KLA - Climate Change 2023

C0. Introduction

C0.1

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

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

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

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

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date
January 1 2022

End date
December 31 2022

Indicate if you are providing emissions data for past reporting years
No

Select the number of past reporting years you will be providing Scope 1 emissions data for
<Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for
<Not Applicable>

Select the number of past reporting years you will be providing Scope 3 emissions data for
<Not Applicable>

C0.3

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

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

C0.4

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

USD

C0.5

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

Operational control

C0.8

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

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

C1. Governance

C1.1

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

Yes

C1.1a

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

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	Responsibility for climate-related issues is assigned to the Nominating and Governance Committee of the Board of Directors. As stated in the Charter of the Nominating and Governance Committee, the Committee is responsible for monitoring the Company's policies, programs and strategies related to environmental stewardship, corporate citizenship, human rights and other social and public matters of significance to the Company. The Committee reviews progress on an ongoing basis and receives regular updates on our ESG progress.

C1.1b

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Overseeing and guiding employee incentives Reviewing and guiding strategy Monitoring the implementation of a transition plan Overseeing the setting of corporate targets Reviewing and guiding the risk management process	<Not Applicable>	The Nominating and Governance Committee meets at least once per quarter or more frequently, as deemed appropriate, and climate-related issues are a scheduled agenda item at some meetings. The Committee is comprised of no fewer than three non-employee members of the Board. KLA's ESG Steering Committee, composed of senior leaders from across the global business, monitors climate-related risks and opportunities and oversees implementation of the company's ESG strategy and the company's overall ESG performance. The Nominating and Governance Committee of the Board receives updates from time to time on the implementation of and progress against ESG and climate-related goals and activities from the Global ESG Leader who chairs the ESG Steering Committee. The Board of Directors receives an annual presentation from the Global ESG Leader on progress against ESG goals and the implementation of projects and related activities, as appropriate.

C1.1d

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

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	Our board includes several current and former C-level executives at large companies with established ESG programs.	<Not Applicable>	<Not Applicable>

C1.2

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

Position or committee
Other C-Suite Officer, please specify (Executive Vice President and Chief Strategy Officer)

Climate-related responsibilities of this position
Implementing a climate transition plan
Monitoring progress against climate-related corporate targets
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
Quarterly

Please explain
In 2022, KLA established a new executive committee comprised of C-suite executives to guide and oversee our ESG strategy. The committee is comprised of KLA's Vice President and Chief Strategy Officer, Chief Legal Officer and Corporate Secretary, Chief Human Resources Officer, and Chief Financial Officer.
This committee meets at least quarterly to assess and manage ESG-related risks and opportunities which generally includes climate. The committee discusses ESG initiatives and progress, which is then shared as appropriate with the Board of Directors. The Chief Strategy Officer is the corporate sponsor of ESG initiatives to the Board of Directors, while day to day implementation of ESG initiatives is primarily managed by the Global ESG Leader.

C1.3

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

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

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

Entitled to incentive
Environment/Sustainability manager

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary
Salary increase
Shares

Performance indicator(s)
Progress towards a climate-related target
Increased share of renewable energy in total energy consumption
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to
Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)
Our ESG balanced scorecard considers aspects of our ESG performance, including climate-related issues. KLA's Global ESG Leader receives an annual bonus that includes performance on climate-related objectives, such as KLA's goal to use 100% renewable electricity across global operations by 2030 and reduce Scope 1 & 2 emissions by 50% by 2030.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
KLA has developed short- and long-term ESG targets around emissions reduction, renewable energy use, and more. To encourage traction towards ongoing progress of these goals, KLA's Global ESG Leader may receive a monetary reward based on ESG-related criteria outlined in our ESG balanced scorecard. The Global ESG Leader is responsible for heading coordinated efforts to achieve goals such as KLA's 2030 target of reducing Scope 1 and 2 emissions by 50% and using 100% renewable electricity across global operations by 2030. These efforts include identifying opportunities across our value chain to reduce environmental impact, sharing progress in our annual Global Impact Report (GIR), and communicating progress internally.

C2. Risks and opportunities

C2.1

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

C2.1a

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

	From (years)	To (years)	Comment
Short-term	0	2	This applies to ESG/climate-related planning horizons.
Medium-term	2	10	This applies to ESG/climate-related planning horizons.
Long-term	10	30	This applies to ESG/climate-related planning horizons.

C2.1b

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

We identify climate-related risks and opportunities and assess them based on potential impact, likelihood, and vulnerability. Impact is measured across multiple attributes, including financial performance, reputational harm and continuity of operations. Substantive financial or strategic impacts are those that would affect or impact our stakeholders, whether it is our ability to provide differentiated and compelling solutions for our customers, or our ability to attract and retain world-class employees, or provide returns to our shareholders or support the communities in which we operate. Some of the quantitative factors we use to assess whether financial or strategic impact are substantive include assessment of impact in our ability to meet our customer's needs in a timely manner, revenues, costs, profit margins, market share, as well as other disruptions that could adversely impact our stakeholders.

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

C2.2

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

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
A specific climate-related risk management process

Frequency of assessment
Annually

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Climate-related risk and opportunity management provides a holistic view of KLA's risk profile and enables senior management to determine if additional activities are required to address or capitalize on any substantive risks or opportunities respectively. KLA undergoes a climate risk and opportunity assessment guided by the framework and recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) which is updated annually and covers short-, medium-, and long-term risks and opportunities across the full value chain (direct operations, upstream, and downstream). The assessment process is described as follows:

Identifying
In 2021, we conducted our first annual in-depth climate risk and opportunity assessment following the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and included potential physical and transition risks and opportunities across the global enterprise and value chain. Through research and internal stakeholder engagement, we identified climate-related risks and opportunities, as defined by TCFD risk types and classifications, with the potential to impact the business. Moving forward, the information gathered during this annual assessment process will continue to be used to inform potential adjustments to our company strategy and management plans.

Assessing
In our direct operations, we considered how the physical risks such as extreme weather events could impact our manufacturing and critical R&D sites and enterprise IT systems. In our upstream operations, we considered how physical risks could negatively impact our supply chain operations.
In our downstream operations, we considered physical risks such as increasing frequency and severity of extreme weather events which could negatively impact our customer operations. We considered market-related transition risks and downstream opportunities such as innovation to enhance the efficiency of existing and/or new products to support customer climate goals and enhance KLA's value proposition and customer satisfaction.

