

A decorative pattern of small white dots arranged in a grid, located in the top left corner of the page.

Advancing  
*positive impact*  
for our business  
and world

2025  
GLOBAL IMPACT  
REPORT

The background of the page is a close-up, high-angle view of a green microchip. The chip is curved and shows a complex pattern of gold and silver pads and traces. The lighting is dramatic, with a bright light source from the right, creating a strong highlight and deep shadows.

# IMPACT *plus*

Building on our continued progress and deepening understanding of what matters most for our customers, employees, and communities, we're proud to introduce our refreshed ESG strategy, *Impact plus*.

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# A message from our CEO

## Exceptional execution, scaled for impact

2025 was a defining year for Lam. We executed exceptionally well in an industry evolving at a scale, speed, and complexity unlike anything we've seen before. Calendar year 2025 marked Lam's highest full-year revenue and profit dollars to date, reflecting the strength of our strategy, the differentiation of our technology, and the commitment of our global teams.

The same discipline that drove our financial performance also powered our impact. We met or exceeded nearly all of the multi-year environmental, social, and governance (ESG) goals we set out to achieve by 2025 and made meaningful progress on our net zero roadmap. Through consistent execution across the company, we strengthened our business while advancing outcomes that matter for our customers, employees, and communities.

Our greatest lever for impact continues to be our technology and products. As device architectures become more complex and each new chip generation involves more deposition and etch steps, the efficiency of our tools is more critical than ever. Our teams are delivering innovative breakthroughs that help customers reduce energy use, materials consumption, and emissions while improving performance and productivity. One standout example in 2025 was a new in-situ plasma chamber cleaning technique that uses about one-third less of a high global warming potential (GWP) process gas, significantly cutting associated emissions. Innovations like these prove that higher performance and greater sustainability can go hand-in-hand, underscoring our role in helping customers scale more power efficient, lower-emissions semiconductor manufacturing.

We apply the same disciplined approach to our operations and supplier relationships. By working closely across our supply chain to enhance capability and agility, we continue to strengthen the ecosystem that supports our business. At the same time, we continued implementing water and energy savings projects, cutting greenhouse gas (GHG) emissions, and expanding the use of renewable electricity across our facilities. These efforts drive efficiency and resiliency as we scale.

Ultimately, our ability to execute comes down to our people. In 2025, we increased our investment in the workforce through a new career development platform. We also continued to strengthen workplace safety, with our recordable injury rate declining for the fourth consecutive year and remaining well below the industry average. Employee engagement reached an all-time high, and our teams contributed a record number of volunteer hours, reflecting a culture dedicated to shared responsibility.

Building on this momentum, we've established a new set of 2030+ ESG goals that reflect both the opportunity ahead and the responsibility that comes with industry leadership. These goals are grounded in how we operate every day, embedding sustainability, innovation, and resilience to drive meaningful impact across our products, people, and planet.

We've proven what's possible when we align the strength of our strategy with excellence in execution. That's the mindset we'll carry forward and the foundation we'll build on as we continue to shape what's next for our company and our industry.

**Tim Archer**  
President and  
Chief Executive Officer



# About Lam Research<sup>1</sup>

LAM RESEARCH IS HEADQUARTERED IN FREMONT, CALIFORNIA, WITH:

15

primary locations worldwide

12

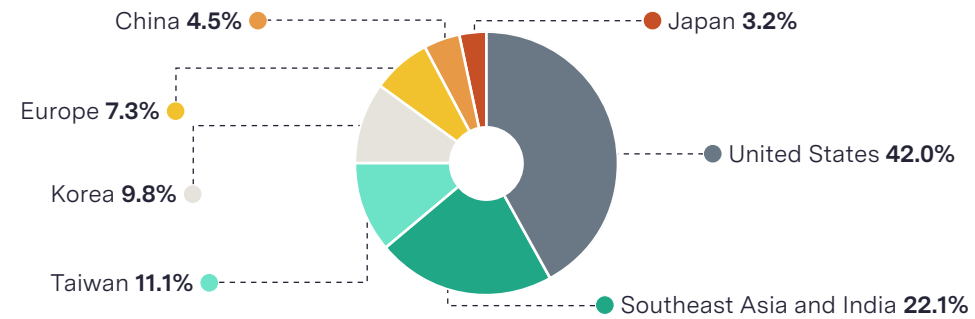
manufacturing facilities

7

labs dedicated to R&D

<sup>1</sup> Unless otherwise noted, all information in this report is as of December 31, 2025. See [Appendix](#) for more information.

LAM EMPLOYS **~19,700** INDIVIDUALS DISTRIBUTED ACROSS:



## LAM RESEARCH AROUND THE WORLD



# Core Values

Our Mission is to drive semiconductor breakthroughs that define the next generation. To accomplish this, we focus on nine Core Values that shape our global culture and guide our day-to-day business approach:



Achievement



Agility



Honesty and integrity



Inclusion and diversity



Innovation and continuous improvement



Mutual trust and respect



Open communication



Ownership and accountability



Teamwork

# Financials

## Financial performance by fiscal year (FY)

| (In thousands, except percentages and per share data) | FY 2023 <sup>1</sup> | FY 2024 <sup>2</sup> | FY 2025 <sup>3</sup> | CHANGE FROM FY 2024 TO FY 2025 |
|---|----------------------|----------------------|----------------------|--------------------------------|
| Revenue   | \$17,428,516         | \$14,905,386         | \$18,435,591         | <b>23.7%</b>                   |
| Gross margin  | \$7,776,925          | \$7,052,791          | \$8,979,059          | <b>27.3%</b>                   |
| Gross margin as a percentage of total revenue         | 44.6%                | 47.3%                | 48.7%                | <b>+140 bps</b>                |
| Total operating expenses <sup>4</sup>                 | \$2,602,065          | \$2,788,878          | \$3,078,091          | <b>10.4%</b>                   |
| R&D expenses  | \$1,727,162          | \$1,902,444          | \$2,096,387          | <b>10.2%</b>                   |
| R&D as a percentage of operating expenses             | 66.4%                | 68.2%                | 68.1%                | <b>(0.1%)</b>                  |
| Net income  | \$4,510,931          | \$3,827,772          | \$5,358,217          | <b>40.0%</b>                   |
| Net income per diluted share <sup>5</sup>             | \$3.32               | \$2.90               | \$4.15               | <b>43.1%</b>                   |

\* Throughout this report, \$ refers to U.S. dollars, also represented as USD.

1 For year ending June 25, 2023.

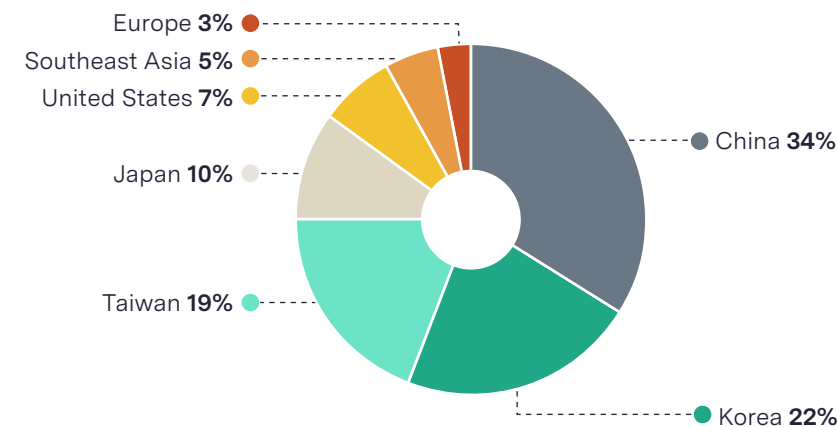
2 For year ending June 30, 2024.

3 For year ending June 29, 2025.

4 Includes R&D expenses.

5 Net income per diluted share has been restated to reflect the impact of a 10:1 stock split that was effective October 2, 2024.

## FY 2025 revenue by region



# Customer and workplace recognition

## 2025 industry scores and recognitions

| KEY INDEX                             | BEST POSSIBLE RANKING                                | 2022             | 2023             | 2024             | 2025                    |
|---------------------------------------|--|------------------|------------------|------------------|-------------------------|
| Dow Jones Best-in-Class North America | Listing indicates top 20% sustainability performance | Listed           | Listed           | Listed           | <b>Listed</b>           |
| CDP Climate Change                    | A  | B                | B                | B                | <b>A-</b>               |
| CDP Water Security                    | A  | B                | B                | B                | <b>B</b>                |
| ISS ESG Corporate Rating              | Excellence (A+)                                      | C                | C                | C                | <b>C+</b>               |
| MSCI USA                              | AAA  | AAA              | AAA              | AAA              | <b>AAA</b>              |
| Sustainalytics ESG Risk Rating        | Negligible (0)                                       | 13.7<br>low risk | 13.6<br>low risk | 12.2<br>low risk | <b>13.0</b><br>low risk |



## Customer recognition

### MICRON

Outstanding Front End Equipment Supplier of the Year

### TEXAS INSTRUMENTS

Supplier Excellence Award

### TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY

Excellent Performance Award—Excellent Technology Development & Production Support

### SAMSUNG

Safe Environment Excellence Award

### KIOXIA

Best Partner Award, Equipment Division

### INFINEON

Supplier Green Award

### CHONGQING XINLIAN MICROELECTRONICS

2025 Safety Excellence Award

## Workplace and industry recognition

### FORTUNE

World's Most Admired Companies

### CONFEDERATION OF INDIAN INDUSTRY

Academia Partnership Award

### ETHISPHERE

World's Most Ethical Companies®

### NEWSWEEK

World's Greenest Companies

### TIME

World's Most Sustainable Companies

### SEMI NORTH AMERICA

Innovation in Cryogenic Etch Technology

### VAULT

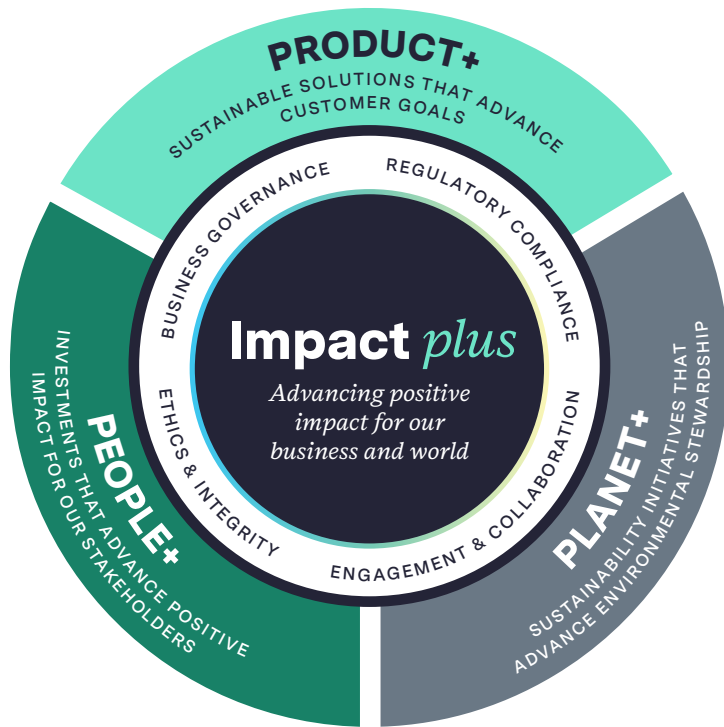
Top 150 Internship Program



Need help understanding a term in this report? See our [Glossary](#) for clarification.

# Our ESG strategy: Impact *plus*

The semiconductor industry powers breakthroughs that shape the world, and rarely have we seen such rapid transformation as in the era of artificial intelligence (AI). Demands on advanced chipmakers are growing exponentially.



Over the past year, we refreshed our ESG strategy to meet the needs of this moment. Lam seeks to innovate at the atomic scale—*plus* help create a sustainable world where our people, communities, and the environment thrive. Our products and operations are designed to support progress that extends beyond our own walls to our customers and the broader semiconductor value chain. That’s why we call our strategy Impact *plus*.

Impact *plus* is a reminder that as we move with velocity into the future, it’s not just where we’re going but how we get there that matters.

We’re helping our customers prove what’s next by prioritizing efficient, sustainable products. This includes innovating faster while managing energy use and emissions, and supporting our customers in achieving their own climate goals. We are also using tools like virtualization while incorporating sensors and robotics that allow humans to work in tandem with machines. Supporting our work is a resilient network of suppliers we hold to high standards of environmental responsibility, human rights practices, and ethical conduct through an engagement and evaluation program.

Every Lam achievement reflects the creativity, determination, and passion of our people. Our global teams are fueled by doing work that matters, so we encourage them to think big, move fast, and develop their skills. And because we’re in this for the long run, we invest in opportunities for the next generation of scientists and engineers.

We also strive to apply a long-term perspective to how we operate, taking targeted action to care for the planet. From making progress toward net zero to minimizing waste to conserving water and protecting biodiversity, we aim to contribute to environmental stewardship in the regions where we operate.

Our Impact *plus* pillars enable us to continue our ESG work while streamlining how we measure and manage our impacts, empowering us to act with purpose for a better world. This focused approach helps Lam uncover new opportunities to integrate sustainability more deeply into our business and keep accelerating toward the next frontier of progress.



