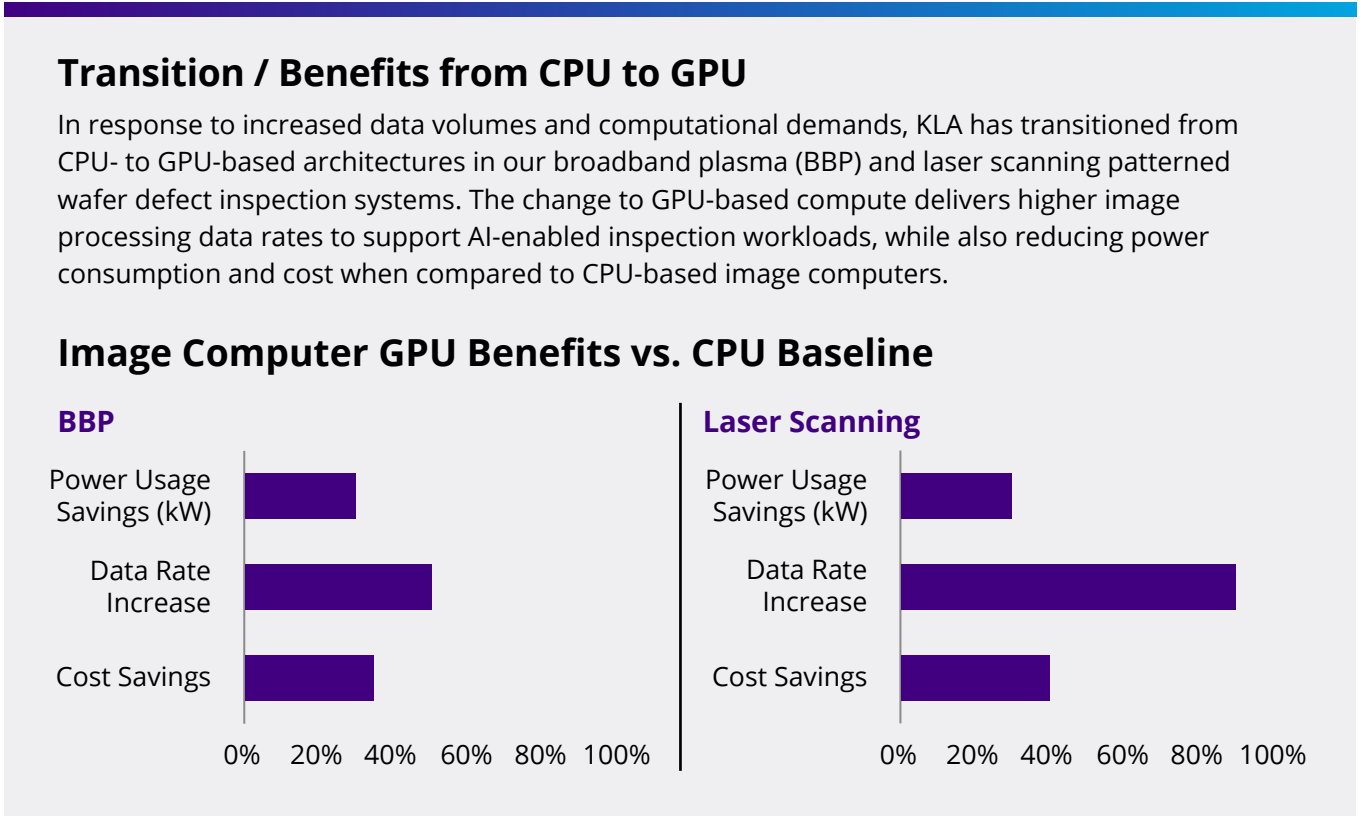
AI technology powers KLA’s Co-Intelligent Solutions, connecting systems across our comprehensive product portfolio to leverage data in innovative ways. Whether connecting a few systems or many different types of systems, our AI-driven analytics generate meaningful response prediction, dynamic sampling and optimized process control performance.

### Production Insights

By processing massive data sets, KLA’s AI-based software systems provide insight into production trends and excursions, supporting decision-making related to yield improvement, ramp efficiency and production cost management.

### AI Enables KLA’s Product Compute Efficiency

Within KLA’s products, AI has shifted the workloads associated with image processing and data extraction from CPUs to GPUs, enhancing the efficiency of our image computers and providing cost savings. Leveraging GPU-based image compute architectures also enables the use of AI algorithms in our process control systems, supporting faster access to inspection and process information and helping customers identify yield opportunities.



# Engineering Energy Efficiency into Product Design

KLA's product sustainability efforts begin with engineering, where environmental performance targets are translated into system and subsystem requirements. By embedding sustainability within the design process, we create positive impact across the product life cycle.

In 2025, KLA drew on customer engagement, benchmarking and internal roadmap discussions to identify priority areas for supporting our customers' energy-reduction goals via product energy efficiency improvements. These include efficiency in high-performance computing, cooling and heat-burden optimization, purge gas usage reduction and sleep mode optimization to reduce energy consumption during idle periods.

In addition, our internal Sustainability Roundtable (SRT) continues to meet regularly to share best practices and use cases around product efficiency. Comprised of engineering representatives from across KLA, the SRT reports to a cross-divisional Product ESG Steering Team of management representatives focused on product efficiency throughout KLA. For an example of these efforts, see [AI Enables KLA's Product Compute Efficiency](#).

"We continue to develop technologies that help customers transition to the next node more efficiently. With increasing emphasis on emissions reduction and lower energy use, our focus on energy-efficient solutions delivers benefits for the industry, our company and the environment."

**Kara Sherman**  
Director, product sustainability



By embedding sustainability within the design process, we create positive impact across the product life cycle.





## Measuring Our Product Impact

Working groups within KLA are responsible for defining best-practice methodologies and assumptions for calculating energy consumption, as well as gathering product use data to help us refine calculations of our products' downstream environmental impacts.

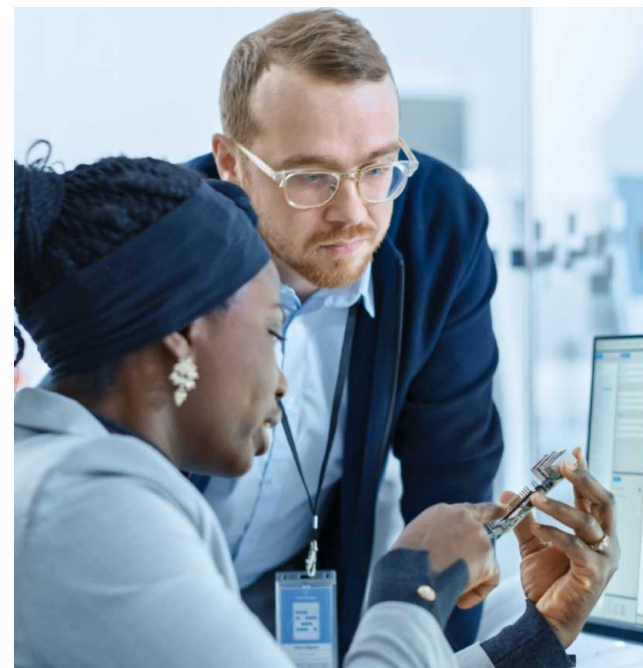
Whenever possible, we avoid using industry averages or modeling to calculate our products' and components' energy consumption, instead measuring their actual impacts in KLA labs using best-practice recommendations based on the SEMI S23 Guide for Conservation of Energy, Utilities and Materials Used by Semiconductor Manufacturing Equipment. The use of these industry guidelines informs our Scope 3 assessment and our near-term, science-based Scope 3 reduction target. For more information, see [Climate and Energy](#).

### Industry Collaboration

KLA participates in the SEMI Climate Consortium Scope 3 Working Group, which aims to provide guidance for estimating, reporting and reducing emissions associated with the use of sold products (Category 11).

### Life Cycle Assessments

In 2025, KLA completed our first pilot life cycle assessment (LCA) screening to quantify a partial product-level carbon footprint and identify emissions hotspots. The results of this assessment provide a modeling framework for future LCA efforts, documentation of assumptions and gaps, and insights into the materials and components that drive the majority of product emissions.



## Product Upgrades and Product Refurbishment

KLA partners with customers to extend the lifespan of our products. As technology evolves, KLA offers upgrades to extend tool performance. Additionally, when older KLA tools become available, we repurchase them and complete a thorough testing, refurbishment and certification process before making them available to the secondary market. These upgrade and refurbishment strategies drive both customer and environmental benefits by:

- Extending the useful life of KLA products for our customers
- Diverting usable equipment and parts from landfills, potentially including hazardous waste materials
- Reducing the environmental impact of new manufacturing, including raw materials extraction and waste, water and energy consumption, and GHG emissions
- Making legacy KLA technologies accessible to the wider market

### ProFlux™ Upgrade: Depositing Better Films with ~25% Less Energy

When depositing thin metal or piezoelectric films by physical vapor deposition (PVD), customers need excellent cross-wafer uniformity in thickness, stress and electrical properties to support consistent device performance. In high-volume manufacturing, they also seek to manage cost of ownership, with sputter targets representing a major consumable expense.

To address these challenges, KLA developed the ProFlux™ magnetron for SPTS Sigma® PVD systems. Available in new modules or as a component upgrade, it improves target erosion uniformity and step coverage compared with previous designs. These advances enhance film quality, extend target life and reduce consumables cost while increasing time between target changes. A shorter target-to-wafer distance and more even erosion also reduce process time, improving throughput and delivering energy savings of around 25% for the deposition step in a typical titanium/copper (Ti/Cu) process.



## Product Safety

KLA integrates product safety from the start of the design process and aligns with the semiconductor industry's well-established environmental, health and safety standards, which address areas such as electrical and mechanical design, ergonomics, fire protection, sound pressure levels, exhaust ventilation and safety labeling. During the design process, KLA's product safety and compliance team oversees testing, validation and qualified third-party certification of new products for safe use as intended. The team also supports alignment with customer requirements and applicable regulatory requirements, including those associated with the EU's CE product marking.

KLA works with industry-leading third parties to conduct assessments of materials used within our supply chain, manage their associated risks, and support ongoing assessments and required certifications. In 2025, we worked with additional third parties to understand and prepare for upcoming product safety and environmental regulations.

We also:

- Increased the number and depth of product safety trainings for our engineers globally, incorporating information on those new regulations
- Launched a new platform to more efficiently monitor upcoming regulatory changes and navigate regulatory risks
- Expanded the product safety and compliance team

KLA products have been certified as safe for their intended use in highly controlled environments, according to applicable industry safety standards, such as SEMI S2, S8 and S14. As KLA products reach end of life, we recommend responsible disassembly and disposal by skilled technicians.

## Chemical Substances Management

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

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

→ For more detailed information on LEGO program-related efforts, please refer to the [Responsible Sourcing](#) section.



# Responsible Sourcing

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

## Supply Chain Management

KLA's supply chain management (SCM) program is structured to drive continuous improvement throughout our supplier relationships, educating suppliers about our expectations and providing guidance that positively impacts sustainability across the product life cycle. For supplier managers, category managers and buyers, our cross-functional selection and qualification process includes guidance on required deliverables, supplier engagement, and performance improvement for direct suppliers. Similarly, our Sourcing Guidelines provide guidance regarding new and existing indirect suppliers.

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

KLA is a regular member of the Responsible Business Alliance and uses the RBA Self-Assessment Questionnaire (SAQ) to evaluate suppliers across labor, environmental, health and safety, and ethics criteria. The SAQ helps us identify inherent risks, review the controls suppliers have in place to mitigate those risks (with the option for RBA to validate those controls) and produce an overall risk score for each supplier facility. We monitor the assessment results and compare them with previous years to gauge the supplier's overall risk level, identify areas for improvement and track those areas until they are fully addressed. Per RBA member guidance, suppliers that post an overall high-risk score are subject to a third-party audit to provide further insight on their risk issues. Once these issues are identified, we work with the supplier through the RBA corrective action plan process to improve their score.

KLA expects suppliers participating in the facility risk SAQ and indirect SAQ processes to review and accept [KLA's Standards of Business Conduct for Suppliers](#). Suppliers are also expected to review,

understand and act in accordance with our [Global Human Rights Standards](#), which align with the [RBA Code of Conduct](#). Together, these standards cover areas including labor rights, safe and healthy work environments for employees, adherence to applicable environmental and employment laws, responsible sourcing of minerals, and ethical business practices.

*"At KLA, responsible sourcing is how we set expectations, drive accountability, and actively manage supplier performance, risk and sustainability across our global supply chain."*

**Bryan Geha**  
Director, strategic supplier management

For 2025, we achieved an 86% response rate among direct suppliers asked to complete the RBA facility risk SAQ. As part of the 2025 indirect spend SAQ, we achieved an 81% response rate among indirect suppliers. We also encourage our key suppliers to disclose their emissions metrics to CDP and work toward establishing reduction goals. In 2025, we received disclosure responses from 81% of suppliers contacted, outperforming the average CDP response rate for supply chain members.

→ See the [Reducing Supply Chain Carbon Impacts](#) section of this report for more details on this initiative.

To help our suppliers build ESG capacity and improve performance, we provided them with webinars in 2025 on developing GHG inventories and setting science-based climate targets. We also continued the Supplier Risk Management Survey to gain additional insight into supplier maturity in the areas of resiliency, cybersecurity, responsible sourcing and intellectual property protection. Survey responses are reviewed and prioritized to inform potential improvement opportunities.

In its second year, KLA's LEGO program operated through a more structured and repeatable governance model, strengthening the company's ability to anticipate regulatory and geopolitical risk, mobilize supply chain responses and support timely leadership decisions. During the year, this model was applied to address product-related emerging risks and coordinate effective supply chain mitigation efforts. As global regulatory requirements continued to evolve, the LEGO program also enhanced supplier due-diligence processes for identified substances of concern, resulting in supplier declarations, improved PFAS visibility and documentation, and coordinated region-appropriate actions across the supply chain.

KLA also actively engages with industry partners on LEGO-related efforts through our corporate membership in [SEMI](#) and the [Semiconductor Industry Association](#) (SIA).



## Human and Labor Rights

KLA supports the right of individuals to work in an environment that upholds labor standards, forbids harassment and discrimination, and is free from all forms of forced labor. We remain vigilant for potential human rights issues and labor risks that may occur in our supply chain. Through KLA's [Global Human Rights Standards](#), we communicate the company's high expectations to supply chain partners, and our global supply chain management program supports efforts to drive ongoing compliance and transparency regarding human rights throughout the supply chain.

**Risk Identification:** KLA uses the RBA SAQ process to assess and monitor the potential for forced labor and other human rights risks across our supply chain. We distribute the SAQ to suppliers annually and assess responses about recruitment practices, employment contracts, working conditions, non-discrimination, retention of personal documents, freedom of movement and association, and other topics to help identify potential human rights risks.

**Supplier Engagement:** KLA reviews and monitors SAQ results over time, using year-over-year comparisons to assess overall risk levels, identify areas for improvement and track corrective actions to completion. In alignment with RBA member guidance, suppliers with an overall high-risk score are subject to third-party audits, and KLA works with those suppliers through the RBA corrective action plan process to address identified issues and drive improvement.

**Governance, Training and Accountability:** KLA's commitment to human and labor rights is reinforced through corporate governance, training, accountability mechanisms and supplier oversight. All KLA employees are enrolled in annual Standards of Business Conduct (SOBC) training and, upon completion, acknowledge that they have read, understood and will act in compliance with the Standards. The SOBC establishes expectations for ethical conduct and respect for human rights across KLA's operations and business relationships. In addition, human rights training on preventing human trafficking and slavery is provided to certain KLA employees based on relevance to their job function. For suppliers, KLA enforces our human rights policies through contractual requirements and ongoing supplier relationship management.

**Reporting and Grievance Mechanisms:** KLA encourages employees and supply chain partners to ask questions, seek guidance, report suspected violations and raise issues related to human rights or labor practices. Concerns may be reported confidentially through KLA's [EthicsPoint](#) compliance portal, including anonymously.

## Minerals Sourcing

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

Additionally, we employ the Responsible Minerals Initiative's Extended Minerals Reporting Template (EMRT) to collect and disclose information about cobalt and mica in our supply chain, helping to mitigate risks and support responsible sourcing.

→ For more information, see our [Product Regulatory Compliance Guidelines for KLA Suppliers](#).