Responding
Key senior leaders across our business operations – including Real Estate, IT, Supply Chain, Product and Corporate/Legal – and subject matter experts were engaged to assess the relevance of climate-related risks and opportunities to the business and prioritize them based on potential impact, likelihood and vulnerability assessments. The input provided by these stakeholders through workshops led by a third-party consultant provided input of the magnitude of impact and the ability of the business to control and mitigate risks and capitalize on opportunities. Results were reported to the ESG Steering Committee. Outputs are used to inform potential adjustments to our company strategy and management plans, including leveraging opportunities to enhance our operational business continuity plans for resiliency, reduce resource use, and support our transition to a low-carbon economy.
In our upstream operations, outputs inform our supply chain strategy and management plans. In downstream operations, these outputs inform our ESG strategy and management plans, including leveraging opportunities to: develop a better understanding of our products' energy consumption during use, integrate energy efficiency considerations into product development processes, and evaluate future climate goals addressing Scope 3 emissions.

Value chain stage(s) covered
Direct operations

Risk management process
A specific climate-related risk management process

Frequency of assessment
Annually

Time horizon(s) covered
Short-term

Description of process
Within our Environmental Management System, we have a risk register which assesses physical risks and opportunities across our global operations. Risks and opportunities are part of our ISO 14001 facility-level certification process and evaluated using a 1/2/3 rating scale outlined in our Environmental Health and Safety framework. Risks are evaluated annually and cover a two-year time horizon with goals established every two years and reported on twice annually. For risks that are deemed significant, the EHS Director creates an environmental management plan which is tracked quarterly. In our streams of operations, we considered the physical risks such as increasing frequency and severity of extreme weather events, and transitions risks impacting various aspects of operations.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
A specific climate-related risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered

Short-term

Description of process

Our ESG Steering Committee meets monthly to discuss ESG-related risks and opportunities across the business impacting the implementation of our ESG strategy and goals. Additionally, we gather market insight from industry working groups such as the Responsible Business Alliance (RBA) and SEMI, the global industry association that unites the entire electronics manufacturing and design supply chain.

C2.2a

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

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	We are committed to complying with applicable regulations and have processes in place to monitor current regulatory requirements and their impact on our business operations. For example, our 2022 climate risk and opportunity assessment included an assessment of potential impacts of failing to comply with climate-related regulations, as well as our operational control methods to mitigate risks and ensure compliance.
Emerging regulation	Relevant, always included	We evaluate the emergence of and potential for emerging climate- related regulations and assess potential impacts on our business operations as well as operational control methods needed to mitigate risks and ensure compliance. For example, our 2022 climate risk and opportunity assessment included an assessment of emerging carbon regulations (e.g., emissions trading schemes, carbon taxes, compliance standards) impacting fossil fuel energy costs and cost of goods sold. We also assessed the potential impact of emerging climate disclosure regulations.
Technology	Relevant, always included	We monitor potential technology risks that could affect our business strategy. Our tools and technologies help drive manufacturing process improvements for customers that can achieve higher yield while reducing energy use, emissions, and waste in the process. Therefore, changing customer requirements present both risks and opportunities for KLA to meet and exceed customer requirements and invest in new technology solutions that improve efficiency. We continue to prioritize the need to generate and adopt innovation that will enhance our products' energy efficiency during use and evaluate future climate goals addressing Scope 3 emissions.
Legal	Relevant, always included	Legal risks may be informed by climate-related issues. This risk type is relevant and always included in the form of exposure to environmental liability or lawsuits. In addition, as part of our ISO certification at manufacturing sites in the U.S., Israel, Wales and Singapore, we maintain a list of legal requirements applicable at each site, which includes environmental, health, safety, and climate-change, and regularly evaluate our compliance and assess our risk.
Market	Relevant, always included	We monitor potential marketplace risks and opportunities that might affect our ability to conduct business as well as potential operational, environmental, regulatory and marketplace risks that may affect our ability to conduct business and compromise our reputation to our customers and to the public. For example, our 2022 climate risk and opportunity assessment included an assessment of the potential for changing customer preferences toward more energy efficient products and services to reduce demand for our products and services.
Reputation	Relevant, always included	We consider our business's reputation within the semiconductor industry, with our customers, and with our stakeholders, and understand the critical need to preserve our brand. Reputational risks may be informed by climate-related issues and are included in our climate risk and opportunities assessment process. For example, in 2022 we assessed the potential impact of failing to meet growing expectations from stakeholders to implement and report climate goals on KLA's brand reputation and its ability to attract and retain key talent, customers and shareholders. Using a prioritized set of ratings, reports, and benchmarks, we evaluate our performance relative to our peers.
Acute physical	Relevant, always included	We consider acute physical risks in our climate risk and opportunity assessment process. Our 2022 climate risk and opportunity assessment including an assessment of the potential impact of extreme weather events increasing the frequency of power outages, property damage and temporary site closure of our facilities, and negatively impacting staff productivity, costs, and real estate asset values. We also assessed our risk exposure to extreme weather events that could negatively impact enterprise and customer IT systems, as well as supply chain operations. Additionally, we evaluated our operational control methods to mitigate physical risks related to climate change. KLA has redundancy, Business Continuity Plans, and disaster recovery plans in place as well as flexible work arrangements globally to mitigate business interruption and ensure resilience.
Chronic physical	Relevant, always included	We consider chronic physical risks in our climate risk and opportunity assessment process. Our 2022 climate risk and opportunity assessment assessed the potential impact of physical changes arising from sustained temperature increases directly impacting our operations, and our suppliers' operations. For example, KLA's global manufacturing and R&D facilities are located in different regions around the world, including some that may be susceptible to climate-related changes in average temperatures. These temperature changes could result in increased operational and manufacturing costs associated with heating and cooling our physical real estate assets. Additionally, we evaluated our operational control methods to mitigate physical risks related to climate change. KLA has Business Continuity Plans in place as well as flexible work arrangements globally to ensure resilience.

C2.3

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

No

C2.3b

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

	Primary reason	Please explain
Row 1	Risks exist, but none with potential to have a substantive financial or strategic impact on business	In 2022, we conducted a climate risk and opportunity assessment following the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) that included potential short, medium, and long-term physical and transition risks and opportunities across the global enterprise and value chain. Key senior leaders and subject matter experts were engaged to assess the relevance of climate-related risks and opportunities to the business and evaluate them based on potential impact, likelihood, and vulnerability. A total inherent risk score and total residual risk score was calculated and assessed against our climate risk assessment thresholds. Through this process, we did not identify any climate-related risks that we currently anticipate would have a substantive impact on the business, as defined by the standard reported in C2.1b. We have identified climate related risks that exist but do not expose KLA to substantive financial or strategic impacts. One example of a risk we assessed the potential impact of acute physical climate impacts, such as extreme weather events, on supply chain operations. These events could disrupt supply continuity, reduce materials availability, and hinder production, thereby impacting KLA's ability to fulfil product orders. To assess the operational, financial, and reputational impacts of this risk, we engaged with key internal stakeholders. Through this process, it was determined that the potential impact on KLA associated with this risk is low due to the resiliency of KLA's business and our workforce. Additionally, we have redundancy, Business Continuity Plans and disaster recovery plans in place for our manufacturing facilities, critical R&D facilities and data centers to mitigate business interruption and improve resilience.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
No