# Reporting approach

We align our reporting and priority topics with the Global Reporting Initiative's (GRI) Universal Standards, the Sustainability Accounting Standards Board (SASB) Standard for the Technology and Communications Sector: Semiconductor Industry, and the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. See [Key data and frameworks](#) to reference our latest framework disclosures.

## Preparing for sustainability disclosure regulations

The global reporting landscape is evolving as different regions explore regulations that mandate certain disclosures and reporting practices, or frameworks that standardize reporting. These include:

- California's Voluntary Carbon Market Disclosures Act (AB 1305), and Senate Bills (SB) 261 on climate-related financial risks and 253 on GHG disclosures
- The European Union's Corporate Sustainability Due Diligence Directive
- The European Union's Corporate Sustainability Reporting Directive
- Malaysia's National Sustainability Reporting Framework
- The International Sustainability Standards Board standards, with which several global jurisdictions are aligning

As a global company, Lam or its subsidiaries may be subject to many of these requirements. We published an inaugural, TCFD-aligned [SB 261 Report](#) to disclose our climate-related financial risk as of January 1, 2026.



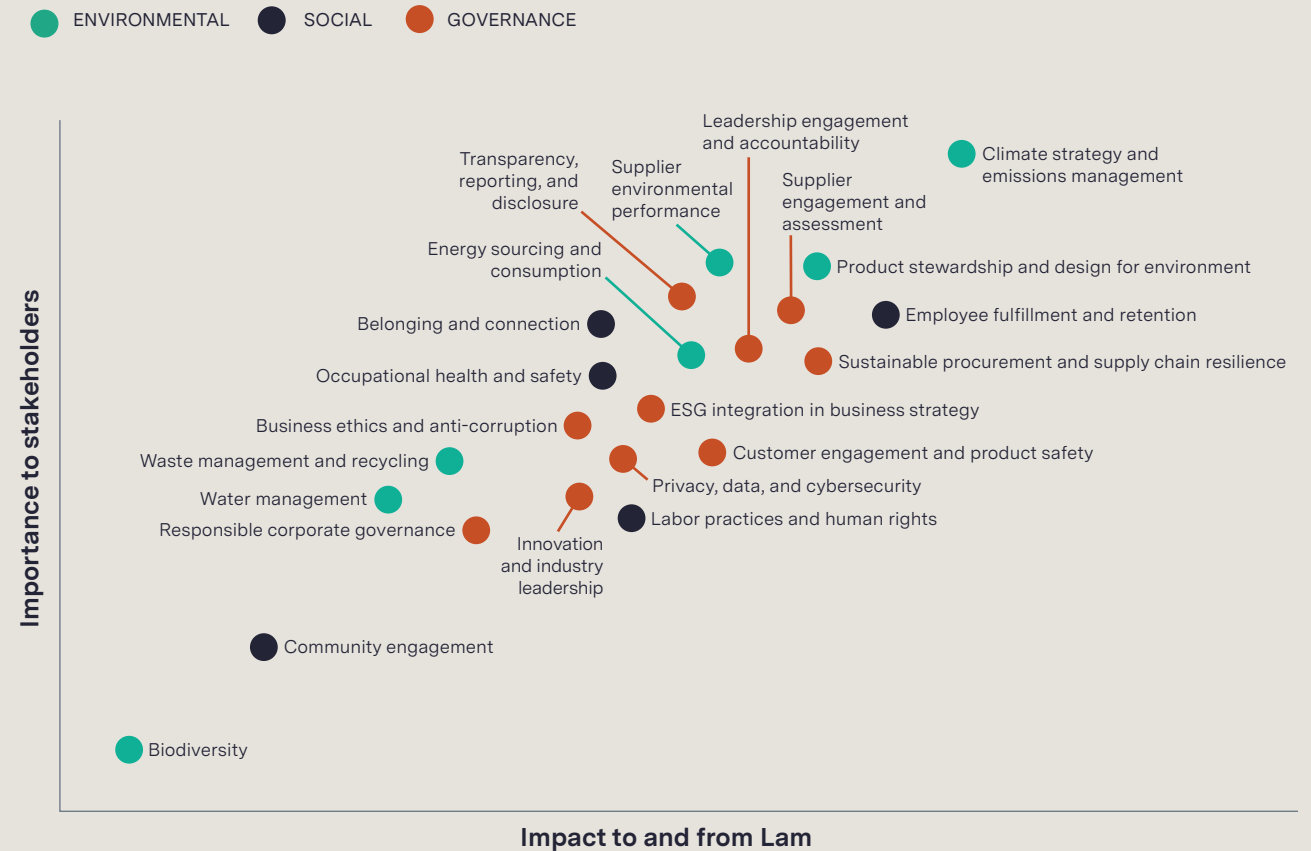
## ESG MATERIALITY ASSESSMENTS<sup>1</sup>

We typically conduct in-depth ESG materiality assessments every three to five years, or more frequently if there’s an impactful shift in our industry or business. During this process, we gather insights from internal and external stakeholders to guide and affirm Lam’s focus areas.

Our most recent assessment in 2022, continues to guide our voluntary disclosure and overall strategy. Through surveys and interviews, participants assessed topics based on their importance to stakeholders and potential impacts both to and from Lam. We also integrated results from an employee survey to further incorporate their perspectives. The results were reviewed by both executive management and Lam’s Board of Directors.

Based on the results, we identified the following topics as being among the most impactful and strategically important to Lam’s ESG program: climate strategy and emissions management, supplier performance, engagement, and assessment, employee fulfillment and retention, product stewardship, and leadership accountability.

## ESG materiality matrix



Learn more about the potential business impacts of our most material and strategically important ESG issues and how we addressed them in 2025:

- [Climate strategy and emissions management approach in Our net zero roadmap](#)
- [How we engage and assess suppliers in Responsible sourcing](#)
- [Our approach to employee fulfillment and retention in People+](#)
- [Our focus on product stewardship in Product+](#)

















<sup>1</sup> The identification of a topic or other matter as “material” for purposes of this report does not, and should not be interpreted to mean that it is material for any other purpose, including for the purpose of our financial statements or the documents we file with the U.S. Securities and Exchange Commission, or other regulatory requirements. Particularly in the ESG context, materiality is subject to various definitions that differ from, and are often more expansive than, the definition under these securities or other laws. Similarly, attention to environmental, social, and other sustainability issues from various stakeholders and frameworks means our approach to the identification and discussion of various risks and impacts may not be limited to items that have been deemed material or otherwise relevant for disclosure under any particular regulatory regime. Materiality can also be difficult to ascertain in advance, particularly due to the uncertainties, assumptions, and long timelines associated with several such topics.

# Celebrating our completed goals

2025 was significant for Lam—not only because of record-high revenues and an expanded portfolio of breakthrough products, but also because it was a milestone year for ESG progress. We met or exceeded the majority of our 2025 goals, reducing Scope 1 and 2 emissions by more than 25% from the baseline, saving over 80 million gallons of water since 2019, and volunteering 40,000+ hours.

As we set out on the next leg of our journey, we’re taking a moment to celebrate and reflect on where we’ve been. Throughout this report, you can learn “how we did it”—the people and practices that helped us reach key goals for [Product+](#), [People+](#), [Planet+](#), and [Business and Governance](#). These stories inspire us to keep going farther, faster in service of a more sustainable world.

 IN PROGRESS  ACHIEVED








| PILLAR                  | 2025 GOAL   | STATUS  | MEASUREMENT              |
|-------------------------|---|---|--------------------------|
| Product+                | Achieve more than 90% compliance with our social and environmental expectations across our top-tier suppliers. <sup>1</sup>                     |    | Annual                   |
|                         | Engage with at least 50% of our top-tier suppliers <sup>1</sup> on environmental sustainability opportunities.                                  |    | Annual                   |
|                         | Increase engagement with all suppliers on social and environmental topics through assessment, training, and capacity building.                  |    | Annual                   |
|                         | 46.5% of suppliers measured by emissions have science-based targets (SBTs) by 2025.   |    | Cumulative               |
|                         | 83% of customers measured by emissions have SBTs. <sup>2</sup>  |    | Cumulative               |
| People+                 | Build on our high-performance culture with best-in-class employee engagement at the global benchmark as measured by our annual employee survey. |   | Annual                   |
|                         | Determine key targets for larger-scale impact aligned to a new strategic focus.   |  | Annual                   |
|                         | Implement measurement of outcomes for key program and large-scale grants.   |  | Annual                   |
|                         | Increase annual unique participation rate in all employee giving programs from 10% to 30%.  |  | Annual                   |
|                         | Maintain an Occupational Safety and Health Administration recordable injury rate at or below 0.4 annually.                                      |  | Annual                   |
|                         | Contribute 40,000 employee volunteer hours annually.  |  | Annual                   |
| Planet+                 | Achieve 12 million kilowatt-hours (kWh) in total energy savings by 2030 from a 2019 baseline.   |  | Cumulative from baseline |
|                         | Achieve zero waste to landfill for hazardous waste.   |  | Annual                   |
|                         | Reduce absolute Scope 1 and 2 (market-based) GHG emissions 25% by 2025 from a 2019 baseline.  |  | Cumulative from baseline |
|                         | Achieve 80 million gallons of water savings in water-stressed regions from a 2019 baseline.   |  | Cumulative from baseline |
| Business and Governance | Continue to expand our disclosure and alignment with industry-recognized frameworks and standards.  |  | Annual                   |

<sup>1</sup> Top-tier suppliers are defined as the top 100 direct suppliers by spend, which account for approximately 88% of direct spend and 92% of direct supplier emissions, with some variability year-over-year. Direct suppliers are defined as those who provide parts, assemblies, and services to produce parts used to manufacture and support Lam’s products. Indirect suppliers are all other goods and services used by Lam’s daily operations that are not parts, assemblies, or services directly tied to producing parts used to manufacture or support Lam’s products.

<sup>2</sup> Lam did not achieve its goal of 83% of its customers measured by emissions having set SBTs by 2025. Despite customers having long-term goals in place, Science-Based Targets initiative (SBTi) requirements do not provide the flexibility some of our customers require in setting and measuring their short-term goals.

# Looking ahead with a new set of targets

Building on the progress we made through 2025, we refreshed our goal program through a cross-functional review, assessing which goals to reset, retire, or reframe, as well as where to set our sights next. The result is a new set of 2030+ goals grounded in action plans and industry best practices, and approved through our ESG governance structure. The goals below give us clear guideposts for the next five years and beyond.

|   |  |  IN PROGRESS  ACHIEVED |                          |
|---|--|--|--------------------------|
| PILLAR  | 2030+ GOAL   | STATUS   | MEASUREMENT              |
| Product+  | Reduce Scope 3 emissions from use of sold products by 63.8% per USD value added by 2034 from a 2022 baseline.  |   | Cumulative from baseline |
|   | 75% of in-scope <sup>1</sup> direct supplier facilities have a valid audit <sup>2</sup> by 2030 evaluated annually.  | Refreshed  | Annual                   |
|   | Reduce direct supplier <sup>3</sup> emissions by 64% per USD value added by 2034 from a 2024 baseline.   | NEW  | Cumulative from baseline |
|   | 95% of top direct suppliers <sup>3</sup> measured by spend have SBTs by 2030.  |   | Cumulative               |
| People+   | Achieve annual employee engagement at or above the global benchmark for both the overall annual employee survey and the Belong and Connect Index.  | Refreshed  | Annual                   |
|   | Achieve above-benchmark <sup>4</sup> standards for hours of learning per employee per year.  | NEW  | Annual                   |
|   | Maintain a global recordable injury rate below 0.4 injuries per 100 workers annually. <sup>5</sup>   |   | Annual                   |
|   | Develop future semiconductor talent by up-skilling at least 70,000 students by 2031 globally.  | NEW  | Cumulative               |
|   | Directly benefit 750,000 people globally through Lam social impact programs by 2030.   | NEW  | Cumulative from baseline |
| <b>Achieve net zero emissions by 2050, including meeting the following interim targets:<sup>6</sup></b> |  |  |                          |
| Planet+   | Achieve 8 million kWh in total energy savings by 2030 from a 2025 baseline.  | Refreshed  | Cumulative from baseline |
|   | Achieve 100% renewable electricity by 2030.  |   | Cumulative               |
|   | Reduce absolute Scope 1 and 2 (market-based) GHG emissions by 46.2% by 2030 from a 2019 baseline. By 2040, achieve net zero operations.  |   | Cumulative from baseline |
|   | Apply the U.S. Environmental Protection Agency (EPA) waste management hierarchy to all facilities by conducting thorough assessments of our top 80% of waste categories by mass to drive circular economy principles by 2030 from a 2025 baseline. | NEW  | Cumulative from baseline |
|   | Achieve 80 million gallons of water savings by 2035 from a 2025 baseline.  | Refreshed  | Cumulative from baseline |

1 In 2026, "in-scope" supplier facilities are those supplying Lam and operated by the top 100 direct suppliers by spend in nine high-risk geographies and have a high-risk score on a Responsible Business Alliance (RBA) Self-Assessment Questionnaire (SAQ).  
 2 Audits refer to those completed through the RBA Validated Assessment Program (VAP).  
 3 Top direct suppliers are defined as the top 100 direct suppliers by spend, which account for approximately 88% of direct spend and 92% of direct supplier emissions, with some variability year-over-year. Direct suppliers are defined as those who provide parts, assemblies, and services to produce parts used to manufacture and support Lam's products. Indirect suppliers are all other goods and services used by Lam's daily operations that are not parts, assemblies, or services directly tied to producing parts used to manufacture or support Lam's products.  
 4 The annual benchmark is established by the [Association of Talent Development](#).  
 5 Recordable injuries require treatment by a physician, work restriction, or lost time.  
 6 The energy savings goal and Scope 1 and 2 emissions goal that concluded in 2025 also contribute to our net zero ambition.



