



WHEREAS: The increasing rate and number of climate related disasters affecting society is causing alarms to be raised globally, making the corporate sector’s contribution to climate mitigation a significant policy issue.

In addition to environmental and social harms, climate change is creating systemic risks to the economy. The latest IPCC publication states that the window for limiting global warming to 1.5 degrees, and thereby avoiding the most catastrophic impacts of climate change, is quickly narrowing and that immediate, sharp emissions reduction is required of all market sectors and industries.¹

Shareholders are increasingly concerned about the growing material climate risk to their companies and to their portfolios. In response, the Climate Action 100+ initiative, a coalition of more than 700 investors with over \$68 trillion in assets, issued a Net Zero Benchmark (Benchmark) outlining metrics that create climate accountability for companies and transparency for shareholders. Indicators 1 through 5 of the Benchmark seek reporting on companies’ net zero emissions ambition; short, medium and long term greenhouse gas (GHG) reductions goals; and strategic actions planned to achieve decarbonization targets.²

KLA Corporation is a leading provider of technological systems for the semiconductor and nanoelectronics industries. Our company discloses its GHG emissions and has committed to achieve 100% renewable electricity for its operations.³ It is undertaking certain other energy initiatives, such as using efficient lighting and resource efficient manufacturing processes. While these are important first steps, more than 99% of KLA emissions is related to its supply chain, which the company’s renewable electricity goals and other initiatives do not address.

Further, KLA Corporation has not set GHG reduction targets. By setting 1.5 degree, Paris-aligned GHG reduction targets for its Scope 1-3 emissions, disclosing a net zero climate transition plan, and demonstrating progress toward achieving these goals, KLA can provide investors with assurance that management is reducing its climate contribution and addressing the risks and opportunities associated with climate change.

¹ https://report.ipcc.ch/ar6wg3/pdf/IPCC_AR6_WGIII_FinalDraft_FullReport.pdf

² <https://www.climateaction100.org/wp-content/uploads/2021/03/Climate-Action-100-Benchmark-Indicators-FINAL-3.12.pdf>

³ https://www.kla.com/documents/2021/KLA_2019-2020%20Global%20Impact%20Report_Final.pdf



AS YOU SOW

30 YEARS 1992 – 2022

2022 Shareholder Resolution
KLA Corp | Net Zero Targets & Climate Transition Planning

BE IT RESOLVED: Shareholders request the Board issue a report, at reasonable expense and excluding confidential information, disclosing how the Company intends to reduce its GHG emissions in alignment with the Paris Agreement's 1.5 degree goal requiring net zero emissions by 2050.

SUPPORTING STATEMENT: Proponents suggest, at Board and Company discretion, that KLA corporation report:

- A timeline for setting a net zero GHG reduction target, and 1.5 degree aligned interim goals;
- An enterprise-wide climate transition plan to achieve net zero emissions;
- Annual progress towards meeting its emissions reduction goals;
- Other information the Board deems appropriate.