C2.4b

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

	Primary reason	Please explain
Row 1	Opportunities exist, but none with potential to have a substantive financial or strategic impact on business	In 2022, we conducted a climate risk and opportunity assessment across the global enterprise and value chain. Key senior leaders and subject matter experts were engaged to assess the relevance of climate-related risks and opportunities to the business and evaluate them based on potential impact, likelihood, and vulnerability assessments. A total inherent risk/opportunity score and total residual risk/opportunity score was calculated and assessed against our climate risk and opportunity assessment thresholds. Through this process, we did not identify any climate-related opportunities that we currently anticipate would have a potential substantive impact on the business. We have identified climate related opportunities that exist but do not expose KLA to substantive financial or strategic impacts. One opportunity that was assessed was the opportunity for KLA's improvement of energy efficiency and materials circularity of existing and/or new products to enhance KLA's value proposition for customers. KLA's key stakeholders were engaged to assess the actual and potential operational, financial, and reputational impacts of this opportunity on KLA. Through the opportunity assessment process, it was determined that the potential opportunity for KLA is not substantive at this time. Our products enable our customers to reduce their waste, water and energy consumption as they work toward their sustainability goals. However, we do not consider this a standalone opportunity as much as a natural outgrowth of our existing operations. We are developing a product energy efficiency strategy that incorporates efficiency metrics into product development processes. Through this strategy, we aim to generate and adopt innovative solutions that enhance the energy efficiency of our products during use. We have also developed a quantifiable Scope 3 emissions reduction target which is being submitted for review to the Scienced Based Target Initiative (SBTi) alongside our existing Scope 1 and 2 emissions goals.

C3. Business Strategy

C3.1

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

Row 1

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

Publicly available climate transition plan
Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan
We have a different feedback mechanism in place

Description of feedback mechanism
KLA communicates our transition plan through our annual Global Impact Report.

Frequency of feedback collection
Annually

Attach any relevant documents which detail your climate transition plan (optional)
Our transition plan consists of our publicly announced climate goals and progress towards our goals as reported annually through our ESG disclosures. Please see our 2022 Global Impact Report at https://www.kla.com/company/environmental-social- governance

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future
<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy
<Not Applicable>

C3.2

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

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Important but not an immediate priority	In 2023, KLA aims to incorporate scenario analyses into the annual climate risk and opportunity assessment process. The results of our prior qualitative climate risk and opportunity assessments highlighted opportunities to strengthen and validate future iterations by incorporating quantitative analysis. For example, certain risks, such as carbon pricing risks, could be better evaluated by incorporating quantitative modeling to future analyses.

C3.3

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

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	We are evaluating the need to generate and adopt innovation that will enhance our products' energy efficiency during use. To better understand our current baseline, we have established working groups across our businesses to segment KLA product groups, define best practice methodologies and assumptions for calculating energy consumption and gather more accurate data. Leveraging the SEMI S23 Guide for Conservation of Energy, Utilities and Materials Used by Semiconductor Manufacturing Equipment, wherever possible we are measuring the energy consumption of our tools and components in our labs rather than relying on modeling or industry averages. We have developed a quantifiable Scope 3 emissions reduction target which is being submitted for review to the Scienced Based Target Initiative (SBTi) alongside our existing Scope 1 and 2 emissions goals. We are also developing a product energy efficiency strategy that incorporates efficiency metrics into product development processes. Through this strategy, we aim to generate and adopt innovative solutions that enhance the energy efficiency of our products during use. We also improved our energy use estimates by considering destinations for product shipments, which provides a more accurate representation of the electricity grids in those locations.
Supply chain and/or value chain	Yes	In 2022, we developed a supplier engagement strategy to engage suppliers representing highest impact emissions on setting their own climate-related targets.
Investment in R&D	Yes	Investment in R&D is a cornerstone of innovation for KLA. KLA's product strategy is centered on Moore's Law, so increasing the efficiency, including energy efficiency, of KLA's products is integral to KLA's R&D investments. We are currently evaluating our climate-related risks and opportunities and how this will inform our strategy for investment in R&D.
Operations	Yes	At KLA, we are committed to reducing the carbon footprint associated with our energy consumption. We are working to achieve this by exploring opportunities to source low-carbon energy and by reducing our overall energy consumption through site-level energy audits that identify opportunities to improve energy efficiency. Since 2018, we have increased our procurement of electricity from carbon-free sources across our global operations. In addition, we are currently engaged in due diligence for our long-term renewables procurement strategy. We are currently on track toward our renewable electricity goal, to use 100% renewable electricity across our global operations by 2030, at 55%. To further enhance our use of low-carbon energy, we are collaborating with third-party consultants to refine our approach.

C3.4

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

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Indirect costs Access to capital	Integrating climate-related risks and opportunities into planning, through our strategic planning process, raises awareness across the business, and helps us respond to stakeholders. In 2020, we conducted an ESG assessment and research to better understand customer climate programs and preferences. This includes looking at customers that have set targets and made Net Zero commitments. As part of the same ESG assessment, we sought to better understand investor priorities, including climate change and greenhouse gas emissions. In this, we learned that some of our investors are integrating ESG as part of their core investment philosophy and decision making. These stakeholder preferences are beginning to influence our financial and strategic planning to ensure we continue to meet stakeholder needs. As an example, in June 2022 KLA announced a $1.5 billion, five-year sustainability-linked revolving credit facility that ties financial performance to our climate goals related to using 100% renewable electricity and reducing Scope 1 and Scope 2 emissions.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, and we do not plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

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

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Target ambition
1.5°C aligned

Year target was set
2022

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2

Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Base year
2021

Base year Scope 1 emissions covered by target (metric tons CO2e)
4698

Base year Scope 2 emissions covered by target (metric tons CO2e)
43623

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
48321

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
50

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
24160.5

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
7964

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
36955

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
44919

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]
14.0808344198175

Target status in reporting year
New

Please explain target coverage and identify any exclusions
The target covers company-wide Scope 1 & 2 emissions within the GHG inventory boundaries. In 2022, KLA announced a new target to reduce Scope 1 and 2 emissions by 50% by 2030 from our 2021 baseline. No sources of Scope 1 and 2 emissions are excluded from the target.