# PRODUCT+

Chipmakers face greater complexity and steeper challenges than ever before. Semiconductor deposition and etch are two of the fastest-growing processes enabling the AI ecosystem. With immense opportunity comes a need to innovate responsibly and sustainably—to move with both velocity and purpose. We strive to manage the emissions and resource impacts of our products and supply chain, embrace virtualization to model processes before real-world deployment, and think big to help technology go small.

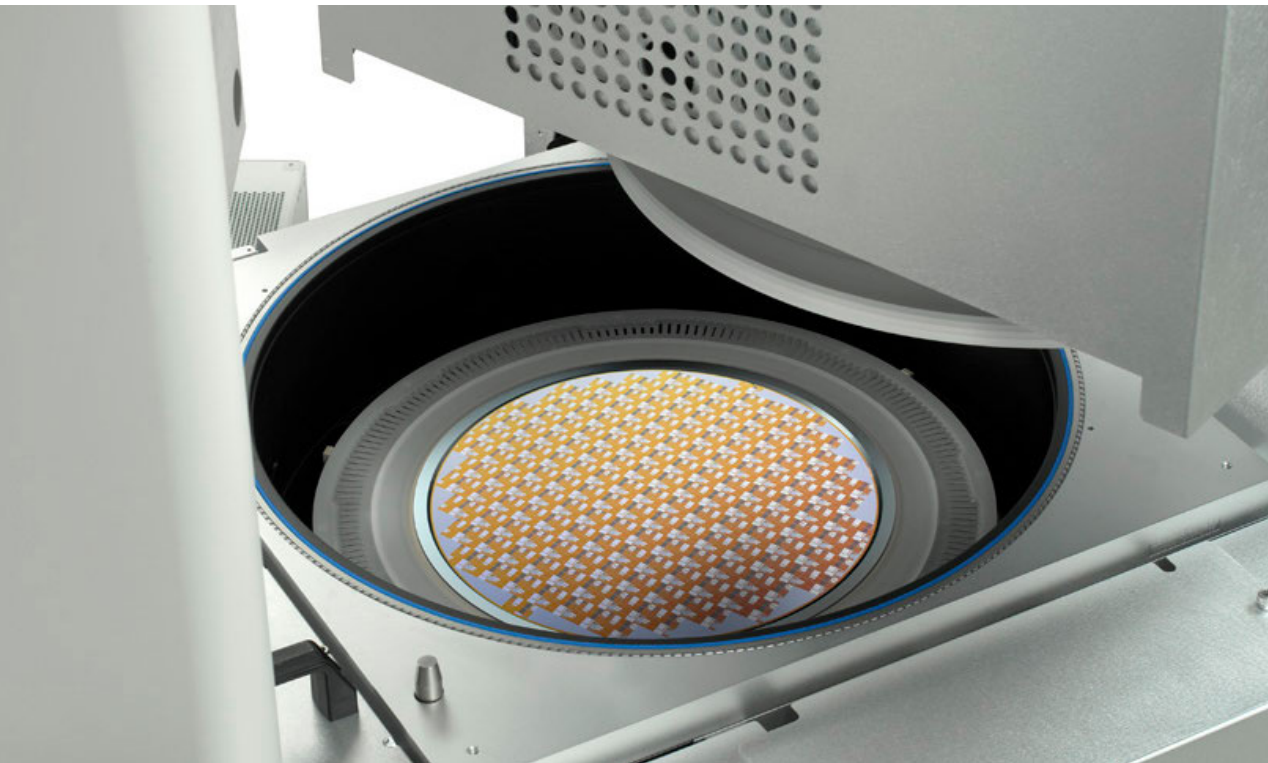
- + Introduced breakthrough products including ALTUS® Halo, Akara®, and VECTOR® TEOS 3D
- + Earned the 2025 SEMI Award for North America and the Edison Gold Award for our Lam Cryo™ 3.0 GWP dielectric etch technology
- + Achieved our goal for supplier emissions target setting, a major step on our net zero roadmap

# Product innovation

Lam is accelerating the pace of innovation to meet unprecedented demand for our products. The semiconductor industry is on track to become a trillion-dollar market, and Lam is well positioned to help enable that growth.

As we grow, we recognize the need to help our customers maximize wafer performance and output while minimizing fab energy use and emissions. Across our business, we're helping our customers on their journey toward these lower-carbon fabs of the future by focusing on:

- [Wafer output](#)
- [Energy efficiency](#)
- [Gas emissions](#)
- [Product circularity](#)
- [Virtualization](#)
- [Addressing PFAS](#)



## A stronger semiconductor industry

In an industry where innovation happens at the atomic level, we know we can increase velocity when we collaborate across the semiconductor ecosystem. Lam engages in multiple forums to reinforce our thought leadership and strengthen the semiconductor industry of today and tomorrow. A selection of our recent speaking engagements and publications includes:

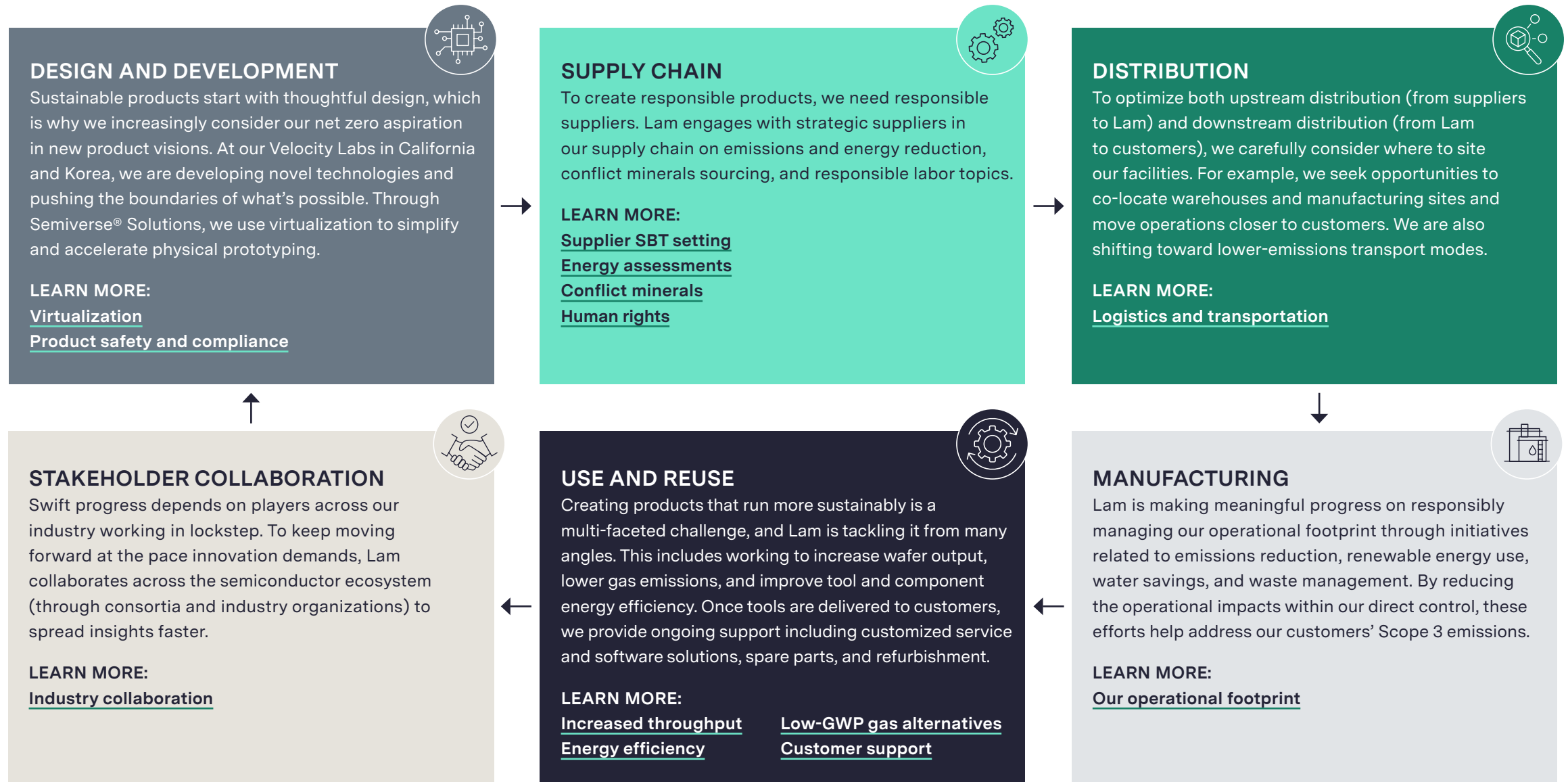
- Sponsorship of the Semiconductor Sustainability Summit at SEMICON Taiwan 2025
- Contribution to a white paper commissioned by SEMI on how the industry can use internal carbon pricing to support decarbonization
- Contribution to the “Microelectronics and Advanced Packaging Technologies Roadmap” published by the Semiconductor Research Corporation
- “Achieving Sustainability in the Semiconductor Industry: The Impact of Simulation and AI,” a symposium presentation at MIT.nano
- “Innovations in Patterning of Semiconductor Devices,” a presentation at MIT Microsystems Technology Laboratories
- “Engineering the Future of Semiconductors with Atomic Precision and AI,” presented to the University of California, Berkeley, Department of Electrical Engineering & Computer Sciences Department Colloquium
- “The Path from Electrons to Photons: Shining a Light on the Fabrication Challenges of Silicon Photonics,” presented at the University of California, Berkeley Emerging Technologies Research Center Seminar Series
- Contribution to “PFAS-Containing Heat Transfer Fluids Used in Semiconductor Manufacturing,” published by the Semiconductor Industry Association
- “Equipment Perspectives: Scaling Low-GWP Gas Substitution”, presented at SEMI Global Executive Summit in Tokyo



Lam also shares our expertise through a variety of technology donations to leading universities and workforce development programs. [Learn more about these efforts.](#)

# Progressing with purpose throughout the product lifecycle

Lam’s product stewardship approach includes how we design, manufacture, and test our tools, as well as how we support customers to maximize our tools’ performance throughout their lifecycles. With an eye toward continuous innovation, Lam teams are driving progress on enhancing energy efficiency, reducing process gas emissions, and improving materials associated with wafer fabrication equipment, while aiming to maximize output and ensuring our tools’ safety and quality.



## HIGHER WAFER OUTPUT

A critical way we help customers manage fab emissions is by increasing our tools' wafer-yield output relative to the amount of energy they require. One product delivering on this is Lam Cryo™ 3.0, which uses cryogenic technology and low-GWP gases to etch chips over 2.5 times faster than conventional plasma etch methods. As AI and data-intensive applications demand ever-greater memory capacity and performance, the semiconductor industry is pushing toward 1,000-layer 3D NAND devices. Lam Cryo 3.0 is making that possible with precise, deep, and repeatable etching, enabling manufacturers to scale memory higher and faster. At the same time, Lam Cryo 3.0 has the potential to reduce energy usage by up to 40% and emissions by up to 90% per process recipe.<sup>1,2</sup> Lam was recognized with multiple industry awards for this achievement, including the 2025 SEMI Award for North America and the 2025 Edison Gold Award in the Innovation in Production Processes category. These awards underscore Lam Cryo 3.0's significant impact and transformative potential in the AI era.

Additional breakthroughs that we expect to help our customers increase output efficiently include Lam's Aether® dry resist and development process. Aether extends the resolution, productivity, and yield of extreme ultraviolet lithography tools, which is increasingly important as pitch sizes on chips shrink. In addition, dry resist requires less energy and five to ten times less raw materials than existing wet chemical resist processes.

For decades, chipmakers have deposited tungsten metal to transmit electrical signals on chips. As chips get smaller and more complex, faster conductivity is needed. With ALTUS® Halo, Lam introduced the use in atomic layer deposition of molybdenum, a metal that conducts electricity even better than tungsten. This means a boost in efficiency and chip speed with fewer processing steps.



<sup>1</sup> Estimated emissions reduction calculated using Intergovernmental Panel on Climate Change (IPCC) guidelines for GHG inventories. The estimated reduction has not been independently verified. See [Appendix](#) for methodology details.

<sup>2</sup> 90% reduction in kilograms carbon dioxide (kg CO<sub>2</sub>) per wafer is based on current recipe conditions and IPCC guidelines for GWP calculations.

## INCREASED ENERGY EFFICIENCY

Many factors affect the energy efficiency of our tools, from how they manage operational temperature and create plasma to the performance of peripheral equipment like pumps and chillers.