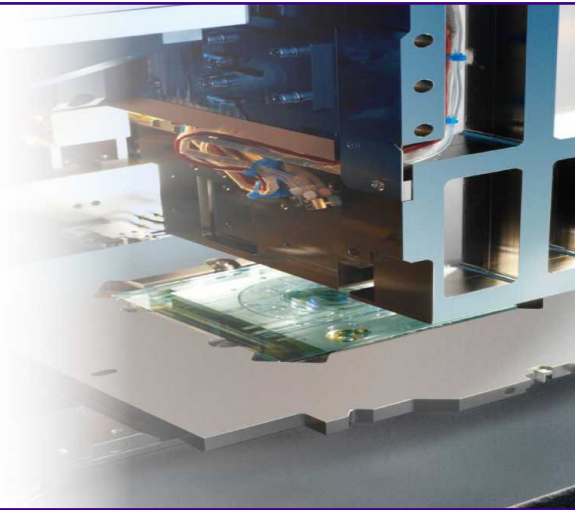
# Keep Looking Ahead

Next Steps in 2026 and Beyond

## Product Stewardship and Innovation

### Identifying product efficiency improvements

KLA plans to further develop energy-reduction opportunities in 2026 by engaging engineering teams to evaluate technical feasibility, quantify potential energy savings and streamline integration into product roadmaps. This work will support longer-term efforts to enhance product energy performance and respond to evolving customer sustainability requirements. In addition, our SRT will continue to coordinate the dissemination of best practices for sustainable design across product divisions.



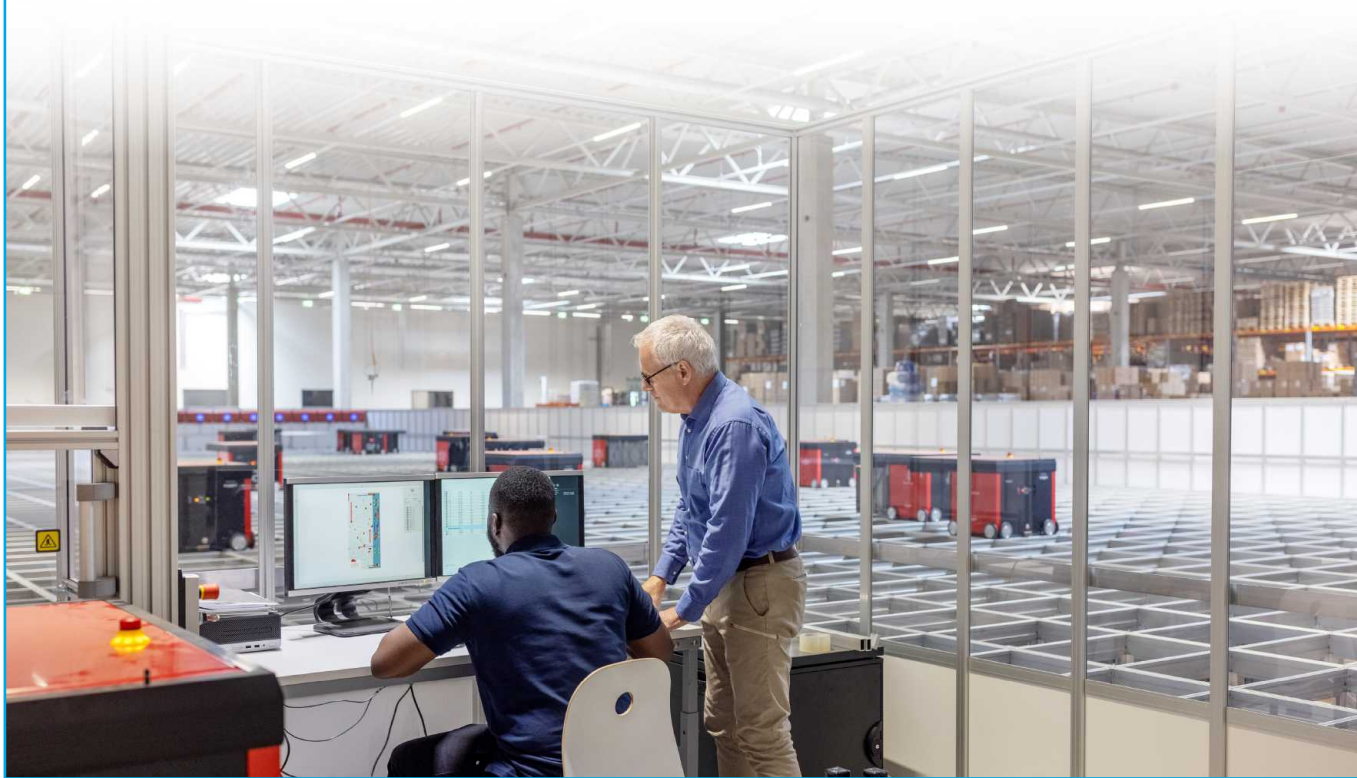
### Maturing Life Cycle Assessment processes

In 2026, we plan to build on insights gained from the 2025 pilot to focus on improving the quality of LCA input data while evaluating scalable solutions to support consistent, ongoing and repeatable assessments that can be deployed to additional products in the future.

## Responsible Sourcing

### Identifying emerging regulations

In 2026, our LEGO program will further enhance its processes for identifying emerging regulations and reviewing existing regulations that could pose an impact to KLA's business in the future.





# Environment

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Our business is built on helping our customers operate more sustainably, using our advanced inspection tools, metrology systems and analytics to increase yield and reduce waste. Year after year, our products drive efficiency in one of the world’s most vital industries, and we believe future success will increasingly lie at that intersection of innovation and sustainability. As a company that’s used to tackling complex challenges, we’re committed to maximizing opportunities in that future while proactively mitigating potential environmental impacts associated with our business operations, products, services and supply chain.



KLA implemented a new third-party carbon accounting platform to provide increased transparency into our GHG emissions calculations.



We entered into a long-term virtual power purchase agreement to secure approximately 128,000 megawatt hours (MWh) of solar energy per year.



KLA became a sponsor of the **Catalyze** program, a partnership with leading semiconductor companies to help expand renewable energy across the semiconductor value chain.





# Climate and Energy

Across our global footprint, KLA works to shape a more sustainable future by driving down carbon emissions in our own operations and encouraging emissions reductions in the supply chain.

 **Goals**

We maintain near-term, science-based emissions reduction targets across Scopes 1, 2 and 3, validated by the Science Based Targets initiative (SBTi):

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

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

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

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

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

“KLA's science-based targets reflect our commitment to continuous improvement in how we track emissions, prioritize reductions and work toward a more sustainable future for the semiconductor industry.”

**John McLaughlin**  
Global ESG leader



## Our Greenhouse Gas Inventory

To quantify KLA's environmental footprint and identify opportunities to lower our impact, we measure GHG emissions annually in accordance with the GHG Protocol. We include emissions from assets under KLA's operational control (which comprise all worldwide offices, manufacturing sites and R&D facilities) as well as specific upstream and downstream sources across our value chain. We prioritize primary environmental data collection from facilities we classify as super sites<sup>1</sup> based on scale and impact, and estimate data for sites that fall outside this definition.

We map our GHG emissions into the relevant scope definitions:

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

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

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

Emissions from use of sold products account for a significant percentage of our total Scope 3 footprint, since KLA products' estimated median operating lifespan exceeds 20 years. To more accurately calculate environmental impacts from the use of our tools, working groups across KLA employ best-practice industry guidelines such as the SEMI S23, F47 and/or TEE guidelines to quantify total energy use for each product family.

Estimations using SEMI S23 involve more rigorous measurements of total energy use across the life cycle of each product family, while calculations using F47 and TEE involve less exact estimations using higher-level product specifications. In 2023, we standardized use of the more accurate S23 for new KLA tools; as the total share of tools covered by S23 continues to increase, our energy-use estimations will become more accurate.

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



→ For more information, see the [Measuring Our Product Impact](#) section of this report.

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



# Methodology Updates

As carbon accounting methodologies evolve, KLA is committed to updating and improving our GHG inventory process and being transparent about methodology changes and other modifications in our approach.

To provide KLA's stakeholders with increased transparency into our emissions calculations and support the audit process, we implemented a new third-party carbon accounting platform in 2025. Our assessment and reporting of Scope 3 Category 1 (purchased goods and services) emissions continues to incorporate available data sourced from suppliers' CDP reporting and our own supplier engagement activities, better reflecting the impact of our suppliers' sustainability and decarbonization initiatives on our inventory.

In 2025, we continued using the results of a December 2024 employee commuting and work-from-home survey to inform our Scope 3 Category 7 emissions. Survey results reflect employee responses from our super sites only.



# Our GHG Inventory Results

To support our emissions reduction strategy with accurate, reliable GHG measurements, KLA is committed to securing annual third-party verification of our GHG inventory. In 2025, we sought verification for Scope 1, Scope 2 (including renewable energy progress) and the following Scope 3 categories, to a limited level of assurance:

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

→ For more information, see the [Verification Statement](#) in the Appendix.



# Scope 1 and 2 Emissions

Goals

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

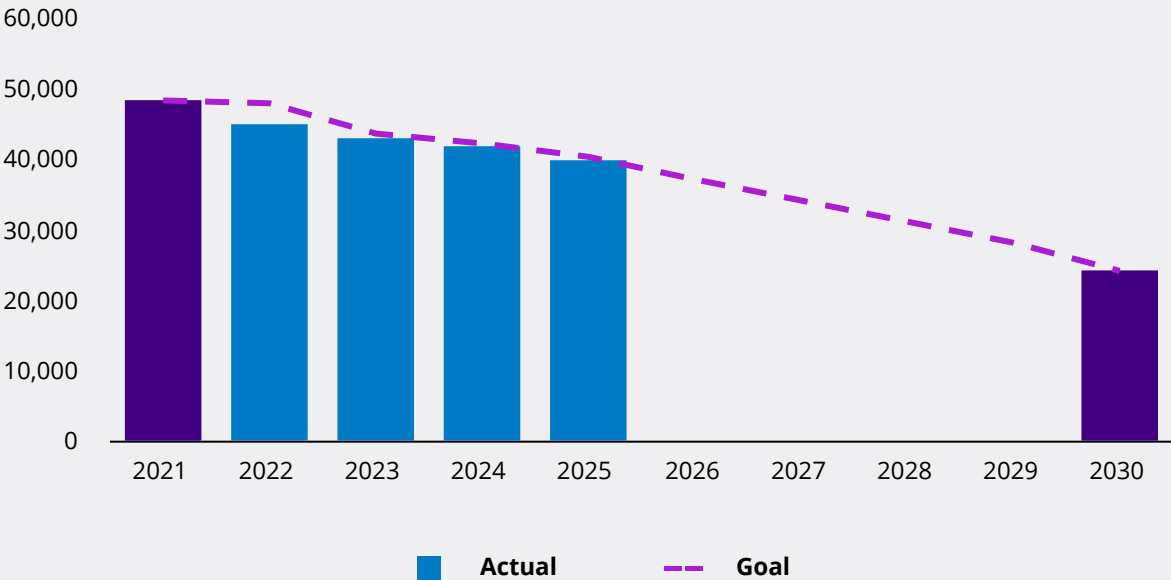
KLA’s combined Scope 1 and Scope 2 market-based emissions decreased by 4.8% compared to 2024. This reduction was driven primarily by increased procurement of renewable electricity, as we prioritize renewable purchases in regions where our energy mix is more heavily reliant on fossil fuels. Overall, based on our progress in 2025, we remain on track to meet our Scope 1 and 2 emissions reductions goals.



## KLA Scope 1 and 2 (Market-Based) GHG Emissions

|                                        | 2023                | 2024                | 2025   |
|----------------------------------------|---------------------|---------------------|--------|
| Total Emissions (MT CO <sub>2</sub> e) | 42,814 <sup>1</sup> | 41,942 <sup>1</sup> | 39,927 |
| Scope 1 Emissions (%)                  | 17.6%               | 15.6%               | 17.4%  |
| Scope 2 Emissions (%)                  | 82.4%               | 84.4%               | 82.6%  |

## KLA Scope 1 and 2 (Market-Based) GHG Emissions (MT CO<sub>2</sub>e)



1 Emissions include non-Kyoto Protocol fugitives (HCFCs and VOCs)

# Renewables and Energy Efficiency Efforts

 **Goal**

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

## KLA Purchased Electricity

|                                        | 2023    | 2024    | 2025    |
|----------------------------------------|---------|---------|---------|
| Total Purchased Grid Electricity (MWh) | 228,402 | 244,472 | 277,346 |
| Renewable Energy (%)                   | 64%     | 68%     | 72%     |

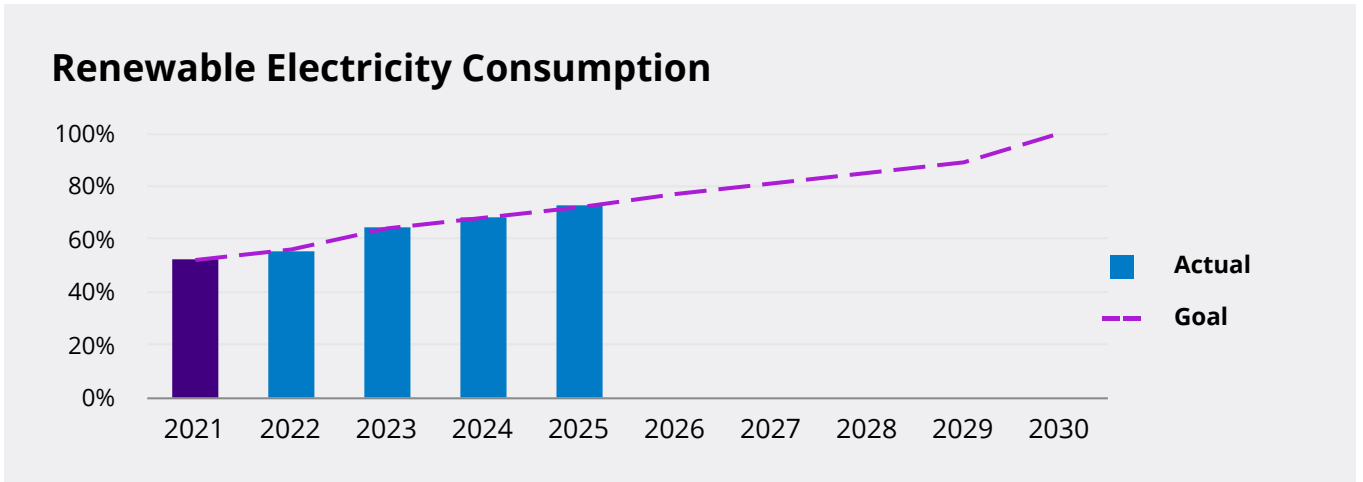
In support of KLA’s 2030 goals to reduce our carbon footprint, we have committed to using 100% renewable electricity by 2030 while also working to decrease overall energy consumption.

Overall electricity consumption at KLA operational sites increased 13.4% year-over-year in 2025, driven primarily by continued growth during the year, including new building construction and expansion of existing facilities at our super sites. Our renewable electricity use increased by 4%, from 68% in 2024 to 72% in 2025. We are currently on track to reach our 100% renewable goal.

In 2025, we entered into a long-term virtual power purchase agreement (VPPA) to secure an estimated 128,000 MWh annually from a solar project in Texas, supporting further progress on expanding KLA’s renewable electricity consumption. Our sites in Singapore; Leuven, Belgium; and Newport, Wales, have on-site solar installations, and we are evaluating potential expansion of on-site renewable energy generation at other KLA facilities. Additionally, we continue to procure energy attribute credits (EACs) to match a portion of our electricity consumption with renewables.

We continue to explore new opportunities to help us reach our emissions goal. To reduce KLA’s overall electricity consumption, we conduct periodic site-level audits to identify the most energy-intensive aspects of our operations, which we then prioritize for energy reduction and efficiency opportunities. In 2025, our Ringland Way facility in Newport, Wales, completed a chiller-replacement project begun the previous year, installing a plate heat exchanger and dry cooling system. This transition reduced ancillary electrical loads — such as pumps, fans and water treatment systems — delivering improved overall efficiency. Our facilities in Weilburg, Germany, and Leuven, Belgium, completed energy audits, with the Weilburg assessment recommending replacement of older nitrogen generators to accrue projected electricity savings of approximately 62,000 kWh annually. This project was launched and completed before year-end 2025. In Singapore, our facilities installed two new magnetic bearing chillers that are expected to reduce energy use by approximately 1.2 million kWh/year.