Plan for achieving target, and progress made to the end of the reporting year
KLA expects direct and indirect emissions to rise as our business grows. KLA calculated that indirect emissions from electricity purchases will be the largest source of emissions growth within Scope 1 and 2 by 2030. Therefore, KLA prioritizes the emissions reduction opportunities within Scope 2 electricity purchases. Annual purchases of energy attribute certificates from carbon-intensive electricity grids are already a part of the 2030 goal of 100% renewable energy. Meeting the renewable energy goal has put the trajectory of Scope 1 and 2 emissions on the pathway to below 50% of base year emissions in 2030. The year 2022 already saw a 7.0% reduction in Scope 1 and 2 emissions from the 2021 base year. Renewable energy grew from 52% of consumed electricity in 2021 to 55% of all MWh consumed in 2022.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
Target(s) to increase low-carbon energy consumption or production
Net-zero target(s)

C4.2a

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

Target reference number
Low 1

Year target was set
2021

Target coverage
Company-wide

Target type: energy carrier
Electricity

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Base year
2021

Consumption or production of selected energy carrier in base year (MWh)
197187

% share of low-carbon or renewable energy in base year
52

Target year
2030

% share of low-carbon or renewable energy in target year
100

% share of low-carbon or renewable energy in reporting year
55

% of target achieved relative to base year [auto-calculated]
6.25

Target status in reporting year
Underway

Is this target part of an emissions target?
No

Is this target part of an overarching initiative?
Other, please specify (In support of our Scope 1 & 2 absolute emissions target.)

Please explain target coverage and identify any exclusions
In 2021, KLA was proud to announce a new goal to use 100% renewable electricity across our global operations by 2030. With this goal, we are supporting the transition to a clean energy economy by working to set GHG emission reduction targets and reporting climate-related information to stakeholders following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). No sources of electricity emissions are excluded from the target.

Plan for achieving target, and progress made to the end of the reporting year
Since 2018, we have increased our procurement of electricity from carbon-free sources across our global operations. In 2021, 52% of our electricity was sourced from renewable energy sources and grew to 55% in 2022. This consisted of renewable energy from the grid and the purchase of Renewable Energy Credits (RECs). We are now moving forward with due diligence on our long-term renewables procurement strategy and have engaged with third-party consultants to further develop our action plan. At the same time, we are working to reduce our overall energy consumption through site-level energy audits that identify opportunities to improve energy efficiency.

List the actions which contributed most to achieving this target
<Not Applicable>

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number
NZ1

Target coverage
Company-wide

Absolute/intensity emission target(s) linked to this net-zero target
Abs1

Target year for achieving net zero
2050

Is this a science-based target?
No, and we do not anticipate setting one in the next two years

Please explain target coverage and identify any exclusions
The target coverage for this net-zero goal is our company scope 1 and 2 emissions. It does not include our Scope 3 emissions.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?
Yes

Planned milestones and/or near-term investments for neutralization at target year
We will use our short-term Scope 1 and 2 emissions reduction goal and our commitment to sourcing 100% renewable electricity by 2030 as an immediate milestone to help us achieve this goal.

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

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

C4.3a

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

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	1	8182.08
Not to be implemented	0	0

C4.3b

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

Initiative category & Initiative type

Low-carbon energy consumption	Low-carbon electricity mix

Estimated annual CO2e savings (metric tonnes CO2e)
8182.08

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
31638

Investment required (unit currency – as specified in C0.4)
0

Payback period
<1 year

Estimated lifetime of the initiative
<1 year

Comment
Voluntary purchase of RECs for 2022

C4.3c

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

Method	Comment
Dedicated budget for energy efficiency	KLA has reserved funds to conduct facility energy audits and develop energy efficiency implementation plans. Two sites were audited in CY22.
Other (Sustainability-linked revolving credit facility)	In 2022, KLA announced a $1.5 billion, five-year sustainability-linked revolving credit facility that ties financial performance to environmental goals. Our progress is measured on achieving goals of increased usage of renewable electricity within our operations and reductions in Scope 1 and 2 emissions. The credit facility supports investment in emissions reduction activities and helps us achieve our goals to reach 100% renewable electricity across our global operations by 2030 and reduce Scope 1 and 2 emissions by 50% by 2030.
Employee engagement	In 2022, KLA held events to engage employees around environmental topics. This included a hackathon focused on ESG and sustainability topics at our Israel site. This year's event focused developing ideas that have the potential to reduce KLA's waste and carbon footprint. The hackathon was an opportunity for teams to evaluate KLA's existing processes and develop innovative solutions to improve efficiency and circularity. The three winning projects centered around packaging, power consumption and material reuse.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?
No

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?
No

C5.1a

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

Row 1

Has there been a structural change?
No

Name of organization(s) acquired, divested from, or merged with
<Not Applicable>

Details of structural change(s), including completion dates
<Not Applicable>

C5.1b

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

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	In 2022, KLA pursued more manufacturing and office primary data to be used in the GHG assessment. This replaced a large share of estimated activity data for sites in previous years. The methodology change did not trigger a need to re-baseline. We define our organizational boundaries for the inventory using the Operational Control approach per the GHG Protocol guidelines. Under this approach, we accounted for 100% of the GHG emissions from sources over which we have operational control. This includes 15 KLA ""Super Sites"" (compared with 14 such sites in 2021), numerous leased offices, warehouses, and other classes of facilities, company vehicles, and all equipment operated by KLA. We define a Super Site as KLA-owned or leased facilities where we have significance presence. We collect detailed data on operations at these locations for energy, water, waste, backup generators, vehicles, refrigerants, and other emissions sources. Methodology changes in 2022 included expanded data availability and improved data quality.

C5.1c

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

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	No, because the impact does not meet our significance threshold	<Not Applicable>	KLA follows the guidelines of the World Resource Institute (WRI)/World Business Council for Sustainable Development (WBCSD) GHG Protocol for adjusting the base year GHG inventory. The base year inventory is adjusted in response to any structural or methodology changes if the resulting adjustment is more than 5% of base year emissions. Adjustments less than this threshold are considered insignificant and are decided on a case-by-case basis.	No

C5.2

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

Scope 1

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
4698

Comment

Scope 2 (location-based)

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
69057

Comment

Scope 2 (market-based)

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
43623

Comment

Scope 3 category 1: Purchased goods and services

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
654643

Comment

Scope 3 category 2: Capital goods

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
24816

Comment

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

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
17879

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
110405

Comment

Scope 3 category 5: Waste generated in operations

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
372

Comment

Scope 3 category 6: Business travel

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
10789

Comment

Scope 3 category 7: Employee commuting

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
6915

Comment

Scope 3 category 8: Upstream leased assets

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
3027237

Comment

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

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

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

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance
The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

C6. Emissions data

C6.1

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

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
7964

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.2

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

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment

C6.3

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

Reporting year

Scope 2, location-based
68258

Scope 2, market-based (if applicable)
36955

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?
Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source of excluded emissions
Emissions associated with SF6 usage at one site

Scope(s) or Scope 3 category(ies)
Scope 1

Relevance of Scope 1 emissions from this source
Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source
<Not Applicable>

Relevance of market-based Scope 2 emissions from this source
<Not Applicable>

Relevance of Scope 3 emissions from this source
<Not Applicable>

Date of completion of acquisition or merger
<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents
1

Estimated percentage of total Scope 3 emissions this excluded source represents
<Not Applicable>

Explain why this source is excluded
This single source of process gas is tracked at the site level, but the resulting emissions are remediated via onsite technology that has an estimated destruction efficiency rate of 99.99%. As a result, we anticipate these emissions to be negligible but have not yet determined a process for calculating the actual residual emissions.