One area for improvement is the radio frequency (RF) generated to create plasmas to deposit and etch films. This can be an energy-intensive process, and one that Lam is making progress on with solutions like DirectDrive®, the industry’s first solid-state RF generator. DirectDrive reduces energy use by ensuring that the system generates only enough power to be absorbed by the plasma load. This technology can potentially reduce the energy use of conductor etch products by more than 10% compared to older models. DirectDrive has been incorporated into newly introduced tools like Akara®, which offers better etching efficiency with a reduced energy footprint. Vantex®, a high-aspect-ratio dielectric

etch tool, uses high-voltage plasma and industry-first multi-zone density control to offer reduced carbon footprint per wafer at a comparable cost. Future improvements in RF power can come from collaboration with suppliers. We completed proliferation of a new RF generator that has the potential to improve energy efficiency by approximately 33%, depending on the application.

Other variables affect Lam’s Scope 3, Category 11 emissions, which are those associated with the use of products we sell. These include the geographies we sell products into and their relative grid emissions factors. To keep our goal focused on the factors over which we have the most control, our product emissions goal encompasses only the electricity associated with the use of a tool, not its peripheral components or related gas emissions. Therefore, addressing energy efficiency is the primary way we can make progress toward this goal.

### Addressing efficiency of peripheral components

Pumps, chillers, and abatement units often run at full power even when not in active use. ECO Mode addresses this use of energy by putting a tool’s peripheral components into idle mode when not needed. In 2025, we conducted beta tests of ECO Mode with four customers and have initiated evaluations that we expect to complete in 2026. To further improve the energy

performance that customers get from their peripherals, we are working with suppliers to develop more efficient chillers and then promoting these solutions to customers.

## LOWER GAS EMISSIONS

Emissions from gases used within tool chambers, such as nitrogen trifluoride (NF<sub>3</sub>), carbon tetrafluoride (CF<sub>4</sub>), and sulfur hexafluoride (SF<sub>6</sub>), are major contributors to the semiconductor industry’s GHG emissions. Lam is helping address this industry-wide challenge by optimizing recipes involving high-GWP gases, exploring lower-GWP alternatives, and testing ways to safely implement zero-GWP options. In 2025, we explored gas replacement options at our Velocity Lab in Fremont, one of our specialized facilities for developing and testing advanced technologies.

As certain processes involved in the manufacturing of semiconductors are sensitive to changes in temperature, it is important to have accurate temperature control units (TCUs) that can respond quickly to changes. Today, most of our designs involve heating and cooling at the same time. This provides high accuracy and repeatability of processes. In 2025, we completed internal lab qualification of a TCU for wet products that uses a lower GWP refrigerant than existing designs.

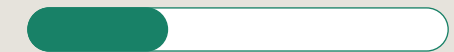


IN PROGRESS  
 ACHIEVED

### GOAL:

Reduce Scope 3 emissions from use of sold products by 63.8% per USD value added by 2034 from a 2022 baseline.

### STATUS:



### 2025 PROGRESS:

In 2025, we saw a decrease in emissions of 21.5% per USD value added from use of sold products.

We recently completed a research collaboration with customer STMicroelectronics to develop an in-situ plasma clean technique that uses less NF<sub>3</sub> gas in the etch chamber cleaning process without impacting overall throughput. We found this updated technique has the potential to deliver approximately 33% lower NF<sub>3</sub> consumption and 32% lower carbon dioxide equivalent (CO<sub>2</sub>e) emissions. One of our locations is also exploring ways to reduce gas emissions and introduced optimized conditioned parts across our installed base.



# How virtualization helps us imagine what's possible

Q&A with Vahid Vahedi, Senior Vice President, Chief Technology & Sustainability Officer, Lam Research

Q:

## HOW DOES LAM THINK ABOUT PRODUCT SUSTAINABILITY IN LIGHT OF THE MASSIVE GROWTH OF THE SEMICONDUCTOR INDUSTRY?

**A:** AI is the biggest demand driver the semiconductor industry has ever seen. It is compressing roadmaps and accelerating capacity plans across the industry. More than 130 new fabs are expected to come online by 2030 to support AI-driven demand. That scale sets a clear requirement: increase capability while improving energy efficiency and reducing emissions.

At Lam, product sustainability starts with design. We integrate sustainability throughout the product innovation and design process, reducing energy use and emissions for both Lam and our customers.

From there, we focus on how we develop the next generation. As devices get more complex, process development requires more silicon experimentation, which drives increased time, energy, and material use. Digital twins let us shift more of that development into the virtual world, so we can innovate faster and bring better process solutions forward with fewer physical iterations. Once those solutions move into production, the efficiency gains scale across customer fabs.

Q:

## HOW DOES VIRTUALIZATION WORK, AND HOW DOES IT CONTRIBUTE TO SUSTAINABILITY?

**A:** Semiconductor manufacturing processes have an exponentially large number of recipe parameters, which makes finding the highest-performing and most energy-efficient process a daunting task. Semiverse® Solutions, Lam's virtualization platforms for process modeling, allow us to design and test the creation of semiconductor structures virtually, before we build them in the real world.

To understand the carbon footprint of our systems, we build what we call a sustainability virtual twin: a simulated replica of a real tool. Our approach starts with a detailed breakdown of energy consumption today. We use the virtual twin to understand energy consumption for each subsystem, from the main process module and the gas boxes that supply gases to the chamber, to the platform and robots that move wafers in and out. We also model peripheral systems such as temperature control units, vacuum pumps, and abatement. These models help us pinpoint the largest drivers of energy consumption and emissions and identify the most impactful opportunities for improvement. From there, we optimize component specs and controls design to improve system performance and efficiency before we build a physical prototype.

Q:

## WHAT'S AN EXAMPLE OF A BREAKTHROUGH IDENTIFIED BY USING A VIRTUAL TWIN?

**A:** One example is process gases. Gases are fundamental to etch and they can be a significant driver of emissions. In one virtual twin analysis, we found that gas emissions contributed more than two-thirds of an etch product's carbon footprint.

That insight sharpened our focus to move faster on lower-GWP gases and improved abatement approaches, including work in our Velocity Lab. The point is speed and prioritization. Virtualization helps us identify the biggest contributors, evaluate tradeoffs early, and accelerate the path to manufacturable improvement.



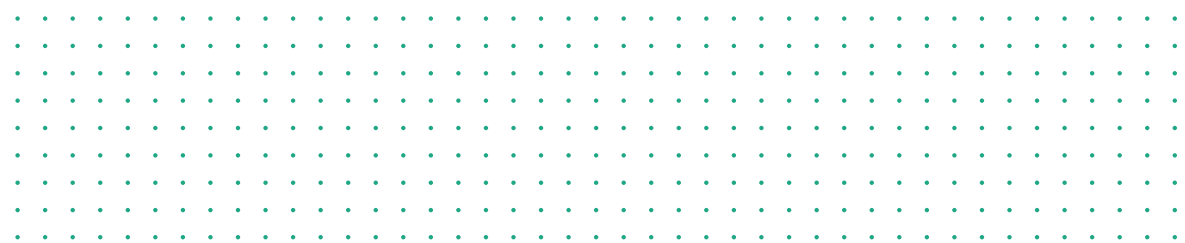
## EXTENDED PRODUCT LIFETIMES THROUGH CIRCULARITY

The installation of a tool at a customer’s fab is not the end of our engagement with them. In most cases, it is just the beginning. With products expected to last an average of 25 years, Lam supports product circularity through upgrades, spare parts, refurbishments, and recleaning services. In addition, our Customer Support Business Group offers regular assessments of installed base performance, informational workshops, troubleshooting, and maintenance to maximize the usable life of tools and components.

As we make technical advances, we make many of them available as upgrades, reducing costs and waste by enabling the continued use of platform and chamber components.

In addition, upgrading tools can reduce the environmental impact associated with manufacturing chamber bodies and vacuum transfer modules. For example, aluminum and steel production emit approximately 0.52 and 1.89 metric tons of CO<sub>2</sub>e, respectively, per ton of metal produced. Each new Lam system uses between 2 to 4 metric tons of aluminum and 1 to 2 metric tons of steel. By upgrading customers' tools onsite, rather than replacing them, we can reduce this impact.

Our Equipment Intelligence® (EI) products also assist fab teams with real-time health monitoring and proactive adjustments for their tools. Lam’s Equipment Intelligence Data Analyzer is a proprietary tool that creates and deploys predictive control charts and models to monitor, forecast, and optimize production processes. In 2025, Lam developed a new proprietary version of Equipment Intelligence Data Analyzer (EI-DA easy) designed for ease of use that enables field engineers to visualize fleet health control charts, monitor for process shifts, forecast, and optimize production processes. We piloted this tool in 2025 to validate its ability to help avoid unnecessary parts replacement, reduce troubleshooting time, increase efficiency, shorten chamber conditioning and process step times, and reduce trial and error for customers.



## Estimated savings from circularity efforts include:

**35%**

of electrostatic chucks (ESCs) shipped in 2025 were refurbished

**584**

metric tons of CO<sub>2</sub>e avoided from ESC refurbishment

**3,600+**

tons of aluminum production and 900+ tons of steel production avoided cumulatively since 2019 through onsite upgrades

## Continued recognition from valued customers

Lam earned top marks from multiple customers in 2025, a testament to our collaborative, hands-on customer service approach. We were named Micron’s Outstanding Front End Equipment Supplier of the Year, the highest level of recognition out of more than 8,000 suppliers. This is the third year that Lam has received this recognition from Micron.

For the second year in a row, Texas Instruments (TI) awarded Lam Research its highest level of supplier recognition, the Supplier Excellence Award. This award honors companies whose dedication in supplying products and services meets TI’s high standards for excellence.



Lam’s Equipment Intelligence® Service Solutions include cobots that work alongside humans to complete hard-to-perform, error-prone, and routine maintenance tasks. One such proprietary Lam product is Lam’s Dextro™ cobot, the industry’s first collaborative robot designed specifically for fab maintenance. Dextro uses sensors and AI to tackle critical equipment maintenance tasks for more accurate, precise results that boost tool productivity and yield. The product won a Best of Sensors Award for the Best Industrial & Industrial Internet of Things Solution category at Sensors Converge 2025. Solutions like these are helping put our customers on a path toward more autonomous fab systems that enhance productivity and safety while supporting reduced variability and less downtime.

Another way we have engaged with customers is through encouraging emissions-reduction goal-setting. In 2021, Lam set a Scope 3 engagement goal of 83% of our customers measured by emissions having SBTs by 2025, and as of the end of the year, 35.1% of customers had set these goals. The majority of our customers have long-term net zero targets, but the Science-Based Targets initiative (SBTi) requirements in the short term do not offer the flexibility some of our customers require. While we did not meet our 2025 goal, we will continue to support our customers in their emissions-reduction efforts going forward.



IN PROGRESS  ACHIEVED

**GOAL:**

83% of customers measured by emissions have SBTs.

**STATUS:**



**2025 PROGRESS:**

By the end of 2025, 35.1% of customers by emissions had SBTs, a significant increase from 9% in 2024.



## MORE EFFICIENT INSIGHTS THROUGH VIRTUALIZATION

Physical experimentation is an important way companies like Lam conduct R&D processes such as hardware prototyping, process optimization, and device characterization. But even though semiconductor manufacturing processes take place at the nanoscale, they can still result in significant costs, material use, and emissions. We are overcoming this challenge by shifting physical experimentation into the virtual world. Simulated representations of real-world assets—known as virtual twins—can allow us to gain insights comparable to those obtained from physical experimentation while reducing associated emissions by up to 80%. The quantification of this potential emissions avoidance was recently calculated by a team of Lam researchers and included in an [article published by the Institute of Electrical and Electronics Engineers](#).



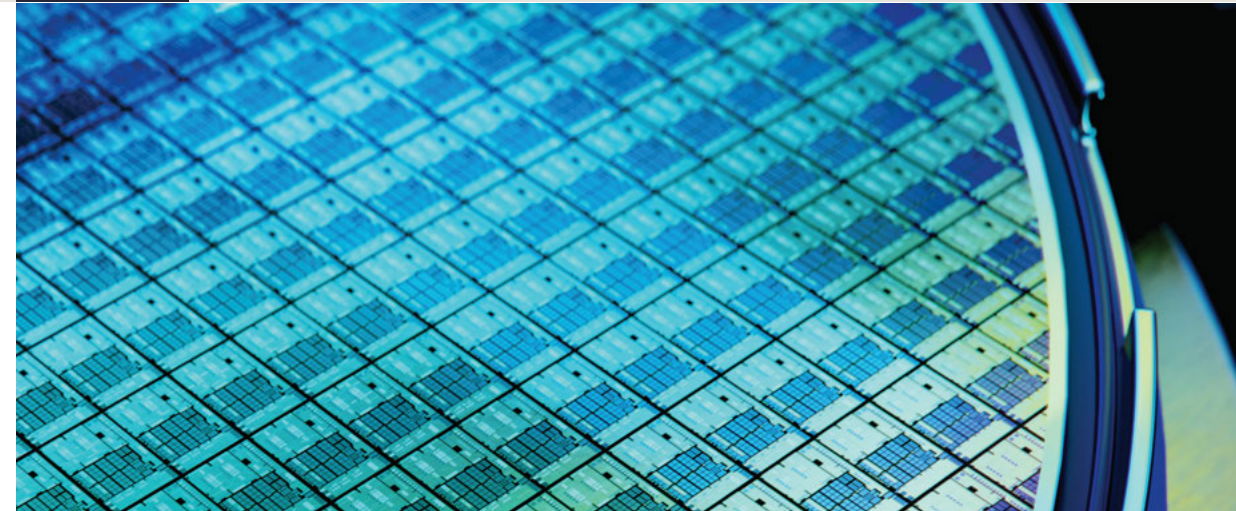
Lam’s Semiverse® Solutions portfolio aims to accelerate innovation by replacing or augmenting experimental processes with virtual ones.