KLA’s global facilities strategy calls for incorporating environmentally responsible materials and engineering methods in both new facilities and retrofits of existing structures, supporting both decarbonization and operational resilience. In 2025, we began introducing new and updated internal guidelines covering mechanical (HVAC), electrical, plumbing, fire/life safety, and integrated meter monitoring and control systems for our facilities and overall infrastructure. These initiatives lay the groundwork for updated energy benchmarks, sustainability metrics and region-specific strategies.



# Scope 3 Emissions

 **Goal**

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

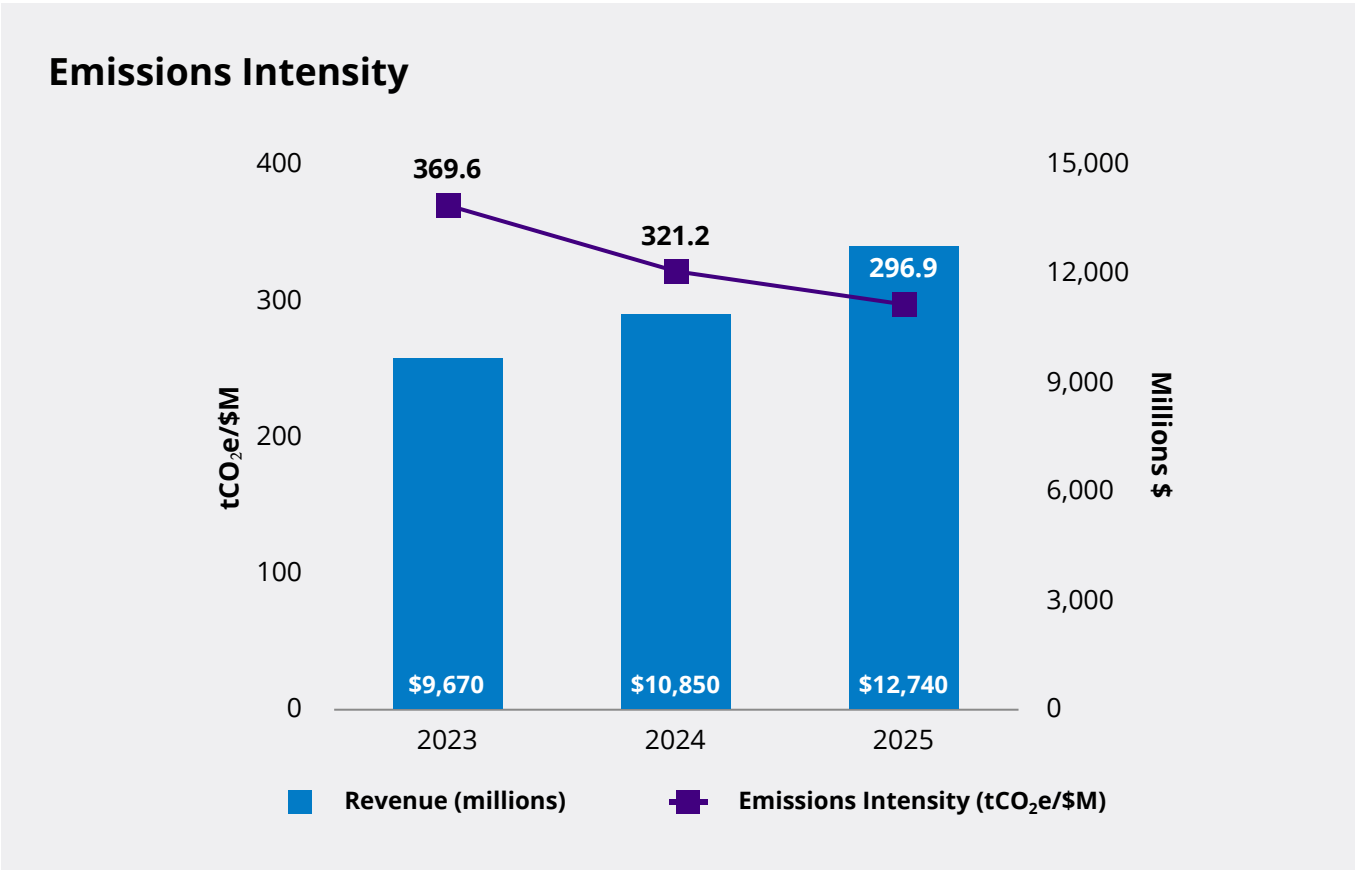
Scope 3 emissions represent the majority of KLA’s global emissions. In 2025, KLA’s Scope 3 emissions increased by 8.8%, mostly due to increases in Category 1 and especially Category 11, where 2025 sales growth added to use of sold products emissions — the largest percentage of our Scope 3 impact. For 2025, we adopted a new GHG accounting platform and estimation methodology for certain spend data, which contributed secondarily to the year’s higher Scope 3 numbers.

## KLA Scope 3 GHG Emissions

|                                                        | 2023 | 2024 | 2025 |
|--------------------------------------------------------|------|------|------|
| Total Scope 3 Emissions (million MT CO <sub>2</sub> e) | 3.53 | 3.44 | 3.74 |
| Use of Sold Products Emissions (%)                     | 73%  | 73%  | 70%  |
| Purchased Goods and Services Emissions (%)             | 18%  | 18%  | 20%  |
| Emissions from All Other Categories (%)                | 9%   | 9%   | 10%  |

# Emissions Intensity

In 2025, our overall Scope 1, Scope 2 and Scope 3 emissions increased by 8.6% from 2024 and emissions intensity decreased by 7.6%.



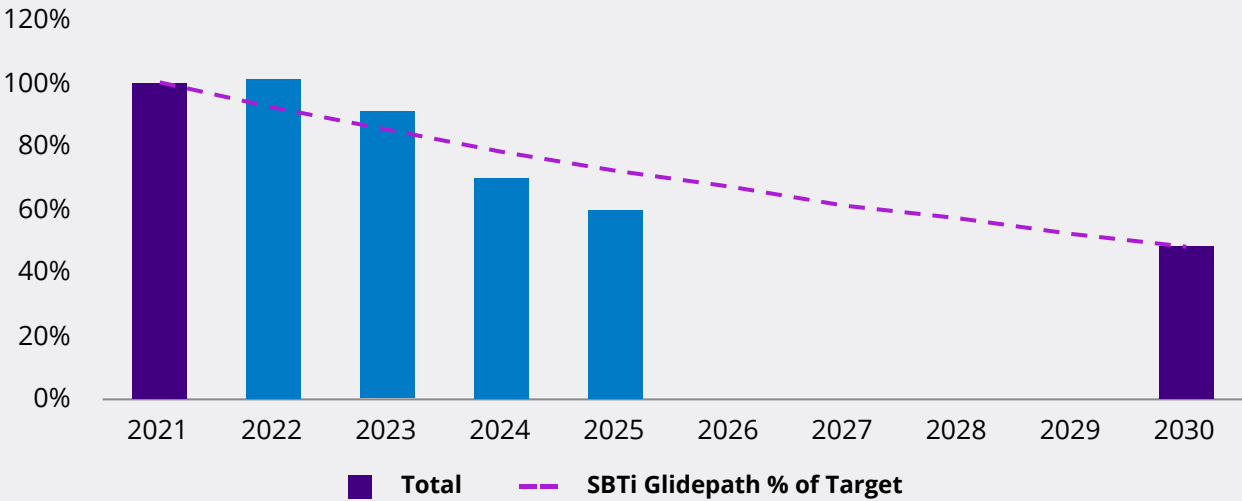


# Our Scope 3 Intensity Metric

## KLA Tools Doing More Work, More Efficiently

Innovation, advanced packaging and increased adoption of more efficient equipment in leading-edge nodes help KLA toward our 2030 target of reducing Scope 3 GHG emissions from the use of sold products 52% per billion transistors inspected, measured or processed. In 2025, KLA’s emissions per billion transistors fell 40% from our 2021 baseline, keeping KLA on track to meet our target.

tCO<sub>2</sub>e per Billion Transistors Inspected, Measured or Processed



## About Our Scope 3 Target

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

The intensity metric is based on three main elements:

- A product’s estimated emissions per year
- A product’s total throughput (area processed) per year
- The type of work the product is designed to do — e.g., the particular node or density the tool inspects, measures and/or processes

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

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

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

## Reducing Supply Chain Carbon Impacts

Developing technologies and efficiencies to reduce carbon impacts must be a collaborative effort across the entire value chain. KLA proactively engages with key supply chain partners (identified by their contribution to our Scope 3 emissions) to drive reductions, foster alignment on shared sustainability goals and improve transparency throughout the supply network.

In 2025, KLA expanded our supplier engagement efforts, increasing participation by 19%. We broadened climate-related outreach and training, offering sessions on GHG inventory development and SBTi-aligned science-based target setting. We also strengthened internal training to better equip category and supplier managers. To support measurable progress, we introduced a climate self-assessment scorecard for top suppliers, enabling gap analysis and fostering data-driven collaboration for supply chain decarbonization.

This year, KLA advanced supplier climate transparency by achieving an 81% response rate in the number of our suppliers disclosing their emissions metrics to CDP — a 9% year-over-year increase from 2024. Our efforts to encourage SBTi commitments also gained momentum, with the share of targeted suppliers setting such targets rising to 32% in 2025. These improvements enhance the precision of KLA's Scope 3 emissions inventory and strengthen our ability to drive effective climate action.

In 2025, KLA became a sponsor of the [Catalyze](#) program, a pioneering partnership with leading semiconductor companies to expand access to renewable energy across the global semiconductor value chain. As part of this effort, we began engaging high-impact suppliers (prioritizing those representing the top 41% of our combined Scope 3 Category 1 purchased goods and services and Category 4 upstream transportation and distribution emissions), with the intention of making this opportunity available to prioritized suppliers interested in accelerating their transition to low-carbon energy sources.



For details on supplier data integration, refer to the [Methodology Updates](#) section of this report.

“Addressing Scope 3 emissions is a shared responsibility. Through supplier engagement, training and assessment, we are strengthening alignment on climate priorities and advancing measurable progress across our value chain.”

**Larry Shi**

Director, light source category management





# Climate Risk Management

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

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



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





# Materials and Waste

KLA engages in ongoing waste-reduction efforts at both the corporate and site levels, and also supports our customers' efforts around responsible materials management. The [KLA Water & Waste Policy](#) details the company's intentions and expectations of employees, contractors and others working on behalf of the company.

Within our ISO-certified systems, we commit to strategies that reduce the generation of waste materials, and we pursue beneficial reuse or recycling strategies for unavoidable waste materials. As an example of these efforts, our reusable crate program in the U.S. and Singapore reduces the volume of raw materials used in crate manufacturing while also saving costs. In 2025, at our Milpitas, California headquarters, third-party vendors supporting our crate program recycled more than 450 tons of wood, diverting it from landfill.

To better identify waste impacts and inform target-setting and mitigation actions, our global waste management system's data collection software segments waste across our global super sites into 23 defined categories and eight disposition methods. Waste categories cover both hazardous and non-hazardous waste, including general trash, construction waste, universal waste, e-waste, wood, glass, cardboard, paper, plastic and metal. Disposition methods include recycling, reuse, composting, fuel blending, treatment/neutralization, landfilling and incineration. Our waste data is subject to both internal review and external audits using the ISO 14001 framework for environmental management systems. Our facilities in Israel and Wales work with third parties that support data collection and required reporting around waste packaging. We do not estimate data for non-super sites.

## Engineering More Sustainable Packaging

KLA's Packaging Engineering Team designs, validates and optimizes packaging systems to meet product protection needs while considering cost, sustainability, and regulatory and operational requirements.

In 2025, the team created a new outer pack design that uses up to 80% less foam (based on pack size) compared to the previous standard style. The new design also incorporates a glueless connection between foam and cardboard components, making the package easier to recycle. Wherever possible, shipments now use recyclable PE foam instead of non-recyclable PU foam. The new packaging is embedded within the standard design process.

Up to 80%  
less foam and a glueless  
connection make  
new packaging easier  
to recycle

# Non-hazardous Waste

In 2025, non-hazardous waste generation increased by approximately 4%, due primarily to growth, which included facility expansion at our super sites.

Country operations and individual sites across our global footprint worked throughout the year to implement waste-reduction and beneficial disposal strategies. Our operations in Weilburg, Germany, completed an internal waste audit aligned with ISO 14001 requirements and implemented centralized waste segregation points to improve recycling accuracy. As part of its own ISO 14001 EMS goals and objectives, our Singapore operation maintains a formal target of 60% waste diversion from landfill. Our facility in Newport, Wales, strives for zero waste to landfill annually.

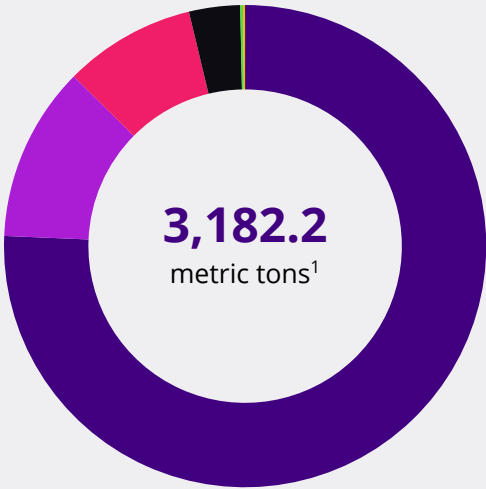
# Hazardous Waste

KLA sites store, manage, treat and dispose of hazardous waste according to local laws and regulations, and seek opportunities to reduce hazardous waste wherever feasible. In 2025, disposed hazardous waste across KLA super sites increased by approximately 34%, primarily due to increased production and site expansion. Most of our hazardous waste is diverted to off-site recycling facilities, where it is treated using methods such as fuel blending, neutralization and separation. KLA maintains a program for specialized waste handling for batteries and other universal waste, and disposal of e-waste at our larger facilities is managed by third-party contractors. In October 2025, representatives of our Singapore operations conducted a site inspection at a hazardous waste collection facility to verify proper handling and treatment.

Employees involved in the handling and/or management of hazardous materials and waste undergo mandatory training that accords with regulatory requirements in their facility's country and regional location.

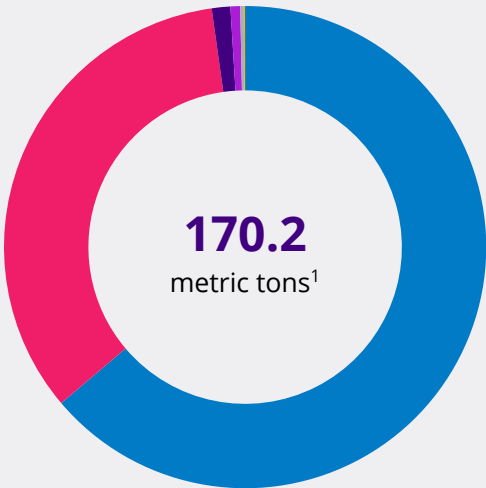
## Total Non-Hazardous Waste Generated

- 75.7% Recycled
- 11.7% Incineration
- 8.8% Landfill
- 3.4% Composted
- 0.2% Waste to Energy
- 0.1% Reuse
- 0.01% Treatment/Neutralization



## Total Hazardous Waste Generated

- 63.8% Treatment/Neutralization
- 34.0% Landfill
- 1.2% Recycled
- 0.7% Incineration
- 0.2% Fuel Blending
- 0.1% Reuse



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

# Water Management

**KLA is committed to improving water stewardship across our global operations and promoting water efficiency among the company's supply chain partners. With a water footprint comprising both manufacturing processes and general building services (such as sanitation, landscaping and utilities), we continue looking for opportunities to reduce our impacts, especially in water-stressed regions.**

KLA's Environmental, Health and Safety (EHS) organization oversees water stewardship policies, while local facilities teams manage on-site water use and monitor effluents where required by local permit. Across KLA's global operations, total water withdrawals increased by 31% in 2025 compared with 2024.