Explain how you estimated the percentage of emissions this excluded source represents
The reported value of 1% in column 8 reflects a nonzero value (which we believe to be less than 1%) as we estimate the resulting emissions after destruction to be negligible.

C6.5

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

Purchased goods and services

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
775692

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

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

Capital goods

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
17250

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

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

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

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
19805

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

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

Upstream transportation and distribution

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
175008

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

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

Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
462

Emissions calculation methodology
Average data method
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions are calculated using a combination of specific waste types and disposal methods (waste-type-specific), as well as average values for waste streams (average data). Quantity of waste per type is multiplied by standard emission factors.

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
44519

Emissions calculation methodology
Spend-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

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

Employee commuting

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
14547

Emissions calculation methodology
Other, please specify (Anthesis White Paper, Feb 2021 - No Survey Approach: "Estimating Energy Consumption & GHG Emissions for Remote Workers")

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
As many employees have been working remotely or in a hybrid mode since March 2020 due to the COVID-19 pandemic, an employee commute survey was not conducted for 2020, 2021, or 2022. Accordingly, the “No Survey” approach from the Anthesis “Estimating Energy Consumption & GHG Emissions for Remote Workers” White Paper released in February 2021 was followed to estimate the emissions associated with incremental energy use from remote work.

Upstream leased assets

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
0

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
No emissions recorded for this reporting year. As of our 2021 reported inventory, leased facilities have been recategorized as S1&2 emissions.

Downstream transportation and distribution

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Data unavailable for this reporting year; we aim to collect the data and calculate the emissions in future reporting efforts as hotspots are prioritized.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

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

Use of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
3221137

Emissions calculation methodology
Methodology for direct use phase emissions, please specify (GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard - Direct Use-Phase Emissions)

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Direct electricity for use of sold products was measured following S23 and/or F47/E6 measurement approaches or estimated via Total Equivalent Energy (TEE) estimation methodologies for the majority of the tools shipped. In 2022, a significant effort to test tools according to the S23 methodology was conducted, which included both the direct electrical consumption, as well as equivalencies for energy-consuming processes required to run the tools, such as nitrogen, clean dry air, and creating vacuum. For remaining tools without direct testing data, electricity usage per tool was assumed to be equal to the average for the appropriate company or division. Country-specific electrical grid emissions factors were applied to account for where in the world each tool was shipped. In 2022, the median product lifetime for our products based on average retirement rates ranged from 12-25 years, which results in relatively large lifetime GHG emissions. In the absence of product lifetime data, a conservative default assumption of 25 years, based on the Restriction of Hazardous Substances (ROHS) standard, was applied. The end-users' Scope 2 and Scope 3 FERA emissions are included. In 2022, global average IEA emission factors were used for the Scope 2 emissions and global average IEA T&D factors and average Defra WTT factors were used for the users' Scope 3 FERA emissions.

End of life treatment of sold products

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

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

Downstream leased assets

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

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

Franchises

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

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

Investments

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

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

Other (upstream)

Evaluation status
Not evaluated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

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

Other (downstream)

Evaluation status
Not evaluated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

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

C-CG6.6

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

	Assessment of life cycle emissions	Comment
Row 1	Yes	

C-CG6.6a

(C-CG6.6a) Provide details of how your organization assesses the life cycle emissions of its products or services.

	Products/services assessed	Life cycle stage(s) most commonly covered	Methodologies/standards/tools applied	Comment
Row 1	Representative selection of products/services	Use stage	Other, please specify (SEMI S23, F47 and TEE guidelines)	A critical component of our Scope 3 footprint is the emissions from the use of our sold products. Across our portfolio, we build KLA products that last. In fact, the estimated average lifespan of a KLA product is over 20 years. In 2022, to more accurately calculate the environmental impact of our tools during use, we established working groups across our businesses that completed rigorous evaluations using SEMI S23 guidelines to measure total energy use across the lifecycle of each product family. We also fine-tuned our energy use estimates by using destinations for product shipments, providing a more accurate representation of the electricity grids in those locations. Leveraging the SEMI S23, wherever possible we are measuring the energy consumption of our tools and components in our labs rather than relying on modeling or industry averages. The results give us better insight into lifecycle impacts, including the energy use of our products and the provision of clean and dry air, nitrogen, exhaust, vacuum, and ultrapure water. These assessments go beyond previous measurements that were focused solely on direct electricity use and help us better align with evolving industry standards. We aim to use this information to inform generation and adoption of innovation to enhance our products' energy efficiency during use and reduce our overall environmental footprint.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?
No

C6.10

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

Intensity figure
0.000004278

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
44919

Metric denominator
unit total revenue

Metric denominator: Unit total
10500000000

Scope 2 figure used
Market-based

% change from previous year
27

Direction of change
Decreased

Reason(s) for change
Change in renewable energy consumption

Please explain
Renewable energy procurement increased the total MWh of renewable energy sources to 55% in 2022; up from the 52% in 2021.

C7. Emissions breakdowns

C7.1

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

C7.1a

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

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	5651.34	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	3.38	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	10.6	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	2298.19	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

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

Country/area/region	Scope 1 emissions (metric tons CO2e)
United States of America	2732.04
Israel	2368.71
China	260.61
Germany	616.08
United Kingdom of Great Britain and Northern Ireland	344.27
Singapore	1183.04
Belgium	317.08
Hong Kong SAR, China	7.63
India	43.3
Ireland	0.94
Italy	18.13
Japan	16.18
Malaysia	0
France	2.15
Republic of Korea	21.92
Taiwan, China	27.37
Austria	0.52
Denmark	3.53

C7.3

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

By facility

C7.3b

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

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Milpitas, HQ	1889.9	37.42135	-121.924094
Israel - Migdal HaEmek	977.23	32.675234	35.240527
Singapore	1182.31	1.372353	103.868355
Wales	344.27	51.481583	-3.17909
Israel - Yavne	1366.66	31.91205	34.802216
Shenzhen	0	22.533333	114.133333
Weilburg	559.72	50.483333	8.25
Ann Arbor	678.97	42.3296	-83.7093
India	42.62	12.9598	80.2404
Jena	48.08	50.927	11.586
Leuven	315.16	50.88	4.701
Gorizia	16.92	45.94	13.62
Taiwan - Tainan	0	23.09	120.28
Taiwan - Zhubei	13.46	24.84	121.01
Totowa	129.19	40.89	-74.22
Estimated Site	179.39	0	0

C7.5

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

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	25502.48	5447.37
Israel	15188.1	7797.81
Singapore	12809.13	12809.13
China	4892.48	0
Germany	1635.51	2503.66
Hong Kong SAR, China	299.05	0
United Kingdom of Great Britain and Northern Ireland	2217.5	4050.51
Belgium	160.38	17.49
India	2162.65	810.28
Italy	77.58	146.21
France	9.1	7.98
Ireland	15.08	32.68
Japan	489.4	489.4
Malaysia	52.13	0
Taiwan, China	2401.57	2401.57
Austria	5.57	5.57
Denmark	19.22	114.12
Republic of Korea	320.96	320.96