Semiverse Solutions software is used by universities to teach semiconductor manufacturing without costly cleanrooms, helping Lam make progress toward its goal of investing in the [semiconductor workforce of the future](#).

## READINESS FOR AN EVOLVING REGULATORY LANDSCAPE

Like many sectors, the semiconductor industry relies on per- and polyfluoroalkyl substances (PFAS) chemistries and materials for a wide variety of critical applications across the value chain. While Lam does not manufacture PFAS, PFAS materials can be found in our products. We are working to identify where PFAS are present in our design choices and where there are any feasible replacements.

The unique properties of PFAS and PFAS-containing materials present challenges when looking to replace them with alternatives while maintaining the same performance critical to producing semiconductors. In most applications, technically and commercially viable alternatives do not currently exist. The semiconductor industry does not have a timeline to achieve complete elimination of PFAS.



Lam is taking key steps to manage potential PFAS risks and ensure business continuity while upholding our Core Values. These steps include:

- Engaging with our value chain to better understand where PFAS are used and the specific use cases
- Working to address risks and disruptions in the supply chain
- Evaluating non-PFAS options for consumables
- Assessing the feasibility of non-PFAS alternatives for other materials and parts
- Leveraging and collaborating with leading industry organizations
- Working with academic and government bodies on research into material detection, destruction technology, recycling, reuse, and other best practices for responsible PFAS management

As regulatory obligations expand globally, Lam continues to monitor and respond to emerging requirements that may affect PFAS use, reporting, and product stewardship. Key developments include the EU proposed broad PFAS restrictions, Persistent Organic Pollutants obligations, and growing U.S. state activity for PFAS reporting and restrictions. In parallel, Lam is tracking developments in other compliance areas, including F-gas rules that may affect equipment design, installation, servicing, and labeling, as well as the EU Cyber Resilience Act requirements for product digital elements with network connectivity and the EU Packaging and Packaging Waste. Across these topics, we are strengthening governance, supplier engagement, and data quality to support disclosures, customer inquiries, and compliance.

# Evolving product safety and compliance

To earn and keep customer trust, we must deliver tools that offer not only consistency and precision, but also high standards of safety and quality for those who interact with them. We follow established standards and monitor emerging regulations, risks, and opportunities while considering the ever-evolving needs of our business.

Lam adheres to the SEMI S2 Environmental, Health, and Safety (EHS) guidelines for semiconductor manufacturing equipment. Our EHS team reviews new chemicals that may pose high or unknown risks, conducting a process hazard analysis (PHA) when an increased hazard class of chemical is introduced at a facility. As part of the PHA, we identify chemicals and uses that have the potential to pose risks to facility employees, workers, the community, and the environment. We evaluate current safeguards and implement additional controls to mitigate those potential risks. For example, we have standards to limit the GWP impact of refrigerants for newly installed equipment.

As Lam works to shift from high-GWP to lower-GWP chemistries to reduce [process gas emissions](#), we are mitigating potential safety risks associated with lower-GWP alternatives.

Over the past year, our chemical working group developed roadmaps that business units can use to understand local permitting requirements and precautions needed to safely transition to these chemicals and created a framework for sharing best practices.

At Lam sites, Lam's chemical review process helps the teams manage risks when installing new equipment, initiating new chemicals or processes, or updating existing systems. Our chemical management systems keep detailed records of where chemicals are stored and how they are used. Lam also works with staff and suppliers to help us prepare for regulatory changes.

Lam facilities are certified under International Organization for Standardization 9001:2015, an international standard for an effective quality management system.<sup>1</sup> Our cross-functional Quality Leadership team oversees our design teams to promote the safety and quality of our products. If a product recall were ever necessary, we would promptly follow applicable regulatory requirements and customer notification procedures to protect people, the environment, and our customers' operations.

<sup>1</sup> Lam holds ISO 9001 certification for our Fremont and Livermore, California; Tualatin, Oregon; Osan, Korea; Taoyuan City, Taiwan; Villach, Austria; and Penang, Malaysia sites.



# Responsible sourcing

Suppliers are key players in Lam’s efforts to drive innovation. We strive to cultivate a base of suppliers that share our values of social and environmental responsibility. As our operations expand, the complexity of our supply chain increases, bringing new risks and opportunities. By proactively engaging with suppliers, we help foster trust and collaboration, enabling us to effectively navigate challenges and drive continuous improvement.



IN PROGRESS  ACHIEVED

**GOAL:**

Increase engagement with all suppliers on social and environmental topics through assessment, training, and capacity building.

**STATUS:**

**ACHIEVED**

**2025 PROGRESS:**

We identified and deepened engagement with suppliers critical to future business growth. Lam provided targeted training on our [Global Supplier Code of Conduct \(GSCC\)](#), ethics, compliance, and broader ESG expectations to reinforce alignment with our standards.

- 75 suppliers engaged (compared to 36 in 2024)
- 10 webinars
- 4 in-person SBT workshops
- 425 participants

**GOAL:**

75% of in-scope<sup>1</sup> direct supplier facilities have a valid audit<sup>2</sup> by 2030 evaluated annually.

**STATUS: REFRESHED GOAL**

## Supplier Excellence Award given to Valqua

In 2025, Lam recognized Valqua for their exceptional commitment to our ESG initiatives, promoting sustainability, ethical supply chain, and integrity.

<sup>1</sup> In 2026, “in-scope” supplier facilities are those supplying Lam and operated by the top 100 direct suppliers by spend in nine high-risk geographies and have a high-risk score on a RBA SAQ.  
<sup>2</sup> Audits refer to those completed through the RBA VAP.

# Supply chain engagement at a glance

Our direct supply chain management approach includes onboarding and due diligence at the beginning of a supplier relationship, followed by ongoing validation, engagement, and capacity-building. We use country-level risk data to inform our overall supplier engagement and assessment strategy.

## PRE-CONTRACT

Before contracting with a supplier, Lam conducts due diligence using a risk-based approach

## ONBOARDING

We require newly contracted suppliers to:

- Acknowledge and agree to adhere to the principles set forth in our GSCC, which is based on the UN Guiding Principles on Business and Human Rights, the UN Global Compact, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the Responsible Business Alliance's (RBA) Code of Conduct (COC)
- Direct suppliers sign our Supplier Sustainability Pledge to acknowledge and support alignment with our expectations around environmental sustainability, emissions reduction, human rights, and ESG risk management
- Complete a screening and onboarding process to assess and mitigate potential human rights and business ethics risks
- Complete trade, sanctions, and other list-based screenings

## EXPECTATIONS OF TOP DIRECT SUPPLIERS<sup>1</sup>

- Set SBTi-aligned targets in support of Lam's 2030 goal
- Respond to our annual environmental survey, providing emissions and environmental data
- Respond to our annual Conflict Minerals Reporting Template (CMRT) survey request
- Complete Corporate Self-Assessment Questionnaires (SAQs) and Responsible Labor SAQs,<sup>2</sup> and provide Validated Assessment Program (VAP) audit reports and corrective action plans upon request

## ONGOING VALIDATION

We assess suppliers' ongoing compliance with our GSCC and the RBA COC, as well as their progress toward goals, using:

- RBA's online toolkit, including training modules, Corporate, Facility Risk, and Responsible Labor SAQs, VAP audits, and country risk profiles to support human rights risk monitoring
- The Responsible Minerals Initiative's (RMI's) CMRT, Extended Minerals Reporting Template (EMRT), and Reasonable Country of Origin Inquiry data for supplier conflict mineral monitoring
- Incorporation of human rights risk identification as part of our Quality Management System audits
- Lam supplier scorecards, which monitor supplier performance across many metrics
- As needed, requests for action plans to improve policies and practices, and closure audits to ensure that suppliers have implemented those improvements

## ONGOING ENGAGEMENT & DEVELOPMENT

- Continued risk-based due diligence
- Webinars, events, and training opportunities
- Access to Lam resources regarding our net zero roadmap and other global impact initiatives, as well as subject matter experts
- Energy audits for select suppliers

<sup>1</sup> Top direct suppliers are defined as the top 100 direct suppliers by spend, which account for approximately 88% of direct spend and 92% of direct supplier emissions, with some variability year-over-year. Direct suppliers are defined as those who provide parts, assemblies, and services to produce parts used to manufacture and support Lam's products. Indirect suppliers are all other goods and services used by Lam's daily operations that are not parts, assemblies, or services directly tied to producing parts used to manufacture or support Lam's products.

<sup>2</sup> Only for suppliers with facilities in one of nine high-risk countries.

# Respecting human rights in our supply chain

Every individual deserves dignity, respect, and safety while at work. Lam works to uphold human rights in our supply chain, aligning with our Core Values, our GSCC, and our Human Rights Policy. Beyond these guiding documents, we also expect suppliers and their sites to comply with laws including the UK Modern Slavery Act of 2015 and the California Transparency in Supply Chains Act of 2010.

Our policies and practices in support of human rights principles are informed by the RBA, making use of suppliers' SAQ responses and their participation in VAP audits to identify areas for improvement. In addition to helping us verify compliance with our GSCC and the RBA COC, these assessments promote the identification, mitigation, and prevention of potential human rights, environmental, safety, and ethics risks. These practices also help us meet customer expectations for managing supply chain human rights issues.

We significantly expanded Corporate SAQ engagement in 2025, with 100% of our top 75 suppliers completing questionnaires. Based on the results, most of our suppliers are considered low- or medium-risk. For those flagged for high-risk indicators, we conduct additional due diligence, such as requesting completion of an RBA VAP audit and closure of their corrective actions. In 2025, 26 of our top 100 suppliers underwent VAP audits. Of our top direct supplier facilities in high-risk countries, 58 completed Responsible Labor SAQs in 2025, exceeding the year's target of 53 facilities. Human rights training for suppliers in 2025 included in-person workshops on our GSCC and an RBA webinar on human rights and RBA policy updates.



We also respect principles of human rights within our own operations. [Learn more about our approach.](#)



# Engaging suppliers on environmental action

Lam works closely with suppliers on opportunities to reduce emissions from their direct operations, which in turn can decrease Lam’s Scope 3 emissions from the goods and services we purchase. Our biggest achievement in 2025 was having 53.8% of suppliers by emissions set SBTs, exceeding our goal of 46.5%. Learn more on [page 26](#).

We also continued to conduct surveys and assessments to understand our suppliers’ emissions profiles and support engagement on environmental topics. In 2025, we received the highest level of response to our environmental survey to date, with 93 of our top 100 suppliers responding. We continue to use an ESG Scorecard to track suppliers’ efforts in setting SBTs and completing the environmental survey and a Corporate SAQ. Energy assessments, in which Lam representatives join suppliers to tour their facilities to identify energy-efficiency opportunities, help us build trust with suppliers and provide outreach in support of specific improvements.



IN PROGRESS  ACHIEVED

**GOAL:**

Achieve more than 90% compliance with our social and environmental expectations across our top-tier suppliers.

**STATUS:**

**ACHIEVED**

**2025 PROGRESS:**

We assess compliance with our expectations in a variety of ways, including responses to the CMRT. In 2025, 96% of our top 100 direct suppliers responded to this survey.

**GOAL:**

Engage with at least 50% of our top-tier suppliers on environmental sustainability opportunities.

**STATUS:**

**ACHIEVED**

**2025 PROGRESS:**

The Supply Chain ESG team conducted 17 energy assessments at supplier facilities in 2025. Through these assessments, we identified potential savings of 16.5 million kWh.

**GOAL:**

Reduce direct supplier<sup>1</sup> emissions by 64% per USD value added by 2034 from a 2024 baseline.

**STATUS: NEW GOAL**

<sup>1</sup> Top direct suppliers are defined as the top 100 direct suppliers by spend, which account for approximately 88% of direct spend and 92% of direct supplier emissions, with some variability year-over-year. Direct suppliers are defined as those who provide parts, assemblies, and services to produce parts used to manufacture and support Lam’s products. Indirect suppliers are all other goods and services used by Lam’s daily operations that are not parts, assemblies, or services directly tied to producing parts used to manufacture or support Lam’s products.

# How we did it: Helping suppliers set climate goals

Emissions associated with the activities of our suppliers are, by definition, out of our direct control. It’s no easy task to understand the scope of these emissions, let alone motivate suppliers to set goals to tackle them. But that’s exactly what we did.

Addressing emissions reductions across the supply chain is an important component of Lam’s pathway toward our own net zero ambition. We set an interim goal in 2020 that nearly half of suppliers measured by emissions would have SBTs by the end of 2025. We have exceeded this goal, with 53.8% of suppliers measured by emissions having set SBTs.

SBTs are a widely recognized framework for emissions-reduction goal-setting. They require oversight from the SBTi, which conducts rigorous validation into an organization’s emissions baselines and targets. SBTi then helps provide a clearly defined pathway for companies to reduce emissions in line with the Paris Agreement to limit global warming to 1.5 degrees Celsius.