To reduce our impact on municipal water sources across our footprint, we work to source recycled water when feasible. In 2025, 21% of total water withdrawals at KLA super sites were from recycled water, a decrease of 8% from 2024. At our Singapore site, NEWater — recycled domestic wastewater cleaned through microfiltration, reverse osmosis and ultraviolet disinfection — accounts for 75% of total water used for purposes such as cooling towers and fire sprinklers.

To understand water risks across our global footprint, we conduct periodic water risk assessments that consider the key contextual issues of water availability and quality at the basin/catchment level, water regulatory frameworks, and implications of water on key commodities and raw materials. Using the latest data from the World Resources Institute (WRI) Aqueduct Water Risk Atlas and World Wildlife Fund (WWF) Water Risk Filter, our most recent assessment identified four KLA sites at risk for water stress: Yavne and Migdal Ha'emek, Israel; Chennai, India; and Shanghai, China. In 2025, these sites accounted for 26% of our total water withdrawals. KLA's headquarters in Milpitas, California, was deemed no longer water-stressed in this assessment; however, due to its size and share of our overall water consumption, the campus will continue seeking municipal water reduction measures and opportunities to increase use of recycled water.

In Israel, our Migdal Ha'emek site responded to its 2023 water-risk designation by installing a continuous monitoring system, leak detection sensors, flow sensors and other mechanisms to promote water efficiency and decrease consumption. The site also tests the load, efficiency and effectiveness of its chiller systems annually.

At our Newport, Wales facility, a multi-phase chiller upgrade replaced water-intensive cooling infrastructure with dry cooling systems. New air-cooled chillers were installed in 2024, and the project was completed in 2025 with a plate heat exchanger and decommissioning of the original cooling towers, eliminating evaporative cooling. Following completion of the project, site water consumption decreased by more than 50% compared with 2024.



<sup>1</sup> Figures based on water withdrawals from KLA super sites, as defined in the section [Our Greenhouse Gas Inventory](#). KLA does not estimate water withdrawals at non-super site locations.



# Facility Spotlight

## Building a Sustainable Future for Semiconductor Innovation in Newport, Wales

In May 2025, KLA's commitment to sustainable growth achieved a major milestone with the opening of our Celtic Lakes R&D and manufacturing center in Newport, Wales. More than just an expansion of our footprint, the 237,000-square-foot facility is a blueprint for how high-tech manufacturing can harmonize with environmental responsibility and community investment.

### Sustainable Infrastructure and Resource Management

The new facility continues our Newport operations' track record of sustainability performance:

- **Sustainability Certification:** Celtic Lakes was built to the Building Research Establishment Environmental Assessment Method (BREEAM) Excellent standard, denoting high sustainability performance across categories including energy, water, materials, health and well-being.
- **Renewable Energy:** Integrated rooftop solar panels help offset the facility's energy demands with clean on-site power.
- **Water Stewardship:** Advanced rainwater harvesting systems reduce strain on local water resources.
- **Efficiency Upgrades:** Beyond the new build, our nearby Ringland Way site completed a chiller-replacement project, installing a plate heat exchanger and dry cooler to optimize energy use and further reduce water consumption.
- **Zero Waste:** Newport strives for zero waste to landfill annually.

### Operational Excellence and Safety

Newport's operations are grounded in global best practices, aligning our environmental goals with KLA's commitment to employee health and safety:

- **Gold-Standard Safety:** In 2025, Newport received its 13th consecutive RoSPA Gold Award, reflecting the site's ongoing focus on protecting its workforce.
- **Certified Management:** The facility operates under ISO 14001 EMS and ISO 45001 OHS certifications, helping to maintain a culture of continuous improvement.



### Investing in Our Talent Pipeline

We believe that the future of technology starts in the classroom. Our Newport site serves as a hub for community engagement and STEM advocacy:

- **Technique Partnership:** We sponsor the KLA Lab at Cardiff's Technique science discovery center, delivering hands-on STEM workshops to local primary school students.
- **Graduate Programs:** KLA maintains robust talent initiatives to help transition graduates of our apprenticeship program toward careers in semiconductor manufacturing.
- **Royal Visit:** In 2025, we were honored to host The Prince of Wales, who visited the facility to meet recent apprentice graduates and view our sustainability efforts firsthand.



“Our new facility in Newport represents how we want to grow — by building advanced capability in a way that’s designed from the start to use resources responsibly, protect our people and contribute to the community around us.”

### Andrew Evans

Senior director, commercial legal and company secretary (U.K.)

# Environmental Management

KLA takes a comprehensive approach to EHS management and has published an **Environmental, Health & Safety Commitment Policy** that articulates KLA's responsibility to manage key operations sustainably, in line with our core business principles.

In 2025, KLA completed a three-year drive to achieve formal integrated certification of our seven largest production and R&D facilities to the International Organization for Standardization (ISO) 14001 EMS standard and 45001 OHS standard. With these certifications in place, KLA's main EMS and OHS management systems operate under consistent frameworks, improving performance-monitoring capabilities and assuring employees and customers of the company's environmental and safety commitments. Each ISO-certified site sets and tracks objectives and targets for specific significant environmental factors identified for that site. We have also aligned EHS policies, practices and trainings at KLA's smaller, non-certified global sites with those of our ISO-certified sites.

We maintained our ISO certifications following successful surveillance audits at four sites in 2025.



## Building Environmental Resiliency

Our Global Engineering and Operational Standards (GEOS) team works to strengthen KLA's environmental management by improving how our facilities are measured, planned and optimized, with the goal of reducing resource use and environmental impact.

- **Digital twin pilot to support decision making and reduce impact:** In 2025, a digital twin pilot project completed 3D point scanning and digital model development of one building at our Milpitas headquarters. While the initial focus was on creating an accurate representation of space and assets, the pilot establishes a scalable foundation for integrating energy, water and utility data over time. This capability will support more informed decision making to improve operational efficiency, reduce resource consumption and lower emissions as facilities are modified or expanded.
- **Utility metering to improve energy and water efficiency:** We installed meters on critical energy and water systems at our Milpitas campus to improve visibility into consumption patterns. Enhanced measurement enables earlier identification of inefficiencies, abnormal usage or losses; supports targeted conservation actions; and strengthens the accuracy of environmental data used for management and reporting.
- **Global utilities infrastructure master planning to reduce waste and improve resilience:** We initiated development of a global utilities infrastructure master plan to guide long-term capacity and investment planning across sites. By aligning infrastructure design with actual demand, this effort helps to minimize over-sizing, reduce energy and water waste, improve system reliability and support lower-impact utility strategies as sites expand or modernize.

# Keep Looking Ahead

Next Steps in 2026 and Beyond

## Climate and Energy

### Maturing Life Cycle Assessment processes

In 2026, we plan to build on insights gained from our 2025 pilot to focus on improving the quality of LCA input data while evaluating scalable solutions to support consistent, ongoing and repeatable assessments that can be deployed to additional products in the future.

### Continuing our climate scorecard initiative

We will continue working with key suppliers to complete climate self-assessment scorecards to align on collaborative decarbonization efforts.



### Strengthening our supplier engagement climate strategy

We plan to evaluate supplier engagement target options that will enable more accurate, measurable and actionable decarbonization goals.



## Water Management

### Taking action on water reduction

In 2026, KLA sites designated as water stressed or water intensive will identify potential water-reduction opportunities to help inform future goal setting and implementation efforts.

### Harvesting rainwater

Our Building 22 extension block in Singapore plans to implement a rainwater harvesting system to supply its automatic irrigation system and other non-potable uses.

## Environmental Management

### Reducing resource demand

Through our super site master plans, we aim to incorporate energy efficiency, utility usage and operational resiliency requirements into future KLA infrastructure and asset upgrades, directly supporting our Scope 1 and 2 GHG reduction target.

### Supporting clean, modernized infrastructure

To align with our 2030 and 2050 GHG goals, KLA will continue exploring potential upgrades to HVAC, nitrogen and other systems to boost energy efficiency and lower GHG emissions.



# Governance and Ethics

## In This Section

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| Keep Looking Ahead              | 65 |

Responsibility underpins everything we do at KLA — responsibility to each other, to upholding our ethics and values, and to assuring integrity in each of our individual and business actions. This responsibility extends from the company’s employees and investors to our customers, partners, communities, and the wider society and planet beyond. We build relationships from a foundation of transparency and trust, and we work daily to comply with the laws, regulations and policies that govern our business worldwide.

- 

KLA added four new Board members, bringing additional financial, engineering and leadership expertise to the company.
- 

KLA is a member of SEMI, the Semiconductor Industry Association (SIA) and the Semiconductor Technology Leadership Council.





# Corporate Governance and ESG

## Corporate Governance Oversight

KLA is governed by a Board of Directors (“Board”) led by Board Chair Robert Calderoni, who brings to his role more than 30 years of executive experience in the technology industry. The Board maintains three standing committees: Audit, Compensation and Talent, and Nominating and Governance. Each holds specific oversight responsibilities for aspects of KLA’s business, with areas of responsibility defined in their individual charters. KLA’s executive management is responsible for updating the Board and its committees on topics related to our operations, employees, customers and suppliers.

In 2025, the Board of Directors underwent significant refreshment with the addition of four new members who bring extensive leadership, financial and engineering experience and expertise to the Board: Jamie Samath, Executive Vice President, Chief Financial Officer and Enterprise Technology Leader of Intuitive Surgical, Inc.; Susan Taylor, former Chief Accounting Officer of Meta Platforms, Inc.; Jason Conley, Executive Vice

President and Chief Financial Officer of Roper Technologies, Inc.; and Tracy Embree, former President of Otis Americas, a division of Otis Worldwide Corporation. Additionally, Messrs. Conley and Samath and Ms. Taylor are audit committee financial experts under SEC rules. The Board also refreshed the composition of its committees via several committee membership rotations and assignments following the 2025 Annual Meeting, including the appointment of Michael McMullen as Chair of the Compensation and Talent Committee.

→ See KLA’s [investor website](#) for information about our [Board members](#) and the [charters](#) and membership of our [Board committees](#).

## Global Resilience Program

KLA’s Global Resilience Program protects employee well-being and supports operational continuity during disruptions. Developed enterprise-wide, the program includes five key tracks: emergency response, crisis management, business continuity, disaster recovery and cyber incident response. Resilience exercises are performed on each track annually to validate and enhance KLA resilience plans, helping the company prepare for, respond to and recover from adverse events.

Our Resilience Leadership Team (RLT) drives the program with oversight from KLA’s chief financial officer, who is also a member of the Core Crisis Management Team (CCMT). The RLT is comprised of executive sponsors and program leads and supported by stakeholders across global operations, including country presidents, business unit heads and functional leaders. It meets regularly to oversee implementation, allocate resources and support ongoing improvement, reinforcing KLA’s commitment to resilience and readiness.

KLA’s Global Resilience internal platform includes employee resources such as resilience program documentation, trainings for developing business continuity plans and instructions on accessing the KLA Emergency Notification System (ENS).



# Prioritizing ESG

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

The global ESG leader engages with and receives updates from management, and provides updates to the Board’s Nominating and Governance Committee, which is responsible for monitoring KLA’s policies, programs and results related to environmental stewardship, corporate citizenship, human rights, and other social and public matters of significance to the company. To promote dialogue between management and the Board for engagement and prioritization of ESG issues, the ESG Steering Committee receives oversight from the Nominating and Governance Committee.

# ESG Governance at KLA





# Business Ethics and Compliance

Informed by our values, KLA's ethics and compliance program is key to the company's reputation as a fair and reliable business partner. We continually reassess and mature the program to promote its effectiveness in meeting evolving regulatory and business requirements.

## Compliance Structure

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

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

KLA maintains risk management functions to assess ethics and compliance risks independent of business and operational risks. We also conduct regular risk reviews of KLA legal entities that operate outside of the United States, aiming to identify ethics and compliance risks and compliance program enhancement opportunities. In 2025, we conducted reviews of KLA sites in Japan, the United States, Denmark, Wales and Ireland.

## Leadership Commitment

KLA's Board of Directors and executive management are committed to maintaining, monitoring and continually improving KLA's ethics and compliance programs. We regularly assess ethics and compliance risks across our operations, monitor changes in laws and regulations, and evolve our programs to address emerging risks. We demonstrated our commitment in 2025 by investing in additional headcount for our trade compliance, privacy and investigations programs, and by enhancing our technology controls — improving our capacity and ability to address complex and evolving ethics and compliance matters.

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



## Whistleblower Policy

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

In 2025, we conducted 334 investigations, with resulting disciplinary measures ranging from formal warnings to termination. Key findings from investigations are shared with KLA executive vice presidents and inform enhancements to our compliance efforts.

We communicate our whistleblower program through local-language posters in office common areas, raising awareness of employees' duty to report, conveying our commitment to non-retaliation and reinforcing confidence for would-be reporters. In 2025, we marked Global Ethics Day in October with an employee communication campaign that included an ethics poll and a short video on approaching decision making through the lens of KLA's values and the employee's own moral compass.

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

### Trade Compliance 2025

As in previous years, KLA's Ethics and Legal Compliance team focused closely on global trade compliance issues in 2025, with particular attention to trade regulations that impact our ability to sell certain products and provide services to certain customers. The evolving rules, regulations, and customs, sanctions and export controls presented compliance challenges, which we addressed by adding controls in our enterprise resource planning systems, developing tariff mitigation strategies, expanding employee communication and trainings, and hiring additional regional trade compliance staff.

## Engaging Our Employees on Ethics

KLA's ethics and compliance culture encourages employee behaviors that align with our values. Each year, we conduct trainings and other campaigns to raise awareness and mitigate risks associated with ethics and compliance topics such as anti-bribery and corruption, antitrust, intellectual property (IP) and trade secrets, trade compliance, and cybersecurity and data privacy.

New hires across our operating regions receive training on our Standards of Business Conduct and are asked to acknowledge that they have read, understood and will act in compliance with those standards, including their references to our anti-bribery and corruption policies. Annual training and re-acknowledgment of the standards is expected of all employees.

We monitor employee compliance with KLA policies through our Annual Compliance Disclosure process, which asks approximately 20% of our employees to certify compliance with specific aspects of our Standards of Business Conduct and disclose any instances of non-compliance. To mitigate linguistic barriers for employees based in non-English-speaking locations, key trainings, policies and procedures are available in nine additional languages.

### Ethics Engagement Efforts

- **Performance review:** Our annual performance review process assesses each employee's success in upholding KLA's values.
- **Ethical culture survey:** We conduct periodic ethical culture surveys in partnership with Ethisphere, obtaining updated feedback from our employees on topics including their awareness of KLA's ethics and compliance programs, their perception of the Ethics and Compliance function and of KLA's leadership, and their comfort level in reporting perceived misconduct.
- **Ethics Liaison Network:** Embedded within KLA business units and geographies worldwide, trained employee members of our Ethics Liaison Network coordinate between their local operations and regional Ethics and Legal Compliance team leaders, helping address daily ethics and compliance challenges and promoting consistent local application of compliance policies and procedures. In 2025, the network helped reinforce local ownership of ethics issues while promoting alignment with the central Ethics and Compliance team.

## Anti-Bribery and Corruption

Anti-bribery and corruption policies for employees are included in our [Standards of Business Conduct](#) and a standalone anti-bribery corruption policy, and policies for business partners are included in KLA's [International Anti-Bribery and Corruption Compliance Policy for Third Parties](#). Our program includes key features such as:

- Anti-bribery and corruption training, assigned to our senior management team and employees who have significant interaction with third parties
- Annual training for all employees through our Standards of Business Conduct course
- Risk-based anti-corruption due diligence on third parties, assisted by specialized outside due diligence firms
- Annual requirement for key suppliers to complete self-assessments of anti-bribery and corruption compliance, per RBA standards
- Risk-based monitoring and response efforts focused on higher-risk payments and higher-risk third parties

## Corporate Lobbying and Political Activity

KLA's Global Government Affairs group monitors our corporate lobbying efforts and issues quarterly and annual reports on applicable activity by our registered U.S. lobbyists and other personnel.

As a matter of company policy, KLA does not make contributions of any kind to political parties or candidates. We made no political contributions in 2025, and if any political contribution is contemplated in the future, it would require preapproval by KLA's chief legal officer and chief financial officer. KLA does not engage in undisclosed political spending.

In 2025, KLA was a corporate member of three principal trade and business associations that represent the interests of our company and industry: [SEMI](#), the [Semiconductor Industry Association](#) (SIA) and the Semiconductor Technology Leadership Council. Our monetary support for those organizations via membership dues helps fund their advocacy activities.