C7.6

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

By facility

C7.6b

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

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Ann Arbor	4028.51	3809.13
Gorizia	59.58	112.3
India	2133.72	781.35
Jena	528.13	1093.58
Leuven	140.38	0
Migdal HaEmek	7050.87	7050.87
Milpitas	20495.52	673.52
Shenzhen	1426.88	0
Singapore	12791.96	12791.96
Wales	2193.79	4007.2
Weilburg	956.29	1097.24
Yavne	7436.29	46
US Office	948.28	941.31
Italy Office	18	33.91
Hong Kong, China Office	299.05	0
India Office	28.93	28.93
Germany Office	151.09	312.84
Israel Office	700.95	700.95
China Office	1789.79	0
Singapore Office	17.17	17.17
UK Office	23.71	43.31
France Office	9.1	7.98
Ireland Office	15.08	32.68
Japan Office	489.4	489.4
Korea Office	320.96	320.96
Malaysia Office	52.13	0
Taiwan Office	479.19	479.19
Austria Office	5.57	5.57
Denmark	19.22	114.12
Belgium	20	17.49
Shanghai	1675.81	0
Tainan	1094.99	1094.99
Totowa	30.16	23.41
Zhubei	827.39	827.39

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Not relevant as we do not have any subsidiaries

C7.9

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

Decreased

C7.9a

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

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	3402	Decreased	7	Due to the procurement of additional RECs of 34,953 MWh, Scope 1+2 market-based emissions decreased by 3,402 tCO2e or 7.0%. The reporting year change in emissions year over year was calculated with (-3,402) / (48,321 * 100%= -7.0%
Other emissions reduction activities		<Not Applicable>		
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

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

Market-based

C-CG7.10

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

Increased

C-CG7.10a

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

Purchased goods and services

Direction of change

Increased

Primary reason for change

Change in output

Change in emissions in this category (metric tons CO2e)

121049

% change in emissions in this category

18

Please explain

An increase of emissions in PGS by 18% due to increased production/sales volumes

Capital goods

Direction of change
Decreased

Primary reason for change
Other, please specify (KLA transitioned to a different accounting system in 2022 which reclassified some goods as PGS that were previously Capital Goods)

Change in emissions in this category (metric tons CO2e)
7566

% change in emissions in this category
30

Please explain
The emissions from capital goods decreased by 30%

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

Direction of change
Increased

Primary reason for change
Change in output

Change in emissions in this category (metric tons CO2e)
1926

% change in emissions in this category
11

Please explain
More energy and fuels were consumed to meet the increase in production; increasing the FERA emissions by 11%

Upstream transportation and distribution

Direction of change
Increased

Primary reason for change
Change in physical operating conditions

Change in emissions in this category (metric tons CO2e)
64603

% change in emissions in this category
59

Please explain
Higher transport costs coupled with larger inventory volumes could account for the increase.

Waste generated in operations

Direction of change
Increased

Primary reason for change
Change in methodology

Change in emissions in this category (metric tons CO2e)
90

% change in emissions in this category
24

Please explain
Waste emissions increased due to primary activity data being collected from additional sites in 2022. Emissions are calculated by multiplying the operational waste amounts (mass) per above waste stream by emission factors derived from the U.S. EPA Emission Factors for GHG Inventories for U.S.-based sites and Defra for international sites.

Business travel

Direction of change
Increased

Primary reason for change
Other, please specify (Increased air travel after the COVID19 pandemic)

Change in emissions in this category (metric tons CO2e)
33730

% change in emissions in this category
313

Please explain
Business travel emissions increased as flight travel resumed to pre-pandemic levels. Scope 3 emissions from business travel are included for the following sources of travel: commercial air travel, rental cars, rail, taxi and car services, and hotel stays.

Employee commuting

Direction of change
Increased

Primary reason for change
Other, please specify (Increased commuting with more employees working onsite or in a hybrid mode in 2022.)

Change in emissions in this category (metric tons CO2e)
7632

% change in emissions in this category
110

Please explain
Increased commuting with more employees working onsite or in a hybrid mode in 2022.

Upstream leased assets

Direction of change
No change

Primary reason for change
<Not Applicable>

Change in emissions in this category (metric tons CO2e)
<Not Applicable>

% change in emissions in this category
<Not Applicable>

Please explain
No emissions recorded for this reporting year. As of our 2021 reported inventory, leased facilities have been recategorized as S1&2 emissions.

Use of sold products

Direction of change
Increased

Primary reason for change
Change in output

Change in emissions in this category (metric tons CO2e)
193900

% change in emissions in this category
6

Please explain
Across our portfolio, we build KLA products to last—the estimated average lifespan of a KLA product is over 20 years in operation. To more accurately calculate the environmental impact of our tools during use, we established working groups across our businesses that completed rigorous evaluations using SEMI S23 guidelines to measure total energy use across the lifecycle of each product family. The results give us better insight into lifecycle impacts including the provision of clean and dry air, nitrogen, exhaust, vacuum, and ultrapure water, going beyond previous measurements focused solely on direct electricity use. We are further improving our testing cycles and processes to align with evolving industry standards. Consequently, our carbon footprint methodology measures the energy use of our products more accurately. We also fine-tuned energy use estimates by using destinations for product shipments, which provides a more accurate representation of the electricity grids in those locations.Please see the Products & Supply Chain: Keep Looking Ahead section of our 2022 Global Impact Report for more information on our plans to utilize this data in future reduction efforts as we work to improve product energy efficiency.

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?
More than 0% but less than or equal to 5%

C8.2

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

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

C8.2a

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

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	27293	27293
Consumption of purchased or acquired electricity	<Not Applicable>	109626	89323	198949
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	109626	116616	226242

C8.2b

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

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

C8.2c

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

Sustainable biomass

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other biomass

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Coal

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Oil

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Gas

Heating value
HHV

Total fuel MWh consumed by the organization
15663.34

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
15663.34

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

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

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
15663.34

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
15663.34

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

C8.2d

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

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	0	0	0	0
Heat	15663.34	15663.34	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

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

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

Sourcing method
Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier
Electricity

Low-carbon technology type
Low-carbon energy mix, please specify (The breakdown of energy resources is as follows: biomass & biowaste (1.0%), geothermal (3.9%), eligible hydroelectric (8.3%), solar (17.6%), wind (15.6%), and large hydroelectric (35.9%).)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
84678

Tracking instrument used
Contract

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

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment
Our Milpitas facility is enrolled in the Silicon Valley Clean Energy (SVCE) GreenStart electricity offering. The emission factor is marginally above zero, 0.008 gCO2e/kWh

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

Sourcing method
Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier
Electricity

Low-carbon technology type
Low-carbon energy mix, please specify (The low-carbon fuel mix is as follows: Wind (10.36%), Solar PV (7.99%), and Grid average renewables (2.20%).)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
11411

Tracking instrument used
Contract

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

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment
Our Wales facility is enrolled in the SmartestEnergy electricity offering. The emission factor is marginally above zero.