The percentage of our suppliers’ emissions covered by SBTs nearly doubled between 2024 and 2025, thanks to concerted efforts by our supply chain teams throughout the year to educate and engage top suppliers on climate and other environmental issues. We conducted four in-person SBT workshops in the U.S., Malaysia, and India to help suppliers understand SBTi’s requirements and how to develop emissions-reduction plans. In addition, we hosted quarterly webinars focused on carbon emissions and SBT setting to support continuous learning. More than 425 supplier representatives attended these sessions in total. We also used our 2025 Supplier Day to raise awareness of Lam’s expectations for suppliers on SBT setting.

In 2025, we worked with 17 suppliers to identify energy efficiency and renewable energy opportunities and discuss short-term and long-term emissions-reduction targets. Looking ahead, we aim to have 95% of our top direct suppliers by spend set SBTs by 2030. We intend to encourage continued goal-setting by holding annual SBT workshops, developing a resource library, and exploring additional ways to support suppliers to reach their targets and transition to renewables. As suppliers set and achieve targets, they will help us make progress toward our own goals—and, ultimately, our net-zero aspiration.



1 Top direct suppliers are defined as the top 100 direct suppliers by spend, which account for approximately 88% of direct spend and 92% of direct supplier emissions, with some variability year-over-year. Direct suppliers are defined as those who provide parts, assemblies, and services to produce parts used to manufacture and support Lam’s products. Indirect suppliers are all other goods and services used by Lam’s daily operations that are not parts, assemblies, or services directly tied to producing parts used to manufacture or support Lam’s products.



IN PROGRESS  
 ACHIEVED

**GOAL:**

46.5% of suppliers measured by emissions have SBTs by 2025.

**STATUS:**



**GOAL:**

95% of top direct suppliers<sup>1</sup> measured by spend will have SBTs by 2030.

**STATUS:**



# Conducting due diligence on conflict minerals

Lam does not directly source tin, tantalum, tungsten, or gold (3TG). However, minerals like these are used in the semiconductor industry and may be present in items we purchase from our suppliers. We conduct due diligence in accordance with the guidelines of the Organisation for Economic Co-operation and Development, which are recognized international standards, to assess whether these minerals were sourced from regions associated with conflict in the Democratic Republic of the Congo and other conflict-affected and high-risk areas.

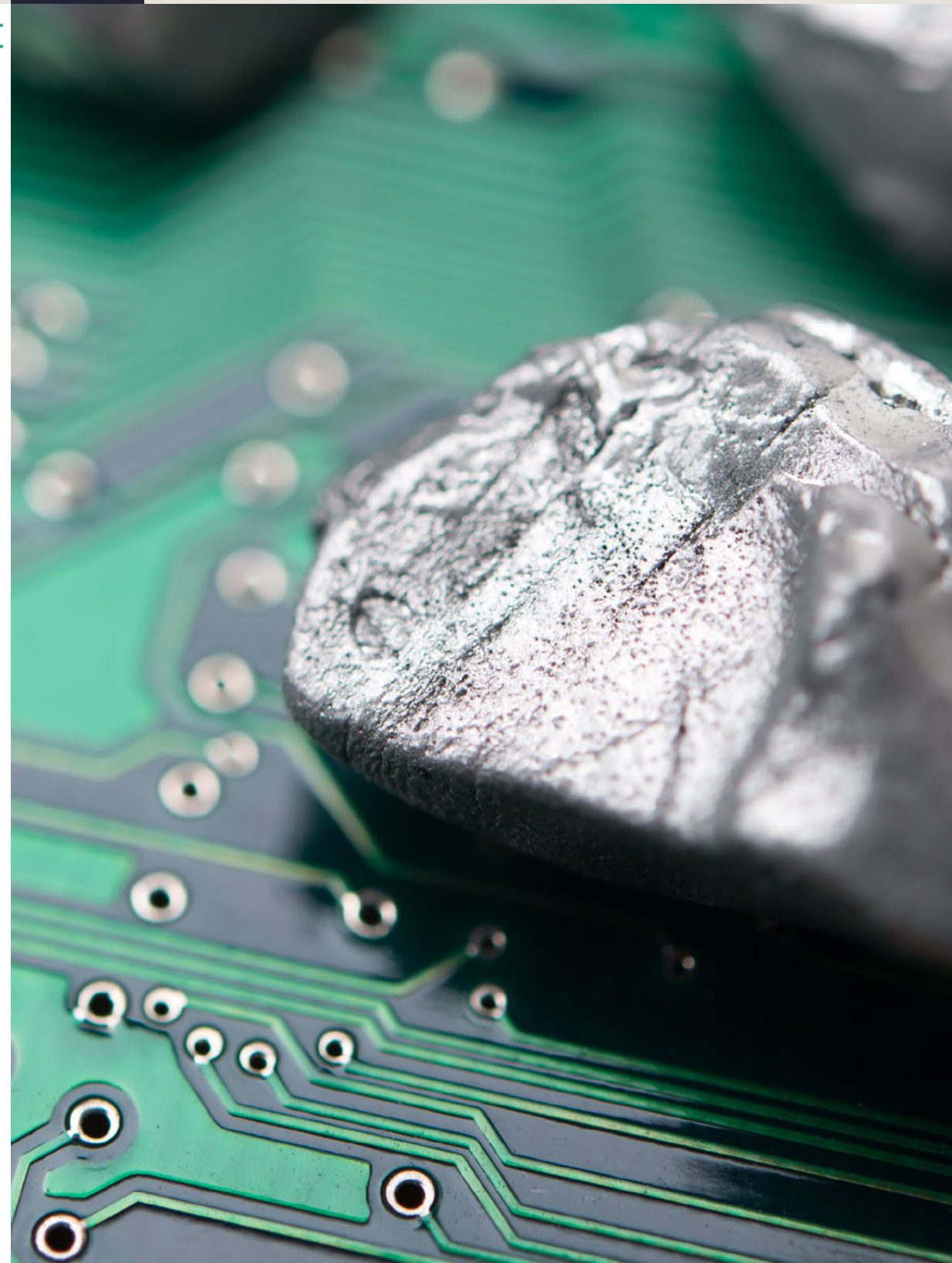
Lam is a member of the RMI, a multi-stakeholder organization that helps address human rights issues in the mining of potential conflict minerals and other minerals of concern. We use RMI's tools, such as the CMRT, to collect data from our suppliers. We then include that data in our annual filings to the U.S. Securities and Exchange Commission. In 2025, 96 of our top 100 direct suppliers responded to the CMRT survey.

We encourage suppliers to use smelters that have undergone an RBA smelter audit and request them to remove high-risk smelters from our supply chains, while cascading our expectations through their sub-tier supply chain. In addition, we screened smelters identified by our suppliers against applicable sanctions and entity lists. When higher-risk issues were identified, we took prompt action.

Beyond the CMRT, which focuses on mandatory reporting for 3TG minerals, we used the EMRT to understand supply chains related to a broader set of minerals that may be associated with potential human rights concerns. The RMI released an updated EMRT in mid-2025 that allows suppliers to report on cobalt, mica, and four additional minerals: copper, graphite, lithium, and nickel. We surveyed 43 suppliers and received responses from 24 suppliers. We expect increased participation as suppliers have more time to gather data across their own supply chain sub-tiers.



Visit our [website](#) to learn more about our approach to sourcing parts containing raw materials.





# PEOPLE+

Lam is proud to be a driving force in shaping the global semiconductor talent workforce. By fostering high-performing teams and embracing a forward-thinking approach to talent, we invest not only in our current employees but also in those who will define the industry's future.

Beyond supporting professional development, we offer programs designed to enhance safety and well-being, foster teamwork and connection, and support future-ready communities worldwide.

- + Launched Career Connect, an AI-enabled career development platform designed to make career growth more transparent and actionable
- + Earned a spot on Vault's list of Top 150 Internships
- + Logged 48,800+ hours of employee volunteering in communities

# Workplace

Our workforce is how we turn possibility into progress. At labs, manufacturing centers, and offices worldwide, our people combine deep technical expertise with connection and collaboration to solve challenges at the atomic scale. We promote continuous learning among employees at every level and offer resources to help people thrive inside and outside the workplace. Just as important, we're committed to doing business the right way: protecting people through strong safety programs and upholding responsible labor practices grounded in respect for human rights.

We assess the effectiveness of our workforce programs and policies in part through an annual employee survey. The 2025 survey revealed high levels of confidence in the business, with results 14 points above our benchmark. Manager-employee relationships continue to be a bright spot, reflecting an atmosphere of trust and day-to-day effectiveness. In addition, employee engagement, pride, and optimism remain high. Between 2024 and 2025, we saw a 6-point increase in employees who would recommend Lam to a friend or colleague.

91%

response rate to our employee engagement survey

85

engagement score, five points above the global benchmark

77

Belong and Connect Index score, one point above the global benchmark

<sup>1</sup> In 2025, we changed vendors for engagement surveys, which led to a change in methodology for the engagement score.

<sup>2</sup> The Belong and Connect Index score represents the combined scores of three questions. The global benchmark is calculated on an annual basis by our survey provider.



IN PROGRESS  ACHIEVED

**GOAL:**

Build on our high-performance culture with best-in-class employee engagement at the global benchmark as measured by our annual employee survey.

**STATUS:**

**ACHIEVED**

**2025 PROGRESS:**

91% participation in our annual employee survey, with an 85 engagement score; +2 over 2024 and exceeding all benchmarks.<sup>1</sup>

**GOAL:**

Achieve annual employee engagement at or above the global benchmark for both the overall annual employee survey and the Belong and Connect Index.<sup>2</sup>

**STATUS: REFRESHED GOAL**



# Bringing in the best talent

To help us meet customer commitments and expectations and innovate at the highest levels, we need a skilled and specialized workforce that is ready to deliver. We believe investments in talent are investments in Lam’s growth engine.

One way we connect with prospective talent is through the Lambassador program, which engages employees to use their own social platforms to promote Lam’s employer brand and offerings. In 2025, employees across nine countries participated in various posting campaigns, receiving social media training and resources throughout the four-month program.

In addition to enhancing brand awareness and fostering engagement externally, becoming a Lambassador increased engagement among participants themselves. Since starting the program, 81% of Lambassadors said they felt more engaged with their Lam peers and their likelihood of staying at Lam grew. In our 2025 employee engagement survey, the 2024 cohort of Lambassadors had significantly above-average ratings on feelings of community, personal development, and personal accomplishment compared to employees overall.

## GROWING OUR PIPELINE THROUGH INTERNSHIPS

Many of our employees in critical engineering and R&D positions hold advanced degrees. Internships play a vital role in helping these individuals gain hands-on knowledge and industry experience, while also serving as an important pathway for future talent to discover what makes Lam unique. We view internships not only as a way for prospects to get to know Lam and for us to showcase our culture and opportunities, but also as a chance for Lam to build relationships and assess potential future colleagues. This two-way exchange strengthens our talent pipeline and helps us continue to attract the brightest minds. One key measure of our program’s success is our intern conversion rate—how many interns return for another internship or accept a full-time role at Lam—and we are proud to have seen this rate increase in 2025. Our internship program was named a leading program by Vault, earning rankings on the career resource organization’s Top 150 list as well as Top Engineering Internships, Best Internships in Tech & Engineering, and Best Internships by Employment Factor.



### GOAL:

Develop future semiconductor talent by up-skilling at least 70,000 students by 2031 globally.

**STATUS: NEW GOAL**

An all-time high of

**472,000**

applications to Lam in 2025

**30%**

increase from 2024



## ACADEMIC COLLABORATIONS FOR SEMICONDUCTOR TALENT

Knowledge of the latest device technologies and semiconductor processes is critical for students seeking employment at leading-edge chip manufacturing companies. But even many top universities lack access to the processes and equipment to teach students the skills they need to develop the next generation of chips. In line with our goal to develop future semiconductor talent by up-skilling at least 70,000 students by 2031 globally, we engage with universities worldwide to develop process integration courses in collaboration with academic institutions. The lab component of these courses is delivered through SEMulator3D®, part of the Semiverse® Solutions suite, which provides a virtual fab experience for universities without access to a physical fab, giving students a much clearer understanding of real, end-to-end semiconductor manufacturing. As part of our 2025 workforce development efforts, we collaborated with more than 75 universities across the U.S., India, and Korea, training approximately 2,500 students to enable future semiconductor professionals.

We have provided our SEMulator3D® modeling platform, part of the Semiverse® Solutions suite, to leading institutions such as Cornell University; Stanford University; University of California, Berkeley; UCLA Samueli School of Engineering; and University of Texas at Austin. Beyond fueling our talent pipeline, the research that students conduct helps contribute to our technology pipeline, creating opportunities for new approaches to industry challenges. In 2025, Lam donated a multi-chamber etch system to the University of California, Berkeley’s Marvell Nanofabrication Laboratory. This donation gives Berkeley researchers the tools to

research and develop advanced semiconductor devices needed to support a wide range of future applications, from consumer and industrial electronics to AI and quantum computing hardware. We also provided the first \$500,000 grant to Oregon State University to fund research on the development of new materials for semiconductor devices, which will continue for five years.