For more information, see KLA's [Standards of Business Conduct: Political Contributions and Activities](#).





# Cybersecurity and IP Protection

To help mitigate cybersecurity and IP protection concerns, our cybersecurity team monitors and evaluates our network architecture, using the collected data to detect, investigate and respond to cybersecurity threats across KLA's digital environment. KLA's cybersecurity program is guided by the National Institute of Standards and Technology's Cybersecurity Framework (NIST CSF), which offers a structure for identifying, assessing and managing relevant cybersecurity risks. KLA takes a global, risk-based and governance-led approach to data privacy, maintaining a centralized privacy program aligned to applicable laws, aiming to embed privacy-by-design into operations, and continuously monitoring regulatory developments to adapt policies, controls and assessments to evolving requirements.

KLA identified no material cybersecurity breaches in 2025. Although there can be no assurance that cyberattacks, events or incidents will not be material to KLA in the future, our cyber team remains vigilant against potential attacks and continues to monitor and work with external partners to protect company systems and data.

*"Advances in AI demand a disciplined approach to cybersecurity and governance. Through active leadership oversight, we continue to strengthen our policies and controls to safeguard sensitive data and maintain trust."*

**Laurie Saims**

Vice president and chief information security officer



## Key Cybersecurity Goals

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



## Key Cybersecurity Activities

### Cybersecurity oversight and management:

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

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

**Reporting escalation process:** Employees may report incidents, vulnerabilities and suspicious activities through KLA's EthicsPoint compliance portal, our cybersecurity reporting page or the company's helpdesk, which maintains protocols for handling cybersecurity-related calls. KLA's information security and cybersecurity policies are available internally to all employees. In 2025, we worked to educate employees about the cyber organization and cyber-related processes. Additionally, we added new events during Cybersecurity Awareness Month and relaunched our Cybersecurity Champions program, which encourages engagement on cybersecurity topics within KLA.

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

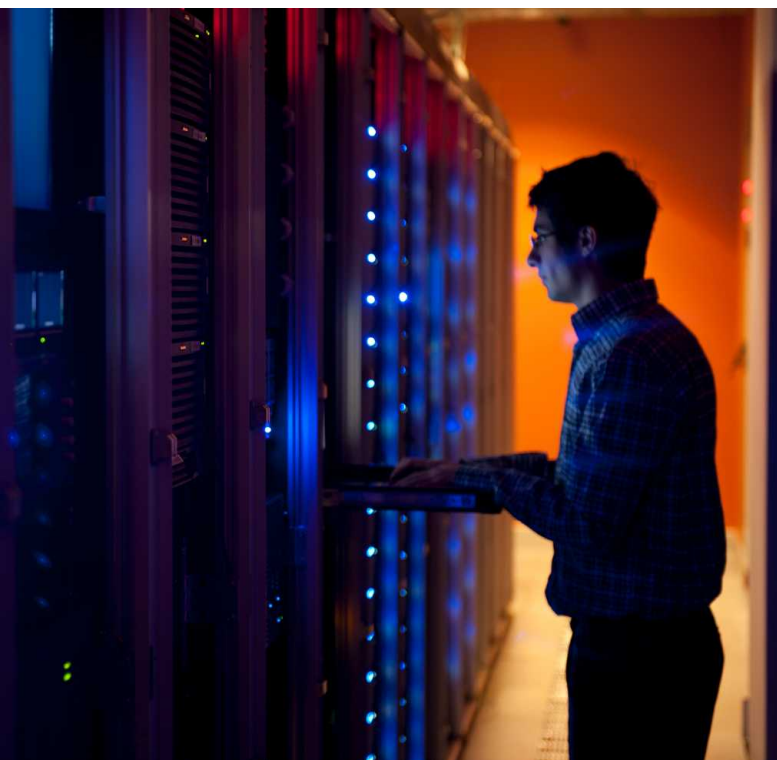


**Threat analysis and risk management:** Our Cybersecurity Governance Organization and our Threat Intelligence Team conduct ongoing cyber threat research and analysis. We also conduct risk assessments designed to help identify material cybersecurity risks to our critical systems and data. We engage with third parties for external threat monitoring and testing, including independent assessments and attestation. We maintain risk management processes based on our assessment of the respective risk profiles of key external partners.

**Systems monitoring and audits:** Cybersecurity teams within our Security Operations Center (SOC) have extensive monitoring in place for company systems and networks across our global environment, with automation allowing expedited

isolation of potentially malicious network events. Any perceived malicious activity is monitored in accordance with our Cybersecurity Incident Response Plan. Impacted systems, accounts and networks are subject to enhanced monitoring and may be quarantined by the SOC's cyber teams.

**Employee training and testing:** We maintain annual security training programs for our global employees on topics such as cyber regulations, ransomware, techniques for protecting sensitive information, and sharing information based on "need to know." To evaluate employee preparedness, identify knowledge gaps, and deliver follow-up messaging, training and testing, we conduct phishing exercises in partnership with our email filtering vendor, as well as penetration testing conducted by external providers.





# Keep Looking Ahead

Next Steps in 2026 and Beyond

## Business Ethics and Compliance

### Exploring risk-specific audit and monitoring programs

In 2026, we will continue to develop audit and monitoring programs to support key risk areas.

### Implementing training and awareness KPIs

Plans call for implementing new KPIs to measure the effectiveness of our campaigns.

### Expanding key risk training

We aim to conduct additional training on key risk areas and provide more accessible guides for the business to navigate compliance risks in real time.

## Cybersecurity and IP Protection

### Continuing expansion of our cybersecurity awareness program

Throughout 2026, we aim to implement increased outreach and expanded cyberawareness training.



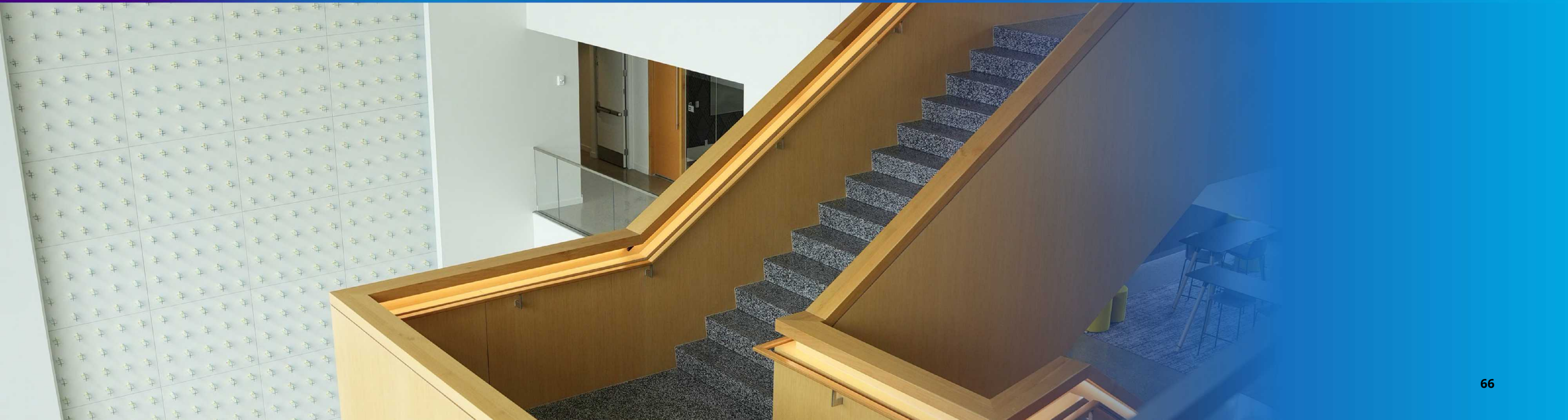


# Appendix

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Data tables in this Appendix show KLA’s year-over-year performance across key ESG topic areas and map our 2025 ESG disclosures to the recommendations of the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) semiconductor industry standard and the Task Force on Climate-Related Financial Disclosures (TCFD). The Appendix also includes our third-party greenhouse gas verification letter.



# Data Tables

## Social Metrics

|                                     |                                                   | CY 2023 | CY 2024  | CY 2025  |
|-------------------------------------|---------------------------------------------------|---------|----------|----------|
| Business Snapshot                   | Number of regions                                 | 18      | 18       | 18       |
|                                     | Number of employees                               | ~15,000 | ~15,000  | ~16,000  |
|                                     | R&D spend                                         | \$1.28B | \$1.32B  | \$1.44B  |
|                                     | Revenue                                           | \$9.67B | \$10.85B | \$12.74B |
| Talent                              | Total new employee hires                          | >800    | >1,400   | >1,800   |
|                                     | Total voluntary employee turnover rate            | 3.6%    | 3.8%     | 3.6%     |
|                                     | Internal rate of promotion at VP level            | 78%     | 79%      | 78%      |
| Learning and Development            | Average number of training hours for FTE          | 37.8    | 39.9     | 38.3     |
|                                     | Percent of employees received performance reviews | >99%    | >99%     | >99%     |
| Employee Engagement                 | Annual employee engagement survey results         | 8.1     | 8.2      | 8.4      |
|                                     | Annual employee engagement response rate          | 88%     | 91%      | 91%      |
|                                     | Point change in eNPS score                        | 6       | 7        | 5        |
| Health and Safety                   | KLA's U.S. Total Recordable Injury Rate           | 0.25    | 0.44     | 0.44     |
|                                     | Industry sector U.S. Total Recordable Injury Rate | 1.20    | 0.80     | 0.90     |
|                                     | Number of fatalities                              | 0       | 0        | 0        |
|                                     | RBA risk score (out of 100)                       | 93.8    | 94.5     | 95.5     |
| Responsible Sourcing                | RBA SAQ survey direct supplier completion rate    | 85%     | 94%      | 86%      |
|                                     | RBA SAQ survey indirect supplier completion rate  | 87%     | 85%      | 81%      |
| Leadership Composition <sup>1</sup> | Percent of executive team (male)                  | 80%     | 78%      | 78%      |
|                                     | Percent of executive team (female)                | 20%     | 22%      | 22%      |
|                                     | Percent of Board of Directors (male)              | 70%     | 78%      | 70%      |
|                                     | Percent of Board of Directors (female)            | 30%     | 22%      | 30%      |

1 Data as of December 31, 2025. This data is informational only and is not used in any employment decision making. All selections and other decisions are made solely based on merit. KLA does not allow the consideration of any identity trait in employment actions.

## Environmental Metrics

|                                                     |                                                                             | Units                                                | CY 2023                      | CY 2024            | CY 2025            |         |
|-----------------------------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------|------------------------------|--------------------|--------------------|---------|
| GHG Emissions                                       | Total Scope 1                                                               |                                                      | MT CO <sub>2</sub> e         | 7,550 <sup>1</sup> | 6,523 <sup>1</sup> | 6,956   |
|                                                     | Total Scope 2 (location-based)                                              |                                                      | MT CO <sub>2</sub> e         | 78,995             | 82,376             | 84,508  |
|                                                     | Total Scope 2 (market-based)                                                |                                                      | MT CO <sub>2</sub> e         | 35,264             | 35,419             | 32,971  |
|                                                     | Total Scope 1 + Scope 2 (market-based) <sup>1</sup>                         |                                                      | MT CO <sub>2</sub> e         | 42,814             | 41,942             | 39,927  |
|                                                     | Total Scope 3 (for calculated categories)                                   |                                                      | Million MT CO <sub>2</sub> e | 3.53               | 3.44               | 3.74    |
|                                                     | Scope 1 + Scope 2 (market-based) + Scope 3 emissions intensity (by revenue) |                                                      | tCO <sub>2</sub> e/M\$       | 369.6              | 321.2              | 296.9   |
|                                                     | Scope 3                                                                     | Category 1: purchased goods and services             | MT CO <sub>2</sub> e         | 644,952            | 607,319            | 759,376 |
|                                                     |                                                                             | Category 2: capital goods                            | MT CO <sub>2</sub> e         | 19,864             | 14,306             | 27,446  |
|                                                     |                                                                             | Category 3: fuel- and energy-related activities      | MT CO <sub>2</sub> e         | 15,873             | 14,759             | 26,148  |
|                                                     |                                                                             | Category 4: upstream transportation and distribution | MT CO <sub>2</sub> e         | 125,497            | 99,351             | 100,064 |
|                                                     |                                                                             | Category 5: waste generated in operations            | MT CO <sub>2</sub> e         | 428                | 548                | 586     |
|                                                     |                                                                             | Category 6: business travel                          | MT CO <sub>2</sub> e         | 89,460             | 94,235             | 75,510  |
|                                                     |                                                                             | Category 7: employee commuting                       | MT CO <sub>2</sub> e         | 17,234             | 18,987             | 29,452  |
| Category 11: use of sold products                   |                                                                             | MT CO <sub>2</sub> e                                 | 2,566,092                    | 2,515,286          | 2,603,018          |         |
| Category 12: end-of-life treatment of sold products |                                                                             | MT CO <sub>2</sub> e                                 | 633                          | 653                | 4,185              |         |
|                                                     | Category 15: investments                                                    | MT CO <sub>2</sub> e                                 | 51,290                       | 76,268             | 117,659            |         |
| Energy                                              | Total energy consumed (includes electricity and fuel consumption)           |                                                      | MWh                          | 238,638            | 251,596            | 307,257 |
|                                                     | Percentage of energy consumed from grid electricity                         |                                                      | %                            | 96%                | 97%                | 90%     |
|                                                     | Total purchased grid electricity                                            |                                                      | MWh                          | 228,402            | 244,472            | 277,346 |
|                                                     | Total purchased renewable electricity (grid purchase + EACs)                |                                                      | MWh                          | 146,626            | 166,961            | 200,874 |
|                                                     | Total percent renewable electricity                                         |                                                      | %                            | 64%                | 68%                | 72%     |

<sup>1</sup> Emissions include non-Kyoto Protocol fugitives (HCFCs and VOCs)



|                     |                                                    | Units       | CY 2023    | CY 2024    | CY 2025                 |
|---------------------|----------------------------------------------------|-------------|------------|------------|-------------------------|
| Water               | Total water withdrawal                             | Gallons     | 87,876,821 | 94,504,436 | 124,226,036             |
|                     | Municipal water                                    | Gallons     | 61,138,547 | 67,102,655 | 97,679,221              |
|                     | Recycled water                                     | Gallons     | 26,738,274 | 27,401,781 | 26,546,815              |
|                     | Total water consumption                            | Gallons     | 8,787,682  | 9,450,444  | 12,422,604              |
|                     | Total water discharged                             | Gallons     | 79,089,139 | 85,053,992 | 111,803,433             |
|                     | Total water withdrawal from water-stressed sites   | Gallons     | 44,190,060 | 48,598,155 | 32,489,137 <sup>1</sup> |
|                     | Share of total water use from water-stressed sites | %           | 50%        | 51%        | 26% <sup>1</sup>        |
|                     | Municipal water withdrawal intensity (by revenue)  | Gallons/M\$ | 6,322      | 6,186      | 7,664                   |
| Materials and Waste | Total non-hazardous waste                          | Metric tons | 2,782.7    | 3,065.9    | 3,182.2                 |
|                     | Non-hazardous waste intensity (by revenue)         | kg/M\$      | 287.7      | 282.6      | 249.7                   |
|                     | Recycled                                           | Metric tons | 1,826.1    | 2,038.8    | 2,408.3                 |
|                     | Landfill                                           | Metric tons | 660.8      | 718.6      | 281.3                   |
|                     | Incineration                                       | Metric tons | 279.2      | 275.9      | 373.5                   |
|                     | Reuse                                              | Metric tons | 7.8        | 14.3       | 3.7                     |
|                     | Composted                                          | Metric tons | 3.8        | 15.9       | 109.0                   |
|                     | Treatment/neutralization                           | Metric tons | 5.0        | 1.5        | 0.4                     |
|                     | Waste to energy                                    | Metric tons | 0.0        | 1.0        | 6.0                     |
|                     | Total hazardous waste                              | Metric tons | 126.8      | 127.4      | 170.2                   |
|                     | Treatment/neutralization                           | Metric tons | 83.5       | 61.0       | 108.6                   |
|                     | Incineration                                       | Metric tons | 3.8        | 23.0       | 1.1                     |
|                     | Landfill                                           | Metric tons | 1.1        | 40.6       | 57.9                    |
|                     | Recycled                                           | Metric tons | 37.9       | 2.4        | 2.1                     |
|                     | Fuel blending                                      | Metric tons | 0.6        | 0.4        | 0.4                     |
|                     | Reuse                                              | Metric tons | 0.0        | 0.0        | 0.1                     |

<sup>1</sup> Totals reflect sites identified as water stressed in KLA's most recent water risk assessment. For more information, see the [Water Management](#) section.

