

## KLA Corp.

**TICKER**  
NAS:KLAC

**MARKET CAPITALIZATION**  
US\$17 billion

**HEADQUARTERS**  
United States

### DISCLOSURES

UK Modern Slavery Act: Yes

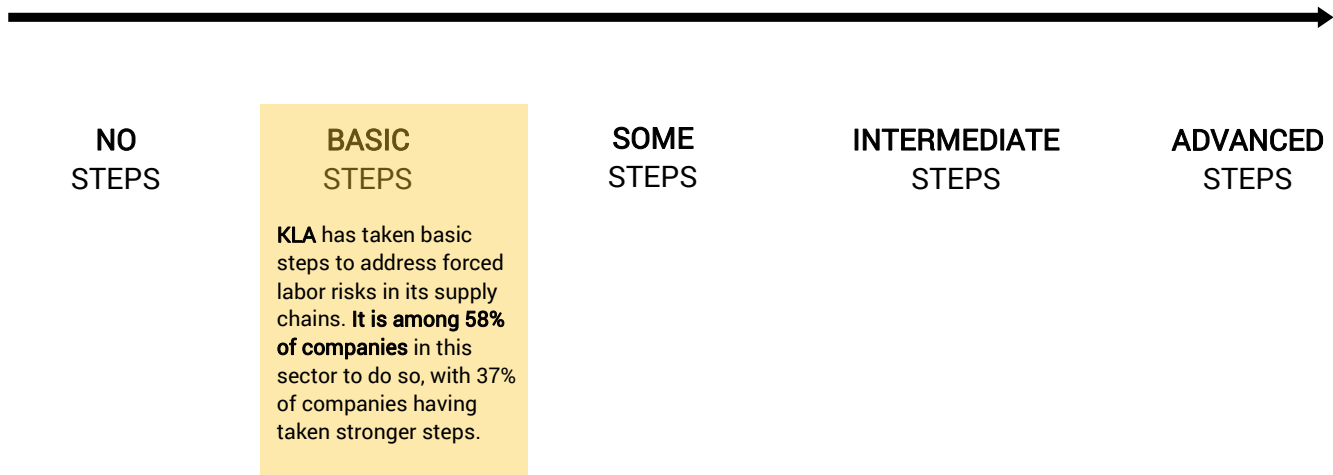
California Transparency in Supply Chains Act: Not available<sup>1</sup>

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

<sup>1</sup> 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.<sup>2</sup>

### SUBSET OF INDICATORS

	 NOT MET	 PARTIALLY MET	 MET	Policy / Process	Outcomes
Supplier Code of Conduct and Integration into Supplier Contracts					
Management and Accountability					
Internal Management					Not Applicable
Board Oversight					
Stakeholder Engagement					
Local Stakeholders					Not Applicable
Peers					
Risk Assessment					
Purchasing Practices					
Recruitment Fees					
Freedom of Association					
Working with Unions					Not Applicable
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).

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

Research conducted through October 2019 or through January 2020, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company’s positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).