Over the past 10 years, we have contributed more than \$1 million to the Colorado School of Mines to support academic research. This funding has advanced work such as plasma-assisted materials processing, enabling the fabrication of next-generation devices.

Lam is also helping shape the future manufacturing workforce through apprenticeship programs at Portland and Clackamas Community Colleges, and through our Ohio subsidiary Silfex’s work with Clark State College to deliver advanced manufacturing training. Through these investments, Lam seeks to not only advance semiconductor education but also strengthen its connection to a diverse and highly skilled future talent pool.

Looking ahead, we are joining with industry peers to accelerate this work. The SEMI Foundation recently launched the National Network of Microelectronics Education (NNME), a national program that aims to build regional centers around the U.S. for microelectronics education and training. Regions across the U.S. submitted proposals throughout 2025 for regional nodes focused on accelerating, expanding, and improving microelectronics talent development across the country. NNME expects to select the first location in 2026.



# Helping employees take charge of their careers

Continuous improvement, learning, and growth are shared values at Lam. We encourage every team member to strive for excellence individually, which in turn allows us to reach greater heights as teams and as a company. Feedback from employee surveys has highlighted a desire for more career development opportunities and clearer career pathways, and we are taking action to deliver.

One of our key achievements in 2025 is the launch of Career Connect—an AI-enabled career development platform designed to make career growth more intentional, transparent, and actionable. Through Career Connect, team members can create personalized development plans aligned with their career goals, explore internal opportunities across Lam, and track progress to guide meaningful conversations

with managers and monitor their advancement. In the first three months after launch, 46% of Lam employees updated their talent profiles, taking the first step toward unlocking new career possibilities.

We are on a multi-year journey to build a robust competency model that sets clear expectations for performance and success at every level and role. Starting with values-based competencies in 2023, expanding to leadership competencies in 2024, and culminating with functional and role-based competencies in 2025, this framework set the stage for competency-based learning and future-focused skill development. Responding to employee feedback, our performance and career process now includes two required check-ins per year, incorporating developmental stakeholder feedback at mid-year and comprehensive stakeholder input at year-end. This approach gives employees regular opportunities to discuss their career progression and receive guidance from their managers.

## LEARNING OPPORTUNITIES THAT SPAN CAREER JOURNEYS

Every new Lam employee begins with a robust onboarding experience designed to accelerate early success and connection to our culture and Core Values. From there, employees access a global professional development portfolio with over 125 courses

to build critical skills across roles and career stages. For technical talent, Lam’s Leap program spans 14 technical disciplines and reached over 1,700 learners globally in 2025, ensuring deep expertise in the capabilities that power our innovation and customer impact.

We complement this foundation with a comprehensive leadership development architecture. Programs such as Manager Essentials, Manufacturing Leadership Accelerator, and Grow equip new leaders with the skills to guide teams effectively, while Lead advances leadership depth for experienced managers. As a differentiated leadership development experience, Elevate strengthens key leadership capabilities and career growth readiness. Of participants from Elevate’s first three cohorts, 22% advanced into executive-level roles.

Coaching and mentoring programs provide opportunities for growth at a more personalized level. Our Coaching at Lam program reached 338 participants in 2025 and introduced specialized tracks for emerging talent in Asia. The Mentoring at Lam initiative further strengthened connection and knowledge transfer throughout the organization with strong participation and completion rates.

For those who prefer self-directed learning, we offer iLearn, a platform with



### GOAL:

By 2030, achieve above benchmark<sup>1</sup> standards for hours of learning per employee per year.

### STATUS: NEW GOAL

on-demand access to training delivered via video, e-books, podcasts, and labs. iLearn experienced a surge in engagement in 2025, with a 25% increase in active users, 16% growth in content discovery, 29% rise in learning hours, and 20% jump in course completions, reflecting our growing culture of continuous learning.

We aim to make career development programs globally relevant. Our leadership programs are offered through a vendor that is accessible worldwide, and in 2025, regional learning and development leaders reviewed content and offered recommendations to ensure training better reflects regional nuances. For example, Manager Essentials launched with a standard format, but each region can add modules based on local culture, needs, and requirements. Regions can also launch local programs outside of the global learning catalog to meet their specific needs. Based on their outcomes, these targeted programs may become examples for other regions to follow.



<sup>1</sup> The annual benchmark is established by the [Association of Talent Development](#).

# A place for everyone

Lam employees are more than their job titles. Knowing that we cultivate stronger teams and more engaged employees when we can be ourselves and express new ideas and problem-solving approaches at work, we celebrate what makes each person unique.

Recognition programs allow people to celebrate each other's accomplishments, both professional and personal. Through our Above and Beyond program, employees can honor colleagues who demonstrate Lam's Core Values and deliver outstanding work. In 2025, the program expanded to include community celebrations and life events, allowing employees to recognize milestones like welcoming a new family member, earning a degree, or completing a marathon. Through the program, 91% of Lam employees received recognition through more than 166,000 recognition moments. We also organized an Exceptional Leaders campaign to acknowledge people who exemplify our leadership competencies.

Employee resource groups (ERGs) are employee-led, executive-sponsored communities that offer another way for people at Lam to connect. All ERGs are open to any interested employees. Employees who are members of ERGs report higher engagement than those who are not, demonstrating the value of participation.

Highlights from across our ERGs in 2025 include:

- Launching an AI-focused ERG with chapters in Fremont, Tualatin, and India, which now has over 1,000 members
- Launching a new ERG in Fremont to surface employee ideas to make their workplace experience a differentiator
- Hosting a *Sand to Silicon* event organized by CLASS Outreach ERG, which brought local community college students to Lam's Fremont campus for hands-on learning, lab tours, and exposure to careers in semiconductor manufacturing

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**8**

ERGs

**3,600+**volunteer hours completed  
by ERG members

## WORKFORCE DEMOGRAPHICS SNAPSHOT

### Global gender distribution

#### All employees



#### Executives



#### Managers



#### Junior managers



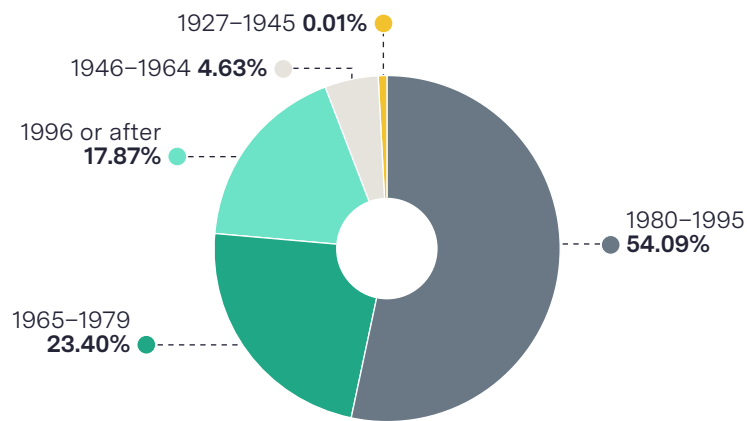
#### Technical employees



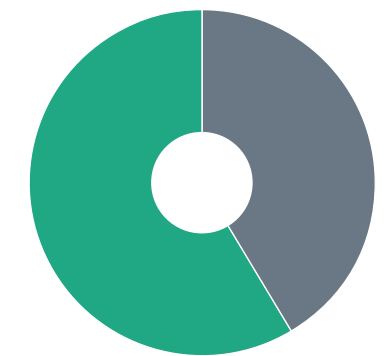
#### New hires



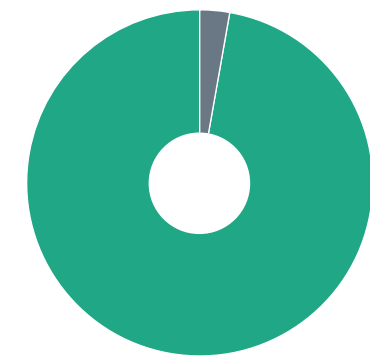
### Global employees by generation



### Global employees who disclosed their disability status



### Global employees who disclosed their veteran status<sup>1</sup>



Note: Minimal rounding has been applied to these data.  
<sup>1</sup> Veteran status is self-disclosed.

# Resources for living well

When people have the resources they need to live well outside the office, they come to work more ready to perform at their best. Lam seeks to provide employees benefits that help support fulfilling and healthy lives. In 2025, we worked to educate employees about the many global benefits we offer, including:

- Access to holistic and preventive healthcare
- Partial remote options like onsite flex and virtual flex for certain roles
- Time off for rest and leisure
- A wellness incentive that uses gamification to encourage and reward healthy habits
- Fitness centers in Fremont, Austria, Korea, Malaysia, Taiwan, and Tualatin
- 100% of base pay for 16 weeks of parental leave for new parents
- Virtual fitness classes and wellness webinars

Additional benefits available to employees based in the U.S.<sup>1</sup> include:

- An annual \$500 lifestyle reimbursement for eligible expenses to help employees achieve fitness, financial, and educational goals
- A virtual physical therapy program for employees and covered dependents
- Mental Health First Aid training certification for key Human Resources and management staff
- Financial support through our Student Loan Assistance program

Live Well, our global total well-being program, engaged employees in 2025 through a 5K Walk for a Cause challenge, biometric screenings, and virtual and onsite events including health fairs, cooking demos, fitness classes, and financial planning workshops. Live Well Champions helped plan and manage these events and encouraged their colleagues to participate.



## Engaging the next generation

As another way of honoring the rich lives of our employees outside of work, we held Bring Your Child to Work Day events at our Fremont and Taiwan locations. The Taiwan office hosted children of employees and students from local schools for events including a visit to our Training Center, a cleanroom suit try-on, a souvenir wafer project, a drone workshop, and a robotics competition.

<sup>1</sup> Employees outside the U.S. are eligible for comprehensive, competitive, region-specific benefit programs tailored to their location.

# Promoting responsible labor practices

Respecting and upholding human rights is fundamental to our operations and culture. Lam is a member of international organizations that set standards for responsible labor and human rights, including the RBA and the UN Global Compact (UNGC). We draw on RBA's tools and resources to support a variety of our practices, including enhancing human rights due diligence and sustainability, strengthening our culture of ethics and compliance, and supporting our net zero ambitions. As a UNGC member, Lam supports the UNGC's Ten Principles for labor, environment, anti-corruption, and human rights.

Our [Human Rights Policy](#) aligns with the Universal Declaration of Human Rights, the UN's Guiding Principles on Business and Human Rights, and the RBA's Code of Conduct. This policy applies to all Lam entities, Lam employees, temporary workers, contractors, and consultants, and covers topics including forced labor, working hours, and employees' rights to collective bargaining. Lam expects our suppliers and business and community partners globally to adopt similar principles and practices and to comply with [Lam's Global Supplier Code of Conduct](#).

Our responsible labor management process is built on the RBA framework. It incorporates SAQs that cover key areas including labor, health and safety, ethics, environment, and management systems. We complete these assessments annually for our manufacturing facilities. If a risk is identified through our SAQ process, Lam has mitigation processes to document, track, and address those risks. In 2025, none of our facilities were rated as high risk.

We confirm that employees understand our position on human rights by offering training, requiring acknowledgement of our policy, and providing resources for understanding human rights terminology. In 2025, we introduced new training on recognizing forced labor for both Lam employees and onsite suppliers. We also formed cross-functional teams in Taiwan, Korea, and Malaysia to ensure local teams are properly trained on the elements of the RBA Code and that programs, practices, and policies are aligned to the RBA Code.

## UPHOLDING PAY PARITY AND NON-DISCRIMINATION

We want Lam to be an environment where every employee has opportunities to perform to their highest potential. Consistent with our Core Values of accountability, continuous improvement, and mutual trust and respect, we regularly self-audit our practices regarding recruiting, hiring, and retaining a high-performing workforce. We conduct an annual compensation practices (pay parity) assessment of our pay practices and systems to promote fairness across the workforce and ensure compliance with applicable laws. To do so, we leverage the expertise of a nationally recognized law firm and its data-driven statistical model to objectively analyze our pay practices and identify trends and patterns. We use this information to maintain and improve Lam's global compensation practices.

Lam supports non-discrimination, a harassment-free environment, and compliance with applicable laws in all our employment practices. We prohibit unlawful discrimination, harassment, and retaliation in any aspect of employment, including recruiting, hiring, promotion, compensation, and employee interactions. Our Human Rights Policy aims to further ensure the protection, safety, and dignity of all Lam employees. Additionally, our [Global Employment Practices Statement](#) declares our support for equal employment opportunities, workers' rights to freedom of association, and collective bargaining, to the extent permitted under local laws.



For information regarding human rights management in the supply chain, see our [Responsible sourcing](#) chapter.

# Integrating safety into all we do

Our dedication to safety is reflected in comprehensive training programs and ongoing employee engagement. We cultivate a culture where safety is incorporated into the work process for all employees, mitigating risks through rigorous protocols and robust controls. Guided by our global [Environment, Health, and Safety \(EHS\) policy](#), we strive to maintain workplaces where all employees, contractors, and visitors are safe and free of injury. Lam provides comprehensive safety training for all new team members and implements corrective actions promptly whenever risks are identified or incidents occur to ensure our standards for workplace safety remain rigorous.