Country/area of low-carbon energy consumption
India

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

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
1952.67

Tracking instrument used
Contract

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

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment
Quantity consumed (MWh) is the amount of wind power generated and supplied by the TamilNadu Generation and Distribution Corporation Ltd. to our India facility. Only a zero-emission factor was applied to this quantity; the appropriate market-based emission factor, based on the GHG Protocol's hierarchy of emission factors for the market-based method, was applied to the amount of additional electricity supplied by the Tamil Nadu Generation and Distribution Corporation Ltd. to our India facility that was generated from non-renewable electricity sources.

Country/area of low-carbon energy consumption
Israel

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
16007

Tracking instrument used
I-REC

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

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment
The large facilities in Israel, Migdal Ha'emek and Yavne, purchases I-RECs to be used to reduce the carbon-intensity of electricity consumption.

Country/area of low-carbon energy consumption
China

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
7925

Tracking instrument used
I-REC

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

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment
The I-RECs were purchased for the major facilities in Shanghai and Shenzhen as well as some minor sites to reduce the carbon intensity of their electricity consumption.

Country/area of low-carbon energy consumption
Germany

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
1377

Tracking instrument used
I-REC

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

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment
Unbundled EACs were banked from 2021 and applied to this European site to further reduce the carbon intensity of electricity consumption.

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area
Austria

Consumption of purchased electricity (MWh)
32.09

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
32.09

Country/area
Belgium

Consumption of purchased electricity (MWh)
1052.23

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
1052.23

Country/area
China

Consumption of purchased electricity (MWh)
7925.26

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
7925.26

Country/area
Taiwan, China

Consumption of purchased electricity (MWh)
4383.12

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
4383.12

Country/area
Republic of Korea

Consumption of purchased electricity (MWh)
1573.18

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
1573.18

Country/area
Denmark

Consumption of purchased electricity (MWh)
215.59

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
215.59

Country/area
France

Consumption of purchased electricity (MWh)
164.21

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
164.21

Country/area
Germany

Consumption of purchased electricity (MWh)
5481.27

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
5481.27

Country/area
Hong Kong SAR, China

Consumption of purchased electricity (MWh)
466.52

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
466.52

Country/area
India

Consumption of purchased electricity (MWh)
3122.63

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
3122.63

Country/area
Ireland

Consumption of purchased electricity (MWh)
57.31

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
57.31

Country/area
Israel

Consumption of purchased electricity (MWh)
32896.68

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
32896.68

Country/area
Italy

Consumption of purchased electricity (MWh)
320.23

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
320.23

Country/area
Japan

Consumption of purchased electricity (MWh)
1023.73

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
1023.73

Country/area
Malaysia

Consumption of purchased electricity (MWh)
79.76

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
79.76

Country/area
Singapore

Consumption of purchased electricity (MWh)
33230.73

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
33230.73

Country/area
United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)

11534.32

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
11534.32

Country/area
United States of America

Consumption of purchased electricity (MWh)
95445.67

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
95445.67

C-CG8.5

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

	Measurement of product/service efficiency	Comment
Row 1	No, but we plan to start doing so within the next two years	Across our portfolio, we build KLA products to last—the estimated average lifespan of a KLA product is over 20 years in operation. To more accurately calculate the environmental impact of our tools during use, we established working groups across our businesses that completed evaluations using SEMI S23, F47 and/or TEE guidelines to quantify total energy use for each product family. Estimations using SEMI S23 guidelines involve more rigorous measurements of the total energy use across the lifecycle of each product family while calculations using F47 and TEE guidelines involve less exact estimations using higher-level product specifications. In 2022, we increased the share of tools covered on a unit basis by the more accurate SEMI 23 estimations to 56%, which is an increase of 19% over our 2021 coverage. We also improved our energy use estimates by considering destinations for product shipments, which provides a more accurate representation of the electricity grids in those locations. These results give us better insight into lifecycle impacts, including the energy use of our products and the provision of clean and dry air, nitrogen, exhaust, vacuum, and ultrapure water. These assessments go beyond previous measurements that were solely focused on direct electricity use, helping us to better align with evolving industry standards.

C9. Additional metrics

C9.1

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

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

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

	Investment in low-carbon R&D	Comment
Row 1	No	

C10. Verification

C10.1

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

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

C10.1a

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

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
KLA FY2022 CDP Verification Statement Limited 06092023.pdf

Page/ section reference
Pg 1 includes the Scope 1 emissions figures verified. Pg 2 includes the type of assurance. Pg 3 contains the Attestation of assurance.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1b

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

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
KLA FY2022 CDP Verification Statement Limited 06092023.pdf

Page/ section reference
Pg 1 includes the Scope 2 emissions figures verified. Pg 2 includes the type of assurance. Pg 3 contains the Attestation of assurance.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
KLA FY2022 CDP Verification Statement Limited 06092023.pdf

Page/ section reference
Pg 1 includes the Scope 2 emissions figures verified. Pg 2 includes the type of assurance. Pg 3 contains the Attestation of assurance.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1c

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

Scope 3 category
Scope 3: Purchased goods and services

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
KLA FY2022 CDP Verification Statement Limited 06092023.pdf

Page/section reference
Pg 1 includes the Scope 3 emissions figures verified. Pg 2 includes the type of assurance. Pg 3 contains the Attestation of assurance.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Capital goods

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
KLA FY2022 CDP Verification Statement Limited 06092023.pdf

Page/section reference
Pg 1 includes the Scope 3 emissions figures verified. Pg 2 includes the type of assurance. Pg 3 contains the Attestation of assurance.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

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

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
KLA FY2022 CDP Verification Statement Limited 06092023.pdf

Page/section reference
Pg 1 includes the Scope 3 emissions figures verified. Pg 2 includes the type of assurance. Pg 3 contains the Attestation of assurance.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Upstream transportation and distribution

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
KLA FY2022 CDP Verification Statement Limited 06092023.pdf

Page/section reference
Pg 1 includes the Scope 3 emissions figures verified. Pg 2 includes the type of assurance. Pg 3 contains the Attestation of assurance.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Waste generated in operations

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
KLA FY2022 CDP Verification Statement Limited 06092023.pdf

Page/section reference
Pg 1 includes the Scope 3 emissions figures verified. Pg 2 includes the type of assurance. Pg 3 contains the Attestation of assurance.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Business travel

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
KLA FY2022 CDP Verification Statement Limited 06092023.pdf