# GRI and SASB Index

| Standard            | Disclosure                               | Description                                                                                    | Location/Response                                                                      |
|---------------------|------------------------------------------|------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| General Disclosures | Organization and Its Reporting Practices |                                                                                                |                                                                                        |
|                     | GRI 2-1                                  | Legal name                                                                                     | KLA Corporation (KLA 2025 Annual Report, PDF page 7)                                   |
|                     | GRI 2-1                                  | Nature of ownership                                                                            | KLA 2025 Annual Report, PDF page 12                                                    |
|                     | GRI 2-1                                  | Location of headquarters                                                                       | Milpitas, California (KLA 2025 Annual Report, PDF page 7)                              |
|                     | GRI 2-1                                  | Countries of operation                                                                         | 18 regions                                                                             |
|                     | GRI 2-2                                  | All entities included in sustainability reporting                                              | KLA 2025 Annual Report, PDF page 12                                                    |
|                     | GRI 2-3                                  | Reporting period, frequency of sustainability reporting and contact point for report questions | January 1, 2025 – December 31, 2025<br>Annual<br>ESG@kla.com                           |
|                     | GRI 2-4                                  | Restatements of information from previous reporting periods, with explanations                 | KLA 2025 Global Impact Report, Methodology Updates                                     |
|                     | GRI 2-5                                  | External assurance                                                                             | Our Scope 1, 2 and 3 GHG data are subject to a limited level of third-party assurance. |
|                     | Activities and Workers                   |                                                                                                |                                                                                        |
|                     | GRI 2-6                                  | Sector(s) in which organization is active                                                      | KLA 2025 Global Impact Report, About KLA                                               |
|                     | GRI 2-6                                  | Activities, products, services and markets served                                              | KLA 2025 Annual Report, PDF pages 12–20                                                |
|                     | GRI 2-6                                  | Description of supply chain, downstream entities and relevant business relationships           | KLA 2025 Annual Report, PDF pages 18–20                                                |
|                     | GRI 2-6                                  | Significant changes to the organization and its supply chain                                   | KLA 2025 Annual Report, PDF page 12                                                    |

| Standard            | Disclosure | Description                                                                 | Location/Response                                                                                                                                        |
|---------------------|------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| General Disclosures | Governance |                                                                             |                                                                                                                                                          |
|                     | GRI 2-9    | Governance structure and composition                                        | KLA 2025 Global Impact Report, Corporate Governance and ESG<br>KLA 2025 Proxy Statement, PDF pages 12–15                                                 |
|                     | GRI 2-10   | Nomination and selection of the highest governance body                     | KLA 2025 Proxy Statement, PDF page 10                                                                                                                    |
|                     | GRI 2-11   | Chair of the highest governance body                                        | KLA 2025 Proxy Statement, PDF page 11                                                                                                                    |
|                     | GRI 2-12   | Role of the highest governance body in overseeing the management of impacts | KLA 2025 Global Impact Report, Corporate Governance and ESG<br>2025 CDP Climate Change, C4 Governance                                                    |
|                     | GRI 2-13   | Delegation of responsibility for managing impacts                           | KLA 2025 Global Impact Report, Corporate Governance and ESG                                                                                              |
|                     | GRI 2-14   | Role of the highest governance body in sustainability reporting             | The Nominating and Governance Committee of the Board is involved in the formal review and approval of the company’s sustainability report.               |
|                     | GRI 2-15   | Conflicts of interest                                                       | KLA 2025 Global Impact Report, Business Ethics and Compliance<br>KLA Standards of Business Conduct, PDF page 13<br>KLA 2025 Proxy Statement, PDF page 26 |
|                     | GRI 2-16   | Communication of critical concerns                                          | KLA Standards of Business Conduct, PDF page 36                                                                                                           |
|                     | GRI 2-19   | Remuneration policies                                                       | KLA 2025 Proxy Statement, PDF pages 43–61                                                                                                                |
|                     | GRI 2-20   | Process to determine remuneration                                           | KLA 2025 Proxy Statement, PDF pages 43–61                                                                                                                |
|                     | GRI 2-21   | Annual total compensation ratio                                             | KLA 2025 Proxy Statement, PDF page 77                                                                                                                    |



| Standard                            | Disclosure                       | Description                                                              | Location/Response                                                                                                                                     |
|-------------------------------------|----------------------------------|--------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| General Disclosures                 | Strategy, Policies and Practices |                                                                          |                                                                                                                                                       |
|                                     | GRI 2-22                         | Statement on sustainable development strategy                            | KLA 2025 Global Impact Report, CEO Message                                                                                                            |
|                                     | GRI 2-23                         | Policy commitments                                                       | KLA 2025 Global Impact Report, Corporate Governance and ESG<br>KLA 2025 Annual Report, PDF pages 20–24<br>KLA Global Human Rights Standards           |
|                                     | GRI 2-24                         | Embedding policy commitments                                             | KLA 2025 Global Impact Report, Responsible Sourcing                                                                                                   |
|                                     | GRI 2-26                         | Mechanisms for seeking advice and raising concerns                       | KLA 2025 Global Impact Report, Business Ethics and Compliance<br>KLA Standards of Business Conduct<br>KLA Standards of Business Conduct for Suppliers |
|                                     | GRI 2-27                         | Compliance with laws and regulations                                     | Over the past five years, KLA has not had any significant environmental fines or penalties.<br>KLA 2025 Annual Report, PDF pages 20–21                |
|                                     | GRI 2-28                         | Membership associations                                                  | KLA 2025 Global Impact Report, Stakeholder Engagement<br>KLA 2025 Global Impact Report, Responsible Sourcing                                          |
|                                     | Stakeholder Engagement           |                                                                          |                                                                                                                                                       |
|                                     | GRI 2-29                         | Approach to stakeholder engagement                                       | KLA 2025 Global Impact Report, Stakeholder Engagement                                                                                                 |
|                                     | GRI 2-30                         | Collective bargaining agreements                                         | KLA 2025 Annual Report, PDF pages 22–23                                                                                                               |
| Materiality Topics                  | Materiality Assessment           |                                                                          |                                                                                                                                                       |
|                                     | GRI 3-1                          | Process to determine material topics                                     | KLA 2025 Global Impact Report, Our ESG Strategy and Materiality Assessment                                                                            |
|                                     | GRI 3-2                          | List of material topics                                                  | KLA 2025 Global Impact Report, Our ESG Strategy and Materiality Assessment                                                                            |
| GRI Topic Standards and Disclosures | Business Ethics and Compliance   |                                                                          |                                                                                                                                                       |
|                                     | GRI 3-3                          | Management of material topics                                            | KLA 2025 Global Impact Report, Business Ethics and Compliance<br>KLA Standards of Business Conduct                                                    |
|                                     | GRI 205-2                        | Communication and training about anti-corruption policies and procedures | KLA 2025 Global Impact Report, Business Ethics and Compliance                                                                                         |
|                                     | GRI 205-3                        | Confirmed incidents of corruption and actions taken                      | KLA 2025 Global Impact Report, Business Ethics and Compliance                                                                                         |

| Standard                 | Disclosure                      | Description                                         | Location/Response                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------|---------------------------------|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI and SASB Disclosures | <b>Materials and Waste</b>      |                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|                          | GRI 3-3                         | Management of material topics                       | <a href="#">KLA 2025 Global Impact Report, Materials and Waste</a><br><a href="#">KLA Water &amp; Waste Policy</a>                                                                                                                                                                                                                                                                                                                                               |
|                          | GRI 306-2                       | Management of significant waste-related impacts     | <a href="#">KLA 2025 Global Impact Report, Materials and Waste</a>                                                                                                                                                                                                                                                                                                                                                                                               |
|                          | GRI 306-3                       | Waste generated                                     | <a href="#">KLA 2025 Global Impact Report, Materials and Waste</a>                                                                                                                                                                                                                                                                                                                                                                                               |
|                          | GRI 306-4                       | Waste diverted from disposal                        | <a href="#">KLA 2025 Global Impact Report, Materials and Waste</a>                                                                                                                                                                                                                                                                                                                                                                                               |
|                          | <b>Climate and Energy</b>       |                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|                          | GRI 3-3                         | Management of material topics                       | The manufacturing process for KLA products is relatively energy-intensive, which directly impacts the GHG emissions from our operations. To do our part to curb the impacts of climate change, KLA calculates the GHG impacts from our products in their use-phase based on their median operating lifespan and uses the SEMI S23 standard to apply a rigorous measurement methodology.<br><br><a href="#">KLA 2025 Global Impact Report, Climate and Energy</a> |
|                          | GRI 302-1                       | Energy consumption within the organization          | <a href="#">KLA 2025 Global Impact Report, Climate and Energy</a>                                                                                                                                                                                                                                                                                                                                                                                                |
|                          | GRI 302-4                       | Reduction of energy consumption                     | <a href="#">KLA 2025 Global Impact Report, Climate and Energy</a>                                                                                                                                                                                                                                                                                                                                                                                                |
|                          | SASB: TC-SC-130a.1              | Total energy consumed                               | In 2025, KLA consumed 307,257 MWh of energy, which includes both electricity and fuel consumption.                                                                                                                                                                                                                                                                                                                                                               |
|                          | SASB: TC-SC-130a.1              | Percentage of energy consumed from grid electricity | In 2025, 90% of our total energy consumption was from grid electricity.                                                                                                                                                                                                                                                                                                                                                                                          |
|                          | GRI 305-1<br>SASB: TC-SC-110a.1 | Direct (Scope 1) GHG emissions                      | <a href="#">KLA 2025 Global Impact Report, Climate and Energy</a>                                                                                                                                                                                                                                                                                                                                                                                                |
|                          | GRI 305-2                       | Energy indirect (Scope 2) GHG emissions             | <a href="#">KLA 2025 Global Impact Report, Climate and Energy</a>                                                                                                                                                                                                                                                                                                                                                                                                |
|                          | GRI 305-3                       | Other indirect (Scope 3) GHG emissions              | <a href="#">KLA 2025 Global Impact Report, Climate and Energy</a>                                                                                                                                                                                                                                                                                                                                                                                                |
|                          | GRI 305-4                       | GHG emissions intensity                             | <a href="#">KLA 2025 Global Impact Report, Climate and Energy</a>                                                                                                                                                                                                                                                                                                                                                                                                |
|                          | GRI 305-5                       | Reduction of GHG emissions                          | <a href="#">KLA 2025 Global Impact Report, Climate and Energy</a>                                                                                                                                                                                                                                                                                                                                                                                                |

| Standard                 | Disclosure                      | Description                                                                                                                                                        | Location/Response                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI and SASB Disclosures | SASB: TC-SC-110a.1              | Amount of total emissions from perfluorinated compounds                                                                                                            | KLA does not utilize perfluorinated compounds in its operations, with the exception of one site in Newport, Wales, U.K. KLA assesses the process gases at the Newport site, which has an abatement system with a high destruction efficiency rate (99.99%) that mitigates a significant portion of the GHG emissions associated with the use of process gases at this site. For CY 2025, KLA's total emissions from perfluorinated compounds was 3.6 tCO <sub>2</sub> e. |
|                          | SASB: TC-SC-110a.2              | Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | <a href="#">KLA 2025 Global Impact Report, Climate and Energy</a>                                                                                                                                                                                                                                                                                                                                                                                                        |
|                          | <b>Water Management</b>         |                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|                          | GRI 3-3                         | Management of material topics                                                                                                                                      | <a href="#">KLA 2025 Global Impact Report, Water Management</a><br><a href="#">KLA Water &amp; Waste Policy</a>                                                                                                                                                                                                                                                                                                                                                          |
|                          | GRI 303-3<br>SASB: TC-SC-140a.1 | Water withdrawal                                                                                                                                                   | <a href="#">KLA 2025 Global Impact Report, Water Management</a>                                                                                                                                                                                                                                                                                                                                                                                                          |
|                          | <b>Talent</b>                   |                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|                          | GRI 3-3                         | Management of material topics                                                                                                                                      | <a href="#">KLA 2025 Global Impact Report, Talent</a>                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                          | GRI 401-1                       | New employee hires and employee turnover                                                                                                                           | <a href="#">KLA 2025 Annual Report, PDF pages 22–23</a>                                                                                                                                                                                                                                                                                                                                                                                                                  |
|                          | GRI 401-2                       | Benefits provided to full-time employees that are not provided to temporary or part-time employees                                                                 | <a href="#">KLA 2025 Annual Report, PDF pages 22–23</a><br><a href="#">KLA Careers</a>                                                                                                                                                                                                                                                                                                                                                                                   |
|                          | GRI 404-1                       | Average hours of training per year per employee                                                                                                                    | <a href="#">KLA 2025 Global Impact Report, Talent</a>                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                          | GRI 404-2                       | Programs for upgrading employee skills and transition assistance programs                                                                                          | <a href="#">KLA 2025 Global Impact Report, Talent</a>                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                          | GRI 404-3                       | Percentage of employees receiving regular performance and career development reviews                                                                               | >99%<br><a href="#">KLA 2025 Global Impact Report, Talent</a>                                                                                                                                                                                                                                                                                                                                                                                                            |
|                          | SASB: TC-SC-330a.1              | Percentage of employees that are (1) foreign nationals and (2) located offshore                                                                                    | <a href="#">KLA 2025 Annual Report, PDF pages 22–23</a>                                                                                                                                                                                                                                                                                                                                                                                                                  |



| Standard                 | Disclosure                      | Description                                                            | Location/Response                                                                                                                                                                                                                    |
|--------------------------|---------------------------------|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI and SASB Disclosures | Responsible Sourcing            |                                                                        |                                                                                                                                                                                                                                      |
|                          | GRI 3-3                         | Management of material topics                                          | KLA 2025 Global Impact Report, Responsible Sourcing                                                                                                                                                                                  |
|                          | Health, Safety and Well-Being   |                                                                        |                                                                                                                                                                                                                                      |
|                          | GRI 3-3                         | Management of material topics                                          | KLA 2025 Global Impact Report, Health, Safety and Well-Being<br>KLA Environmental, Health & Safety Commitment Policy                                                                                                                 |
|                          | GRI 403-1                       | Occupational health and safety management system                       | KLA 2025 Global Impact Report, Health, Safety and Well-Being<br>KLA maintains ISO 45001 and ISO 14001 certifications across our seven largest production and R&D facilities, covering approximately 47% of total employee headcount. |
|                          | GRI 403-2<br>SASB: TC-SC-320a.1 | Hazard identification, risk assessment and incident investigation      | KLA 2025 Global Impact Report, Health, Safety and Well-Being                                                                                                                                                                         |
|                          | GRI 403-5                       | Worker training on occupational health and safety                      | KLA 2025 Global Impact Report, Health, Safety and Well-Being                                                                                                                                                                         |
|                          | GRI 403-6                       | Promotion of worker health                                             | KLA 2025 Global Impact Report, Health, Safety and Well-Being                                                                                                                                                                         |
|                          | GRI 403-8                       | Workers covered by an occupational health and safety management system | 100% of our employees are covered by our safety programs.                                                                                                                                                                            |
|                          | GRI 403-9                       | Work-related injuries                                                  | KLA 2025 Global Impact Report, Health, Safety and Well-Being                                                                                                                                                                         |

