

Lam Research Corp. (Lam Research)

TICKER
LRCX

MARKET CAPITALIZATION
US\$84.7 billion

HEADQUARTERS
United States

DISCLOSURES

UK Modern Slavery Act: [Yes \(Disclosure of Subsidiary\)](#)

Australia Modern Slavery Act:
Not applicable

California Transparency in Supply Chains Act: [Yes \(Disclosure of Subsidiary\)](#)

OVERALL RANKING

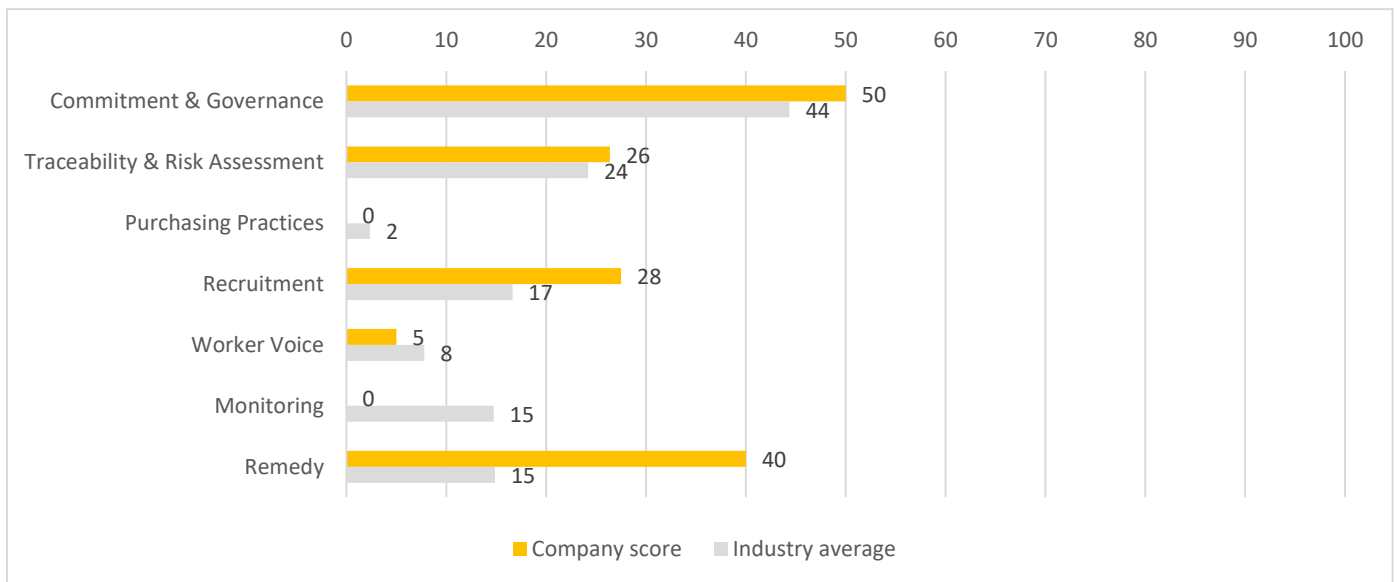
19 out of **60**

(2020 Rank: 29 out of 49)

OVERALL SCORE

24 out of **100**

THEME-LEVEL SCORES



KEY DATA POINTS

SUPPLIER LIST

🚩 No

RISK ASSESSMENT

Yes

ENGAGED WITH KNOWTHECHAIN¹

Yes

NO-FEE POLICY

Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS

Yes (Limited)

HIGH-RISK SOURCING COUNTRIES

🚩 China and Malaysia

SUMMARY

Lam Research Corp. (Lam Research), a supplier to companies including Intel and Samsung, ranks 19th out of 60 companies. Compared to 2020, the company improved its rank by 10 places. This is because the company began disclosing information on the internal supply chain management team responsible for implementing the supplier code of conduct, training for suppliers on forced labour and responsible recruitment, working with suppliers to trace migrant worker journeys, and the return of recruitment-related fees to 172 migrant workers. The company is encouraged to improve its performance and disclosure on the themes of Purchasing Practices, Worker Voice, and Monitoring.

LEADING PRACTICES

None.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment. The company may further consider separating labour costs from price negotiations such that all direct and indirect labour costs are isolated and incorporated as a distinct costing block in pricing. The company should consider integrating [responsible buying practices in its contracts](#) with suppliers, to ensure that the responsibility for respecting human rights is shared.

Worker Voice: To support collective worker empowerment, the company is encouraged to work with local or global trade unions to support freedom of association in its supply chains. The company is also encouraged to disclose the percentage of suppliers' workers covered by collective bargaining agreements. To guarantee protections for supply chain workers on freedom of association and collective bargaining, the company may consider entering into a global framework agreement or enforceable supply chain labour rights agreements with trade unions or worker organisations. In addition, to demonstrate the effectiveness of grievance mechanisms, the company may consider disclosing data about the practical operation of the mechanism, such as the number of grievances filed, addressed, and resolved.

Monitoring: The company discloses that it audits major suppliers. The company is encouraged to disclose more detail on its supplier monitoring process to verify that its suppliers are compliant with its supply chain policies. Implementing specific practices, such as interviewing workers and, in particular, using worker-driven monitoring (i.e., monitoring undertaken by independent organisations that includes worker participation and is guided by workers' rights and priorities), may help the company detect forced labour risks in its supply chains. Disclosing information on the results of its monitoring efforts, such as a breakdown of findings, assures stakeholders that the company has strong monitoring processes in place.

¹ For further details on high-risk raw materials and sourcing countries, see KnowTheChain's [2022 ICT benchmark findings report](#). Research conducted through June 2022 or through September 2022, 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](#).