Page/section reference
Pg 1 includes the Scope 3 emissions figures verified. Pg 2 includes the type of assurance. Pg 3 contains the Attestation of assurance.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Employee commuting

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
KLA FY2022 CDP Verification Statement Limited 06092023.pdf

Page/section reference
Pg 1 includes the Scope 3 emissions figures verified. Pg 2 includes the type of assurance. Pg 3 contains the Attestation of assurance.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Use of sold products

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
KLA FY2022 CDP Verification Statement Limited 06092023.pdf

Page/section reference
Pg 1 includes the Scope 3 emissions figures verified. Pg 2 includes the type of assurance. Pg 3 contains the Attestation of assurance.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.2

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

C10.2a

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

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Energy consumption	ISO14064-3	Total purchased grid electricity KLA FY2022 CDP Verification Statement Limited 06092023.pdf
C8. Energy	Renewable energy products	ISO14064-3	Purchased renewable electricity: 1. Renewable portion of grid- purchased renewable electricity. 2. Energy Attribute Certificates (EACs) retired. Total purchased renewable electricity (grid purchase + EACs) KLA FY2022 CDP Verification Statement Limited 06092023.pdf
C8. Energy	Renewable energy products	ISO14064-3	Total percent renewable electricity
C8. Energy	Energy consumption	ISO14064-3	Year-over-year change in electricity consumption (CY2021 to CY2022)

C11. Carbon pricing

C11.1

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

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

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

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

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

C12. Engagement

C12.1

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

Yes, our suppliers

C12.1a

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

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Collect other climate related information at least annually from suppliers

% of suppliers by number
5

% total procurement spend (direct and indirect)
80

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

Rationale for the coverage of your engagement
We assess key direct suppliers using the Responsible Business Alliance (RBA) Facility Supplier Assessment Questionnaire (SAQ).
We currently engage our top 80% direct spend suppliers in the Responsible Business Alliance (RBA)'s Facility Supplier Assessment Questionnaire; this includes environment and some climate-related topics.

Currently emissions from purchased goods and services account for 18% of Scope 3 emissions which is why we engage with our top suppliers.

Impact of engagement, including measures of success
Every year, we assess key direct suppliers using the RBA Facility Supplier Assessment Questionnaire (SAQ), which provides an overall risk score. RBA Facility SAQ overall high-risk score requires a third-party audit, per RBA member guidance, of the supplier to identify areas for improvement, which are then tracked until they are fully addressed.

We measure success for this engagement based on meeting our threshold of 85% response rate to the RBA SAQ assessment. In 2022 we continued to meet our 85% response rate for existing top suppliers on the RBA SAQ assessment. We also increased the number of evaluated direct suppliers by 29% due to recent acquisitions.

Comment

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Please select

% of suppliers by number

% total procurement spend (direct and indirect)

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

Rationale for the coverage of your engagement

Impact of engagement, including measures of success
In 2022, we developed a supplier engagement strategy to engage suppliers representing highest impact emissions on setting their own climate-related targets.

Comment

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?
No, but we plan to introduce climate-related requirements within the next two years

C12.3

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

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?
No, and we do not plan to have one in the next two years

Attach commitment or position statement(s)
<Not Applicable>

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan
KLA engages in ESG and climate-related industry efforts and is participating in several SEMI climate initiatives. These engagements are overseen by our ESG Global Leader and ESG Steering Committee which drive our climate strategy and initiatives.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

C12.3b

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

Trade association
Other, please specify (Semiconductor Industry Association (SIA))

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

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
The SIA understands semiconductors are a key part to addressing global climate change while also advancing economic growth. The SIA announced it will continue to take action to address climate change and promote environmental sustainability.by defining strategies, promoting fair and open trade, advocating for fair competition, and distributing relevant statistical market trends.

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

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated

Trade association
Other, please specify (SEMI)

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

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
SEMI is committed to environmentally sound policies and the health and safety of the community that works in the electronics supply chain. As a member-driven collaborative platform, SEMI facilitates industry-wide efforts that are more effectively undertaken by the industry association rather than by individual companies. SEMI organizes working groups composed of industry experts to address regulatory challenges. These working groups stop onerous, inappropriate, or misguided regulations, educate regulators of superior technical solutions, and reduce the burden of regulatory compliance for SEMI Members.

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

KLA is a founding member of the Semiconductor Climate Consortium. This consortium targets GHG emission reduction strategies within the industry's value chain. KLA's involvement with the Climate Consortium means we collaborate within our industry to develop the tools necessary to reduce our environmental impact and be transparent through environmental reporting.

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

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated

Trade association
Other, please specify (Silicon Valley Leadership Group (SVLG))

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

Has your organization attempted to influence their position in the reporting year?
No, we did not attempt to influence their position

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

SVLG understands the importance of climate change and the need for a comprehensive approach to the issue. The Climate and Energy Policy Team works to support policies and legislation that encourages the development of solutions to environmental challenges, such as the climate crisis, water supply reliability, and infrastructure improvement.

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

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated

C12.4

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

Publication
In mainstream reports

Status
Complete

Attach the document
KLA 2022 Annual Report.pdf

Page/Section reference
ESG is in Our DNA, Environmental, Social, and Governance Initiatives

Content elements
Governance
Strategy
Emission targets

Comment
KLA's Annual Report includes climate and ESG related content including information about targets, governance, and strategic initiatives.

Publication
In voluntary sustainability report

Status
Underway – previous year attached

Attach the document
KLA 2021 Global Impact Report.pdf

Page/Section reference
Environment: Stewardship Priorities, Climate & Energy
Governance & Ethics: Corporate Governance & ESG

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
Climate-related data and progress is available annually through KLA's Global Impact Report. KLA's 2022 Global Impact Report will be published on KLA's ESG website: https://www.kla.com/company/environmental-social-governance.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Other, please specify (SEMI Sustainability Initiative, SEMI Semiconductor Climate Consortium)	KLA is a member of the SEMI Sustainability Initiative that connects companies across the microelectronics ecosystem to discover unique solutions to core issues in ESG. In 2022, KLA became a founding member of the Semiconductor Climate Consortium, the first global collaborative focused on addressing climate-related challenges and reducing GHG emissions across the semiconductor value chain in accordance with the Paris Agreement.

C15. Biodiversity

C15.1

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

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, and we do not plan to have both within the next two years	<Not Applicable>	<Not Applicable>

C15.2

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

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, and we do not plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

C15.3

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

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment
No and we don't plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment
No and we don't plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?
Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	No, and we do not plan to undertake any biodiversity-related actions	<Not Applicable>

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

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

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
No publications	<Not Applicable>	<Not Applicable>

C16. Signoff

C-FI

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

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

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

KLA has also developed a quantifiable Scope 3 emissions reduction target which is being submitted alongside our existing Scope 1 and 2 emissions goals for review by SBTi, and which we plan to publish after SBTi validation.

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

C16.1

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

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