| Standard                 | Disclosure                                | Description                                                                                  | Location/Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------|-------------------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI and SASB Disclosures | <b>Product Stewardship and Innovation</b> |                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                          | GRI 3-3                                   | Management of material topics                                                                | <p>KLA's approach to managing innovation balances near-term execution discipline with longer-term technology exploration. Engineering leads within each business area communicate innovation plans, objectives and corresponding needs through an annual strategic planning process. One of the outputs of this process is a balanced scorecard that tracks objectives set by executive leadership and functional leaders and is used to support alignment and accountability for product development priorities. KLA's standardized product life cycle (PLC) process governs innovation and product life cycle management from concept through end of life and includes defined performance indicators, stage gate requirements and executive approvals.</p> <p>Longer-term exploration, with a focus on pathfinding for N+2 roadmaps, is embedded within most product groups' advanced technology initiatives. Beyond N+2, KLA's CTO office explores emergent and potentially disruptive technologies. These activities are structured to operate independently of active PLC programs, ensuring they neither constrain nor delay current development commitments. Ongoing employee training further supports innovation and engagement in next-generation technology development. <a href="#">KLA 2025 Global Impact Report, Product Stewardship and Innovation</a></p> |
|                          | SASB: TC-SC-410a.1                        | Percentage of products by revenue that contain IEC 62474 declarable substances               | The majority of KLA products, by revenue, contain declarable substances.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|                          | SASB: TC-SC-410a.2                        | Processor energy efficiency at a system level for: (1) servers, (2) desktops and (3) laptops | Omission statement: This metric is not relevant to KLA as the company does not produce semiconductors. However, KLA does enable chip makers to produce more efficient chips, and we also deploy much computing in KLA products themselves, and hence our products function with far greater relative energy efficiency as processor efficiencies improve.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|                          | SASB: TC-SC-440a.1                        | Description of the management of risks associated with the use of critical materials         | <a href="#">KLA 2025 Global Impact Report, Product Stewardship and Innovation</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

| Standard                            | Disclosure                      | Description                                                                               | Location/Response                                                                          |
|-------------------------------------|---------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| GRI Topic Standards and Disclosures | Human and Labor Rights          |                                                                                           |                                                                                            |
|                                     | GRI 3-3                         | Management of material topics                                                             | KLA 2025 Global Impact Report, Human and Labor Rights<br>KLA Global Human Rights Standards |
|                                     | GRI 408-1                       | Operations and suppliers at significant risk for incidents of child labor                 | KLA 2025 Global Impact Report, Human and Labor Rights<br>KLA Global Human Rights Standards |
|                                     | GRI 409-1                       | Operations and suppliers at significant risks for incidents of forced or compulsory labor | KLA 2025 Global Impact Report, Human and Labor Rights<br>KLA Global Human Rights Standards |
|                                     | Community Engagement            |                                                                                           |                                                                                            |
|                                     | GRI 3-3                         | Management of material topics                                                             | KLA 2025 Global Impact Report, Community Engagement                                        |
|                                     | GRI 413-1                       | Operations with local community engagement, impact assessments and development programs   | KLA 2025 Global Impact Report, Community Engagement                                        |
|                                     | Cybersecurity and IP Protection |                                                                                           |                                                                                            |
|                                     | GRI 3-3                         | Management of material topics                                                             | KLA 2025 Global Impact Report, Cybersecurity and IP Protection                             |



# TCFD Report

|            | TCFD Disclosure                                                                                  | 2025 Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 2025 References                                                                                                                                        |
|------------|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| Governance | a) Describe the board’s oversight of climate-related risks and opportunities.                    | <p>KLA is governed by a Board of Directors (the “Board”), established in accordance with applicable laws and our Corporate Governance Standards. The Board has three standing committees: Audit, Compensation and Talent, and Nominating and Governance. Each is governed by a charter that defines its specific oversight responsibilities for various aspects of KLA’s business.</p> <p>KLA’s Audit Committee oversees the enterprise risk management process, which also considers climate risk to the extent deemed appropriate. For further information on KLA’s approach to enterprise risk management, refer to the <b>Risk Management</b> section of this TCFD Report.</p> <p>KLA’s Nominating and Governance Committee monitors our policies, programs and strategies related to environmental stewardship. This committee meets at least once per quarter (or more frequently, as deemed appropriate), with climate-related issues scheduled as an agenda item at some meetings. The committee reviews progress on an ongoing basis and receives updates on our ESG progress.</p> <p>KLA’s executive management is responsible for updating the Board and its committees on topics related to our operations, employees, customers and suppliers. The Board receives an annual presentation from the global ESG leader on progress against ESG goals and the implementation of projects and related activities, as appropriate.</p> | <p><a href="#">KLA 2025 Global Impact Report, Corporate Governance and ESG</a></p> <p><a href="#">2025 CDP Climate Change, C4 Governance (4.3)</a></p> |
|            | b) Describe management’s role in assessing and managing climate-related risks and opportunities. | <p>KLA’s ESG Steering Committee, composed of senior leaders from across the global business, monitors climate-related risks and opportunities and oversees implementation of the company’s ESG strategy and overall ESG performance. The ESG Steering Committee prioritizes cross-functional programs that engage a broad range of internal and external stakeholders so that our ESG activities help support increased business integration. The global ESG leader updates the Board’s Nominating and Governance Committee on ESG matters and reports to a member of the executive team, promoting alignment of the corporate ESG strategy with KLA’s business goals and enabling progress on our ESG journey.</p> <p>KLA has developed short- and long-term ESG targets around emissions reduction, renewable energy use and other key issues. To encourage traction toward ongoing progress against these goals, KLA’s global ESG leader may receive a monetary reward based on ESG-related criteria outlined in our ESG balanced scorecard. These efforts include identifying opportunities across our value chain to reduce environmental impact, sharing progress in our annual Global Impact Report and communicating progress internally.</p>                                                                                                                                                                                         | <p><a href="#">KLA 2025 Global Impact Report, Corporate Governance and ESG</a></p> <p><a href="#">2025 CDP Climate Change, C4 Governance (4.3)</a></p> |

|          | TCFD Disclosure                                                                                                                                                                                                                                                        | 2025 Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 2025 References                                                                                                                                                                                                                |
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| Strategy | <p>a) Describe the climate-related risks and opportunities the company has identified over the short, medium and long term.</p> <p>b) Describe the impact of climate-related risks and opportunities on the company's businesses, strategy and financial planning.</p> | <p>For the purposes of identifying climate risk and opportunities, KLA utilizes the following timeframes:</p> <ul style="list-style-type: none"><li>• Short term (0–2 years)</li><li>• Medium term (2–10 years)</li><li>• Long term (10–30 years)</li></ul> <p>Through an annual climate risk assessment, KLA subject-matter experts across the company evaluate a range of potential climate-related physical and transition risks and opportunities to determine their relative significance and risk exposure to our business. These include:</p> <p>Physical Risks</p> <ul style="list-style-type: none"><li>• Acute: Event-driven extreme weather hazards, such as cyclones, hurricanes, extreme heat and cold waves, or flooding.</li><li>• Chronic: Longer-term shifts in climate patterns, such as sustained higher temperatures and changing precipitation patterns.</li></ul> <p>Transition Risks</p> <ul style="list-style-type: none"><li>• Policy and legal: Policy actions that attempt to constrain actions that contribute to the adverse effects of climate change or promote adaptation to climate change.</li><li>• Market: Signals that highlight a change in customer behavior, uncertainty in the market, or increased cost for raw materials.</li><li>• Reputational: Shifts in consumer preferences or increased stakeholder concern or negative feedback.</li></ul> <p>Transition Opportunities</p> <ul style="list-style-type: none"><li>• Resource efficiency and energy sources: Reduced operating costs from improving efficiency across production and distribution processes.</li><li>• Products and services: Low-emission products and services that may improve competitive position and capitalize on shifting consumer and producer preferences.</li><li>• Market: Diversified activities that position companies for a transition to a lower-carbon economy.</li></ul> | <p><a href="#">KLA 2025 Global Impact Report, Climate Risk Management</a></p> <p><a href="#">2025 CDP Climate Change, C2 Identification, assessment and management of dependencies, risks and opportunities (2.1, 2.2)</a></p> |

|                         | TCFD Disclosure                                                                                                                                                                                                                                                        | 2025 Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2025 References                                                                                                                                                                                            |
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| Strategy<br>(continued) | <p>a) Describe the climate-related risks and opportunities the company has identified over the short, medium and long term.</p> <p>b) Describe the impact of climate-related risks and opportunities on the company's businesses, strategy and financial planning.</p> | <p>In 2023, KLA conducted a physical risk scenario analysis to determine potential exposure at the inherent level at KLA's global super sites. Based on the results, we identified the following potential impacts that highlight the worst-case scenario under a high-warming scenario (SSP5-8.5 scenario):</p> <ul style="list-style-type: none"><li>• Extreme heat: Extreme heat is projected to increase overall, with higher increases likely in the long term.</li><li>• Riverine flooding: Super sites in the eastern United States and Central Europe have been more exposed to riverine flooding historically and may likely continue to be exposed to riverine flooding into the future, according to climate models.</li><li>• Extreme precipitation: Super sites in East Asia have historically been exposed to extreme precipitation, and an increase is projected by climate models in the future under a high-warming scenario.</li><li>• Coastal flooding: KLA has very low potential exposure to coastal flooding under all the time horizons considered.</li><li>• Wildfire: Wildfire conditions are likely to increase in the western United States in the shorter term.</li><li>• Drought: Historically, KLA super sites have had very low exposure to drought, but models project that this may increase to moderate levels for some sites.</li><li>• Cyclones/hurricanes: Historically, KLA super sites located in Southeast Asia have had moderate to high exposure to cyclones. This trend could continue and worsen into the future in a high-warming scenario.</li><li>• Water stress: Some KLA super sites may face increased exposure to water stress in the future.</li></ul> <p>Such risks could result in damage to our facilities or operational interruptions, either at our own facilities or in our broader value chain.</p> | <p><a href="#">KLA 2025 Global Impact Report, Climate Risk Management</a></p> <p><a href="#">2025 CDP Climate Change, C3 Disclosure of risks and opportunities (3.1, 3.6) and C5 Business strategy</a></p> |



|                      | TCFD Disclosure                                                                                                                                                                                                                                                                    | 2025 Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 2025 References                                                                                                                                                                                            |
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| Strategy (continued) | <p>a) Describe the climate-related risks and opportunities the company has identified over the short, medium and long term.</p> <p>b) (continued) Describe the impact of climate-related risks and opportunities on the company's businesses, strategy and financial planning.</p> | <p>In 2024, KLA conducted a carbon cost of emissions scenario analysis to evaluate the potential impact from climate-related policy risk under three key scenarios from the International Energy Agency (IEA) World Energy Outlook. Based on our financial impact analysis of carbon pricing mechanisms, direct costs from carbon taxes or cap-and-trade systems could increase or be passed down indirectly from suppliers if they are impacted by carbon prices. Moreover, KLA could face potential compliance costs associated with introducing dedicated resources for compliance or acquiring third-party services such as verification of emissions or engagement of external experts. Customers are also expected to be impacted by such risks, which could manifest in changes in demand or further costs to meet such expectations. Key findings of the analysis include:</p> <ol style="list-style-type: none"><li>1. KLA faces the highest exposure to carbon pricing in a net zero emissions by 2050 scenario, in which the most stringent carbon prices are applied to halve energy sector emissions by mid-century.</li><li>2. The business-as-usual (BAU) emissions pathway results in the greatest financial impact from carbon pricing over time, but the Current Science-Based Targets (CSBT) emissions pathway — which represents KLA's existing emission reduction target — significantly reduces risk exposure and results in cost savings as compared to the BAU pathway.</li><li>3. Considering that only 2% of KLA's GHG emissions come from Scope 1 and 2 emissions, KLA would face only a small proportion of potential direct financial impacts from a carbon price under any emissions pathway and IEA scenario. The remaining Scope 3 emissions would be subject to carbon pricing if these costs are passed down through suppliers.</li></ol> <p>In 2025, KLA conducted a transition risk scenario analysis that considered a range of transition risk categories, including policy and legal, market, and reputational risks, under different climate-related scenarios. Under a worst-case, high-warming scenario, we identified potential transition risks across our operations related to the substitution of existing products and services, an increase cost of raw materials and a potential shift in consumer preferences.</p> <p>While these climate-related risks could potentially occur under a high-warming scenario, the results of KLA's most recent climate risk assessment did not identify any climate-related risks or opportunities that we currently anticipate having a substantive impact on near-term operations, financial performance or strategic position.</p> | <p><a href="#">KLA 2025 Global Impact Report, Climate Risk Management</a></p> <p><a href="#">2025 CDP Climate Change, C3 Disclosure of risks and opportunities (3.1, 3.6) and C5 Business strategy</a></p> |

|                         | TCFD Disclosure                                                                                                                                         | 2025 Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 2025 References                                                                                                                                    |
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| Strategy<br>(continued) | c) Describe the resilience of the company’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | <p>KLA conducts periodic physical and transition risk scenario analysis to understand how climate change may affect the resiliency of our business in the future. Using plausible pathways to model climate-related impacts, we assess potential short-, medium- and long-term risks and opportunities against low- and high-warming and transition-related scenarios.</p> <p>In 2023, we evaluated the potential exposure of KLA super sites to acute and chronic climate impacts using scenarios from the Intergovernmental Panel on Climate Change’s (IPCC’s) Sixth Assessment Report (AR6), which are based on Shared Socioeconomic Pathways (SSPs) and Representative Concentration Pathways (RCPs). To determine potential exposure at the inherent level, these locations were screened for exposure to eight climate hazards: extreme heat, riverine flooding, extreme precipitation, coastal flooding, wildfire, drought, cyclones/hurricanes and water stress.</p> <p>In 2025, KLA conducted a transition risk screening across our direct operations and value chain to understand how specific transition risks and opportunities could evolve over time for KLA. In this analysis, a baseline assessment of relevant climate risks evolved over multiple time horizons and climate scenarios from the Network for Greening the Financial System (NGFS).</p> <p>In 2024, to assess the potential financial impacts from climate-related policy risks, KLA conducted a scenario-based analysis of the potential costs associated with carbon emissions, using three key scenarios from the IEA World Energy Outlook. Carbon prices were used as a proxy for policy and legal risks to assess KLA’s transition risk exposure across potential future scenarios of various climate ambitions.</p> <p>Listed below are the climate scenarios KLA has used to assess physical and transition risks.</p> | <p><a href="#">KLA 2025 Global Impact Report, Climate Risk Management</a></p> <p><a href="#">2025 CDP Climate Change, C5 Business strategy</a></p> |
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| <b>Strategy (continued)</b> | c) (continued) Describe the resilience of the company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | <p>KLA's Global Resilience Program uses an operational risk assessment framework to identify site-level and process-related risks as part of emergency response and business continuity planning. A global team evaluates potential gaps, develops mitigation plans and prepares recovery strategies and capabilities for business disruptions.</p> <ul style="list-style-type: none"> <li>• KLA super sites maintain emergency response and business continuity plans that include risk assessments and strategies to reduce the impact of disruptions.</li> <li>• The business continuity program continues to evolve to support operational resilience across key locations.</li> <li>• At the site level, facilities and continuity teams assess local physical risks using a framework aligned with ISO 14001. Facility Conditions Risk Assessments (FCRAs) help monitor site-specific risks and track mitigation efforts to reduce residual risk.</li> <li>• Business continuity plans also include an operational risk management process to identify and address risks in line with KLA's global strategy. These plans, along with operational risk assessments and mitigation initiatives, support a continuous cycle of improvement that strengthens operational resilience across the company.</li> <li>• The Global Resilience internal platform includes employee resources such as resilience program documentation, trainings for developing business continuity plans and instructions on accessing the KLA Emergency Notification System (ENS).</li> </ul>                                    | <p><a href="#">KLA 2025 Global Impact Report, Corporate Governance and ESG</a></p> <p><a href="#">2025 CDP Climate Change, C5 Business strategy</a></p>                                                                   |
| <b>Risk Management</b>      | a) Describe the company's processes for identifying and assessing climate-related risks.                                                                            | <p>KLA undergoes climate risk and opportunity assessments guided by the framework and recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). These assessments are updated annually and cover short-, medium- and long-term risks and opportunities across the full value chain (direct operations, upstream and downstream).</p> <p>In 2025, we conducted our fifth climate risk and opportunity assessment, which included physical and transition risks and opportunities across the company and value chain. Our annual climate risk and opportunity assessment employs research and stakeholder engagement to identify relevant TCFD-recommended climate-related risks and opportunities. Key senior leaders and subject-matter experts were engaged to assess each risk's relevance to the business and prioritize risks based on potential impact, likelihood and vulnerability ratings. In 2025, we did not identify any climate-related risks or opportunities that we currently anticipate as having a substantive impact on the business.</p> <p>Within our direct operations, we also consider how physical risks such as extreme weather events could impact our manufacturing, critical R&amp;D sites and enterprise IT systems. We also consider how physical risks could negatively impact our supply chain operations and customer operations. As part of preparation for a shift toward a lower-carbon economy, we also consider how policy and legal, market and reputational risks could impact the financial and operational performance of our business.</p> | <p><a href="#">KLA 2025 Global Impact Report, Climate Risk Management</a></p> <p><a href="#">2025 CDP Climate Change, C2 Identification, assessment and management of dependencies, risks and opportunities (2.2)</a></p> |



