

KLA Corp.

TICKER
NAS:KLAC

MARKET CAPITALIZATION
US\$17 billion

HEADQUARTERS
United States

DISCLOSURES

UK Modern Slavery Act: Yes

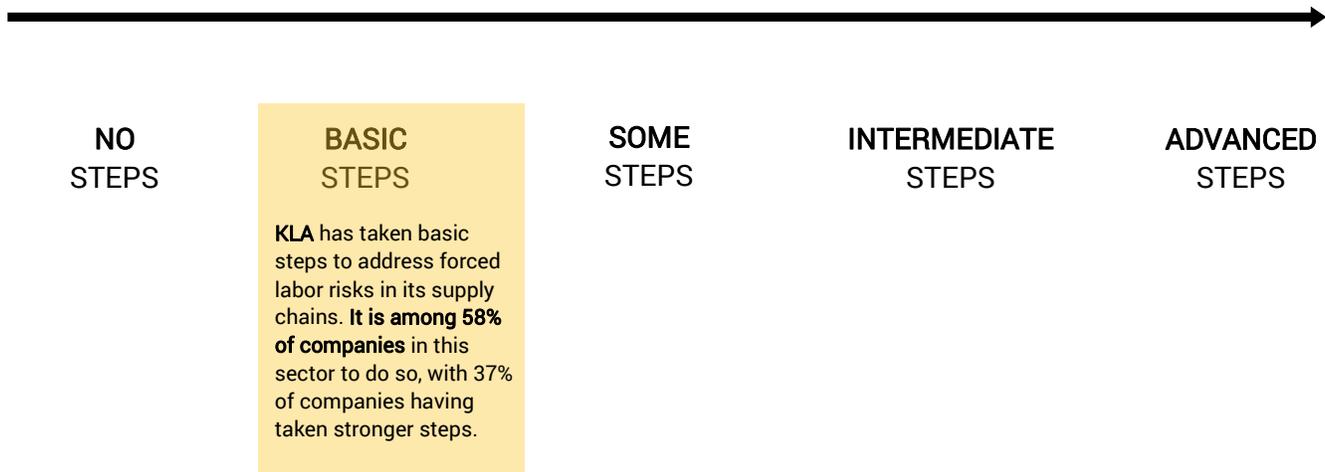
California Transparency in Supply Chains Act: Not available¹

KLA Corp. (KLA), a semiconductor equipment company, has taken basic steps to address forced labor risks in its supply chains. It discloses less information than the global sector average. Other US-based semiconductor companies such as Intel or Micron Technology disclose taking stronger steps.

TARGETS

None

STEPS TAKEN TO ADDRESS FORCED LABOR RISKS IN SUPPLY CHAINS



SUPPLY CHAIN TRANSPARENCY

Supplier List (Including Names and Addresses)

No

Information on Supply Chain Workforce

No

🚩 The company does not disclose information on where it sources from and thus does not allow stakeholders to assess the supply chain-related risks it is exposed to. Most electronic devices are produced at least in part in China and/or Malaysia, two countries where electronics may be produced using forced labor. Further, electronics companies have come under scrutiny in recent

¹ The company may be required to report under the California Transparency in Supply Chains Act, but does not provide a disclosure. The company discloses a statement under the UK Modern Slavery Act, which however makes reference to the requirements of the California Transparency in Supply Chains Act, with reference to its supplier obligations only.

years for the exploitation of supply chain workers in vulnerable conditions, such as migrant workers and student workers. KLA is likely exposed to such risks.²

SUBSET OF INDICATORS

	 NOT MET  PARTIALLY MET  MET	Policy / Process	Outcomes
Supplier Code of Conduct and Integration into Supplier Contracts			
Management and Accountability			Not Applicable
Internal Management			
Stakeholder Engagement			Not Applicable
Local Stakeholders			
Peers			
Risk Assessment			
Purchasing Practices			
Recruitment Fees			
Freedom of Association			Not Applicable
Working with Unions			
Examples of Improvements			
Grievance Mechanism			
Remedy Programs / Response to Allegations			

For example, the company discloses that it is a member of the Responsible Business Alliance (RBA) and has adopted version 6.0 of the RBA Code of Conduct, which prohibits forced labor. The code also forbids worker-paid recruitment fees in the company’s supply chains and requires that fees are repaid to workers. The code further requires suppliers to provide workers with a grievance mechanism.

Additional steps the company could take include

- disclosing internal responsibility for implementing its supplier code of conduct;
- assessing forced labor risks in its supply chains and disclosing the risks identified; and
- developing a remedy process and disclosing remedy outcomes for supply chain workers.

COMPANY ENGAGED WITH KNOWTHECHAIN

Informal (i.e., engaged outside the formal three-month engagement period).

² KnowTheChain (June 2020), “[2020 KTC ICT Benchmark Report](#).” See chapter on Forced Labor Risks in the ICT sector.