|                                | TCFD Disclosure                                                                                                                                    | 2025 Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2025 References                                                                                                                                                                                                           |
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| Risk Management<br>(continued) | b) Describe the company's processes for managing climate-related risks.                                                                            | <p>Within our streams of operations, our risk management planning considers relevant physical climate risks such as the increased frequency and severity of extreme weather events, as well as transition risks that impact various aspects of operations. We maintain business continuity plans to enhance the resiliency of our operations and monitor relevant regulations and reporting requirements to prepare for mandatory disclosures.</p> <p>Within our environmental management system, we maintain a risk register that assesses physical risks and opportunities across our global operations. Risks and opportunities are part of our ISO 14001 facility-level certification process and are evaluated using a 1/2/3 rating scale outlined in our environmental, health and safety (EHS) framework. Risks are evaluated annually and cover a two-year time horizon, with goals established every two years and reported twice annually.</p>                                                                                                                                                                                                | <p><a href="#">KLA 2025 Global Impact Report, Corporate Governance and ESG</a></p> <p><a href="#">2025 CDP Climate Change, C5 Business strategy</a></p>                                                                   |
|                                | c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the company's overall risk management. | <p>Our annual climate risk assessment is aligned with our broader enterprise risk management framework to help us monitor developments and manage potential mitigation responses. As part of our climate risk assessment, key senior leaders across our business operations (including Real Estate, IT, Supply Chain, Product and Corporate/Legal) and subject-matter experts are engaged to assess the relevance of climate-related risks and opportunities to the business and to help prioritize them.</p> <p>Results of climate risk assessments are reported to the ESG Steering Committee to monitor the company's inherent and residual exposure to identified climate-related risks. These assessments inform our climate risk management strategy, as well as possible changes to business continuity and resiliency plans across our upstream, direct and downstream operations. Identifying climate-related opportunities, such as reducing our products' energy consumption during use and integrating energy efficiency into product development, help inform strategies to address our Scope 3 emissions and reach our climate goals.</p> | <p><a href="#">KLA 2025 Global Impact Report, Climate Risk Management</a></p> <p><a href="#">2025 CDP Climate Change, C2 Identification, assessment and management of dependencies, risks and opportunities (2.2)</a></p> |

|                     | TCFD Disclosure                                                                                                                                      | 2025 Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 2025 References                                                                                                                                                       |
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| Metrics and Targets | a) Disclose the metrics used by the company to assess climate-related risks and opportunities in line with its strategy and risk management process. | <p>KLA began measuring our Scope 1, 2 and 3 GHG footprint for calendar year 2019 and have continued to improve our process and methodology ever since. Our GHG inventory aligns with the requirements of the GHG Protocol and is conducted on a calendar year cycle.</p> <p>To assess progress against our near-term targets, we track metrics related to climate-related risks and opportunities, such as GHG emissions and <a href="#">water consumption</a>, which also inform our analysis in alignment with the current TCFD framework.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <p><a href="#">KLA 2025 Global Impact Report, Climate and Energy</a></p> <p><a href="#">2025 CDP Climate Change, C7 Environmental performance (7.54)</a></p>          |
|                     | b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.                                     | <p>KLA's GHG inventory leverages the requirements of the World Resources Institute and World Business Council for Sustainable Development's GHG Protocol and is conducted on a calendar year cycle.</p> <p>For more information on our latest GHG metrics for our Scope 1, 2 and 3 GHG emission sources, see the <a href="#">Environmental Metrics</a> within this report's Appendix.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <p><a href="#">KLA 2025 Global Impact Report, Climate and Energy</a></p> <p><a href="#">2025 CDP Climate Change, C7 Environmental performance (7.6, 7.7, 7.8)</a></p> |
|                     | c) Describe the targets used by the company to manage climate-related risks and opportunities, and performance against targets.                      | <p>Guided by the Science Based Targets initiative's (SBTi's) Corporate Net-Zero Standard Criteria, we have established climate-related goals and continue to assess opportunities to align our efforts with the latest climate science. These goals are overseen by KLA's ESG leader, who is responsible for heading coordinated efforts to reach KLA's targets.</p> <p>In 2024, SBTi validated the following near-term science-based targets from KLA:</p> <ul style="list-style-type: none"><li>• Reduce absolute Scope 1 and 2 emissions 50% by 2030 from a 2021 base year</li><li>• Reduce Scope 3 GHG emissions from the use of sold products 52% per billion transistors inspected, measured or processed within the same timeframe</li></ul> <p>We also established the following climate-related goals:</p> <ul style="list-style-type: none"><li>• Use 100% renewable electricity across our global operations by 2030</li><li>• Achieve net zero Scope 1 and Scope 2 emissions by 2050</li></ul> | <p><a href="#">KLA 2025 Global Impact Report, Climate and Energy</a></p> <p><a href="#">2025 CDP Climate Change, C7 Environmental performance (7.53, 7.54)</a></p>    |



## VERIFICATION OPINION DECLARATION GREENHOUSE GAS EMISSIONS AND ELECTRICITY CONSUMPTION

To: The Stakeholders of KLA Corporation

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

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

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

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

Types of GHGs: CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub>, HFCs, NF<sub>3</sub>, SF<sub>6</sub>

### GHG Emissions and Electricity Consumption Statement:

- **Scope 1:** 6,956 metric tons of CO<sub>2</sub> equivalent
- **Scope 2 (Location-Based):** 84,508 metric tons of CO<sub>2</sub> equivalent
- **Scope 2 (Market-Based)<sup>1</sup>:** 32,971 metric tons of CO<sub>2</sub> equivalent
- **Scope 3:**
  - **Purchased Goods and Services:** 759,376 metric tons of CO<sub>2</sub> equivalent
  - **Capital Goods:** 27,446 metric tons of CO<sub>2</sub> equivalent
  - **Fuel- and Energy-Related Activities (Market-Based):** 26,148 metric tons of CO<sub>2</sub> equivalent
  - **Upstream Transportation and Distribution:** 100,064 metric tons of CO<sub>2</sub> equivalent
  - **Waste Generated in Operations (13 supersites where data is reported):** 586 metric tons of CO<sub>2</sub> equivalent
  - **Business Travel:** 75,510 metric tons of CO<sub>2</sub> equivalent
  - **Employee Commuting (Location-Based):** 29,452 metric tons of CO<sub>2</sub> equivalent
  - **Use of Sold Products (Lifetime Scope 2 Location-Based GHG Emissions):** 2,603,018 metric tons of CO<sub>2</sub> equivalent

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<sup>1</sup> Energy attribute certificates used for the calculation of the Scope 2 Market-Based emissions statement include certificates purchased directly by KLA or conveyed to them by their electricity supplier via a subscribed clean electricity plan.



- **End of Life Treatment of Sold Products:** 4,185 metric tons of CO<sub>2</sub> equivalent
- **Investments:** 117,659 metric tons of CO<sub>2</sub> equivalent
- **Total Purchased Grid Electricity:** 277,346 MWh
- **Purchased Renewable Electricity:**
  - **Renewable Portion of Grid Purchased Electricity:** 152,950 MWh
  - **Energy Attribute Certificates (EACs) Retired:** 47,924 MWh
  - **Total Purchased Renewable Electricity (Grid Purchase + EACs):** 200,874 MWh
- **Total Percent Renewable Electricity:** 72.4%
- **Year-over-Year Change in Electricity Consumption (RY2024 to RY2025):** 13.4% increase
- **Year-over-Year Change in GHG Emissions (RY2024 to RY2025, Scope 1 + Scope 2 Market-Based)<sup>2</sup>:** 3.9% decrease

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

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

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

- GWP: Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR-6)
- United States Environmental Protection Agency (USEPA) Emissions & Generation Resource Integrated Database (eGRID) (2023 data), Revision 1, January 2025
- USEPA Emission Factor Hub, 2025
- International Energy Agency (IEA) Emission Factor Database (2023 data), 2025
- United Kingdom (UK) Department for Environment Food & Rural Affairs (DEFRA), UK Government GHG Conversion Factors for Company Reporting, June 10, 2025
- Environment Canada, National Inventory Report 1990–2023: Greenhouse Gas Sources and Sinks in Canada, Annex 13 - Electricity in Canada: Summary and Intensity Tables, April 21, 2025
- Australian Government, National Greenhouse Accounts Factors, 2024 and 2025 releases
- Utility-specific emission factors
- Open Comprehensive Environmental Data Archive (CEDA), 2025
- USEPA Environmentally-Extended Input-Output (USEEIO) Model v2.0.1, 2022
- USEEIO Supply Chain Greenhouse Gas Emission Factors v1.4, Cornerstone Sustainability Data Initiative, 2025
- CDP Supply Chain Scope 3 Report (2021, 2023 – 2025 releases)
- ecoinvent 3.11

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<sup>2</sup> Year-over-Year Change in Scope 1 + Scope 2 Market-Based emissions was calculated using the previously verified 2024 Scope 1 and Scope 2 Market-Based emissions totals of 6,115 metric tons and 35,419 metric tons of CO<sub>2</sub> equivalent, respectively. These 2024 emissions values do not include emissions from non-Kyoto Protocol Fugitives (HCFCs and VOCs).

- IEA Life Cycle Emission Factors (2023 data), 2025
- Green-e® Residual Mix Emissions Rates (2022 Data), 2024
- Association of Issuing Bodies (AIB) European Residual Mixes, August 26, 2025
- Scope 3 methodologies and emission factors in third-party platform

**Period covered by GHG emissions verification:**

- January 1, 2025 to December 31, 2025

**Criteria against which verification conducted:**

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

**Reference Standard:**

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

**Level of Assurance and Qualifications:**

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

**GHG Verification Methodology:**

Evidence-gathering procedures included but were not limited to:

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

**Verification Opinion:**

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

- is not materially correct and is not a fair representation of the GHG emissions and electricity consumption data and information; and



- has not been prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2) and WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

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

**Statement of independence, impartiality and competence**

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

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

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

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

**Attestation:**

A handwritten signature in blue ink, appearing to read "Megan O'Neil".

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

A handwritten signature in blue ink, appearing to read "Trevor Donaghy".

Trevor Donaghy, Technical Reviewer  
ESG Director  
Apex Companies, LLC  
Pleasant Hill, California

June 9, 2026

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



# Notes About This Report

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

Actual results and actual events may differ materially from those projected in such statements due to various factors, including but not limited to: our ability to achieve the various environmental, social and corporate governance plans, goals and commitments set forth in this report and unexpected delays, difficulties and expenses in executing against such plans, goals and commitments; impacts of climate change or of any actions, by various parties, taken to mitigate or adapt to climate change; our vulnerability to a weakening in the condition of the financial markets and the global economy; risks related to our international operations; evolving Bureau of Industry and Security of the U.S. Department of Commerce rules and regulations and their impact on our ability to sell products to and provide services to certain customers in the People’s Republic of China; risks related to recently announced tariffs; costly IP disputes that could result in our inability to sell or use the challenged technology; risks related to the legal, regulatory and tax environments in which we conduct our business; increasing attention to ESG matters and the resulting costs, risks and impact on our business; unexpected delays, difficulties and expenses in executing against our environmental, climate, inclusion or other ESG targets, goals and commitments; our

ability to attract, retain and motivate key personnel; our vulnerability to disruptions and delays at our third-party service providers; cybersecurity threats, cyber incidents affecting our and our business partners’ systems and networks; our inability to access critical information in a timely manner due to system failures; risks related to acquisitions, integrations, strategic alliances or collaborative arrangements; climate change, earthquake, flood or other natural catastrophic events, public health crises such as the COVID-19 pandemic or terrorism, and the adverse impact on our business operations; the war between Ukraine and Russia, escalation of hostilities in Iran and the Middle East, and the significant military activity in those regions; lack of insurance for losses and interruptions caused by terrorists and acts of war, and our self-insurance of certain risks including earthquake risk; risks related to fluctuations in foreign currency exchange rates; risks related to fluctuations in interest rates and the market values of our portfolio investments; risks related to tax and regulatory compliance audits; any change in taxation rules or practices and our effective tax rate; compliance costs with federal securities laws, rules, regulations, NASDAQ requirements, and evolving accounting standards and practices; ongoing changes in the technology industry and the semiconductor industry in particular, including future growth rates, pricing trends in end-markets, or changes in customer capital spending patterns; our vulnerability to a highly concentrated customer base; the cyclicity of the industries in which we operate; our ability to timely develop new technologies and products that successfully address changes in the industry; risks related to AI; our ability to maintain our technology advantage and protect proprietary rights; our ability to compete in the industry; availability and cost of the materials and parts used in the production of our products; our ability to operate our business in accordance with our business plan; risks related to our debt and leveraged capital structure; we may not be able to declare cash dividends at all or in any particular amount; liability to our customers under indemnification provisions if our products fail to operate properly or contain defects, or if our customers are sued by third parties due to our products; audit of our government funding for R&D, and potential termination or penalties; incurment of significant restructuring charges or other asset impairment charges or inventory write offs; we are subject to risks related to

receivables factoring arrangements and compliance risk of certain settlement agreements with the government; and risks related to the Court of Chancery of the State of Delaware being the sole and exclusive forum for certain actions and proceedings.

Certain of the standards and metrics used, and the expectations and assumptions on which they are based, have been subject to certain internal and third-party verification procedures. However, certain disclosures may be based on assumptions or estimates due to inherent measurement uncertainties. Standards and metrics used in preparing this report, including any underlying data used in preparing such metrics, continue to evolve and are based on expectations and assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees. We expect methodologies, including regarding the calculation of greenhouse gas emissions and associated reductions, to continue to evolve, and we cannot guarantee that our approach will align with the preferences of any particular stakeholder. Moreover, our disclosures based on any standards may change due to revisions in framework requirements, availability of information, changes in our business or applicable governmental policies, or other factors, some of which may be beyond our control. We cannot guarantee that our statements or underlying methodologies may align with the expectations of any particular stakeholder, and the application of different standards or interpretations may result in material differences from our historical reporting. Some information herein is also reliant on third-party information, and any errors in such information may cause actual results and performance to differ. In addition, various aspects of this report are based on processes and procedures that we believe apply appropriate levels of support to address issues in scope and, while these statements may use words such as “ensure,” “prevent,” or similar language, such terms should not be considered to mean (as there can be no guarantee) that such efforts will be successful in all situations. We also refer you to those factors discussed in “Risk Factors” included in documents that we file from time to time with the SEC, including KLA’s Annual Report on Form 10-K for the fiscal year ended June 30, 2026, and other subsequent filings with the Securities and Exchange Commission (including, but not limited to, the risk

factors described therein). All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by all these factors. KLA Corporation assumes no obligation to, and does not currently intend to, update these forward-looking statements. You should not place undue reliance on any forward-looking statement. We do not have, and expressly disclaim, any obligation to update or revise any forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made.

In KLA’s ESG materiality assessment and throughout this report, use of the terms “material” and “materiality” is different than how these terms are used for the purpose of complying with any reporting requirements, including under U.S. federal securities laws and other European and other international disclosure regimes. Given the uncertainties and assumptions required to make some of the disclosures in this report, and the timelines involved, materiality is inherently difficult to assess far in advance. Moreover, given the inherent uncertainty of the estimates, assumptions and timelines contained in this report, we may not be able to anticipate whether or the degree to which we will or will not be able to meet our plans, targets or goals in advance. Separately, certain information included in this report may be used for compliance with various legal obligations; however, this report is necessarily broader than certain legal requirements, and any such use shall not be deemed to incorporate portions of this report that are not responsive to such obligations or references to same. It is not intended, and we hereby disclaim, any legal relations, rights or obligations to any third-party in connection with these disclosures. Moreover, by providing this information, neither we nor any of our affiliates are conceding any specific item is required or applicable under any legal obligation, nor are we conceding any particular interpretation of such legal requirements. Moreover, in certain circumstances, information included in this report may differ from information included in regulatory reporting due to differences in methodologies for the calculation of certain metrics or other factors, which may be in or out of our control.

# 2025 Global Impact Report