In 2025, Lam continued to enhance safety by improving the ways that we manage data, train employees, and design spaces. We launched a new EHS platform to consolidate safety applications and improve visibility into risks, controls, and action plans. Across the new platform and legacy records, we are using an AI-enabled tool to support deeper analysis of this information. We also enhanced our data-gathering processes and auditing program, which will facilitate goal development, training, and EHS professional development.

New training in 2025 focused on chemical safety, regional modifications to our machinery safety processes, and training to support the new EHS platform launch. We enhanced our global Emergency Response program, developing new training forums for EHS professionals, to be ready for the unexpected. This includes medical emergencies. We have increased the number of employees trained to perform cardiopulmonary resuscitation and operate an automated external defibrillator.

In our warehouses, we increased automation to improve retrieval speeds and reduce the risk of injury from high-repetition tasks. We continue to use virtual reality to visualize spaces and screen for hazards before a space is built, when issues are easier to correct.

**227,000+**  
hours of employee safety training

**336,000+**  
Risk Management by Walking Around reviews



IN PROGRESS  ACHIEVED

**GOAL:**

Maintain a recordable injury rate at or below 0.4 annually.

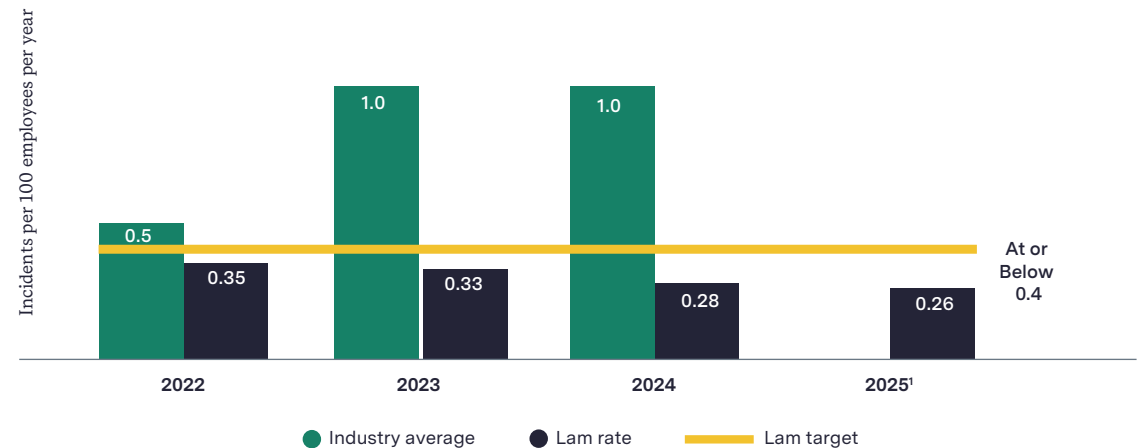
**STATUS:**

**ACHIEVED**

**2025 PROGRESS:**

Continued risk-reduction measures and preventive programs have resulted in decreasing recordable injury rates. In 2025, we achieved a recordable injury rate of 0.26, well below industry averages and a 7% decrease from 2024. We also reduced lost-time injuries by 17%.

## Recordable injury rate (Lam vs. industry)



<sup>1</sup> Industry data for 2025 not available at the time of publication.

# Future-ready communities

Lam is powered by a passion for imagining what’s next—constantly innovating and creating solutions that have never existed before. To help realize a future that is bright, promising, and welcoming to all, we invest in the communities where we operate.

Our efforts are focused on advancing STEM education, promoting sustainability, and fostering inclusive communities in ways that reflect our Core Values. Our social impact platform, Powering Breakthroughs Together, guides our approach across these key areas, ensuring our work delivers meaningful and lasting impact. The pillars of this program include:

- **TRANSFORMATIVE LEARNING:** We invest in programs that push the boundaries of education to carve out new pathways for learners, innovators, and creative thinkers.
- **RESILIENT COMMUNITIES:** We support efforts that help communities build resilience in the face of adversity through strong relationships, enhanced technological capacity, preparedness, and recovery planning.
- **INCLUSIVE SOCIETIES:** We provide financial support to organizations working to increase access to resources and opportunities that help communities reach their full potential and flourish.



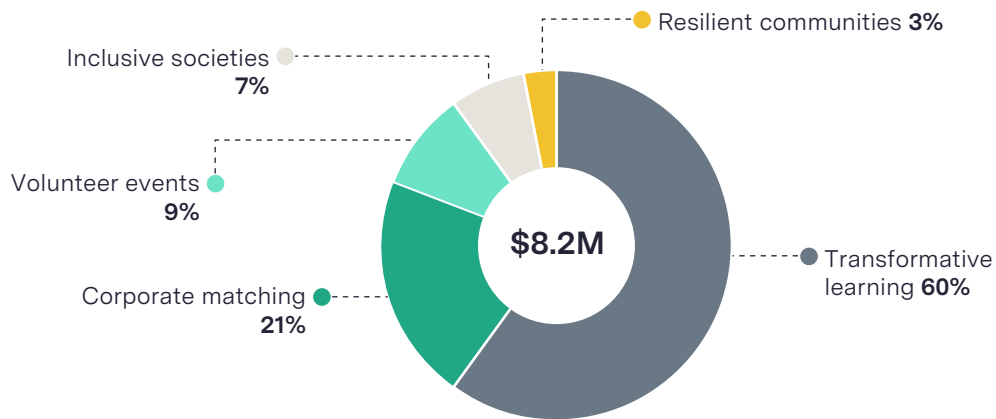
In 2025, Lam was proud to achieve all of our ESG goals related to community impact, including defining targets and implementing measurement systems for our grantmaking. With this work complete, we have set a new goal focused on the beneficiaries of our grants and programs, keeping us focused on the people our work is designed to serve. We believe that this new goal, which is cumulative rather than annual, will help us think about momentum and impact with a longer-term perspective.

**48,868**  
total hours volunteered

**55%**  
employee participation rate

**96**  
grants awarded and  
\$8.2M donated by the  
Lam Foundation

2025 grant making breakdown<sup>1</sup>



<sup>1</sup> Minimal rounding has been applied to these data.



IN PROGRESS  ACHIEVED

**GOAL:**

Determine key targets for larger-scale impact aligned to a new strategic focus.

**STATUS:**

**ACHIEVED**

**2025 PROGRESS:**

Lam's Powering Breakthroughs Together community impact framework continues to guide our giving and signature program initiatives.

**GOAL:**

Implement measurement of outcomes for key program and large-scale grants.

**STATUS:**

**ACHIEVED**

**2025 PROGRESS:**

Our 2030 goal, combined with our long-term grantmaking process across our three impact pillars, will provide the framework for measuring outcomes over the next five years.

**GOAL:**

Directly benefit 750,000 people globally through Lam social impact programs by 2030.

**STATUS: NEW GOAL**

# Transformative learning

Lam thrives on curiosity, ingenuity, and an entrepreneurial mindset. We seek to foster this same spirit among young people through purposeful investments in hands-on educational experiences. Through our transformative learning pillar, we support organizations that:

- Push the boundaries of traditional approaches to education to introduce new ways of learning, foster new discoveries, shift mindsets, and empower growth
- Inspire the next generation of innovators to solve the world’s most pressing problems through engineering or technology

- Equip people with the knowledge and skillsets needed to succeed in the innovation workforce of the future

In 2025, we joined forces with Project Lead The Way, supporting the organization’s delivery of a hands-on STEM curriculum to under-resourced schools. Through \$150,000 in funding, Project Lead The Way awarded 19 grants to pre-K to grade 12 schools located near Lam facilities across the United States. Schools used grant funding for teacher training, equipment, and supplies needed to implement or expand their STEM programs.

For college students facing financial hardship, outstanding fees and utility bills can sometimes stand in the way of earning a diploma. When those students fail to complete their degrees, they may face additional barriers that limit their future employment opportunities. The Last Mile Education Fund helps close this gap, providing aid to students who are close to graduation but need short-term financial assistance. In 2025, Lam joined with Last Mile and other industry peers to contribute to the Semiconductor Pathways Fund, which will help students pursuing disciplines central to semiconductor innovation to stay in school and on track.

## SPARKING LEARNING AROUND THE WORLD



### U.S.

In Oregon, we supported the Oregon Robotics Tournament & Outreach program, which helped 800 students participate in the robotics competition and associated STEM learning experiences. We also funded Project LEDO, a Portland-based nonprofit. The organization engaged 524 students in robotics programs in 2025.



### Taiwan

In collaboration with the National Science and Technology Museum, Lam supported Hour of Code in Taiwan. The program equipped 276 elementary school students with the logical thinking and problem-solving skills needed to write code.



### Malaysia

We supported the Penang Tech Centre’s Robomania robotics competition, engaging 631 students.



### Korea

We helped the Youth Education Social Cooperative develop a STEM program, providing instructional materials, teacher and learner resources, and robotics kits to the nonprofit.



### Japan

We provided direct support to 361 students through Code for Everyone, an organization offering training for teachers on generative AI that they can then teach to students.



### Singapore

We supported United Women of Singapore’s STEMentorship program, which provides girls and young women with opportunities to explore STEM careers together through mentorship, field trips, career panels, and educational workshops.

# Resilient communities

Communities around the world are preparing for and recovering from natural disasters. Lam aims to support initiatives that help many of them mitigate future risks and build lasting resilience. We support organizations that are focused on:

- Improving housing sustenance, shelter access, and community infrastructure reparation
- Implementing disaster preparedness and recovery plans that strengthen communities
- Engaging and connecting with community members to support the adoption, maintenance, and evolution of readiness, recovery, and relief efforts

- Helping rebuild communities impacted by natural disasters or adverse conditions
- Curbing and mitigating climate impacts and building resiliency in our natural environments

Our grantmaking in 2025 took a broad view of resilience, focused on meeting people’s basic needs as well as protecting against and responding to disasters. For example, Lam Manufacturing Malaysia recently combined community resilience with sustainability education in a program with Water Watch Penang. Through the Greenwater Project,

we helped equip six schools with tools to collect and reuse rainwater onsite. By combining hands-on environmental education with functional rainwater harvesting systems, the project encourages sustainable practices at the school level. Within the first year after the harvesting systems were installed, the participating schools successfully collected an estimated 500,000 liters of water, reducing their dependency on local water supplies. More than 40 Lam employees took part in this project, with education programs reaching over 1,400 students.

## PREPAREDNESS AND RESPONSE AROUND THE WORLD



### U.S.

In Austin, Texas, Lam supported the Sunrise Homeless Navigation Center, which covers move-in costs and case management to help people experiencing or at risk of homelessness transition to stable housing. In Ohio, we provided funding to Home Is The Foundation’s Senior Home Repair program, which provides no-cost safety modifications for low-income seniors, including grab bars, ramps, and plumbing repairs.



### Taiwan

Our resilience-building efforts also included a tree planting project in Taiwan led by the Tse-Xin Organic Agriculture Foundation. Through this grant, we planted 1,000 trees, helping establish coastal forests to prevent coastal erosion.



### Japan

In Japan, Lam funded Peace Boat Disaster Relief (PBV), a Japan-based NGO committed to supporting disaster-affected communities through a range of services—from emergency supply distribution to shelter management assistance—and offering disaster-risk-reduction training programs year-round. PBV also operates a community fridge project that serves single-parent households during non-disaster times and functions as a relief station when disaster strikes.



# Inclusive societies

We support programs that expand access and create new opportunities for all. Our goal is to help every community thrive and realize its full potential.

The programs we support focus on:

- Eliminating barriers so more groups can participate in social institutions (e.g., after-school programs, education systems, workplaces)
- Uplifting communities' long-term economic and physical well-being
- Driving systemic change and/or designing new systems, processes, and procedures with inclusion of all in mind

In 2025, Lam gave to organizations worldwide that serve underprivileged children and help address hunger in local communities. Lam has worked with several of these groups for many years, such as the Foundation for Tigrad Tualatin Schools, which Lam has supported since 2019. Most recently, Lam helped fund the Foundation's Packed with Pride program, a food pantry providing critical support to Tigrad-Tualatin School District families experiencing food insecurity.



## MEETING CRITICAL NEEDS AROUND THE WORLD



### U.S.

We continued to support organizations near our headquarters through donations to the Alameda County Community Food Bank and Second Harvest of Silicon Valley. Together, these two gifts helped distribute 90,000 meals to Bay Area families, strengthening access to nutritious food across our local community.



### Austria

Lam provided funding to Diakonie to help 265 youth prepare for adulthood. Our support throughout the year enabled the organization to provide backpacks and essential school supplies, helping students access the tools they need to succeed.



### India

We supported Bengaluru-based Vidyanikethan, which is recognized for their long-standing work in social development, environmental programs, community empowerment, and rural upliftment across Karnataka.



### China

Through a donation to Give2Asia, we supported the Shanghai Oasis Public Service Development Center's food security program, which provides groceries to low-income families in Shanghai and Shenzhen.



### Malaysia

Lam made a grant to the Food Aid Foundation in Malaysia, through its Cooking for a Cause program, which addresses food insecurity by preparing and distributing nutritious meals using fresh ingredients for under-resourced families, charitable homes, and welfare organizations. Our grant is helping to distribute 2,000 fresh-cooked meals and 500 prepared food bags. Lam volunteers have also worked with the Food Aid Foundation to pack food bags and distribute them to community members following floods last year.

# How we did it: 40,000 volunteer hours and counting

In 2022, Lam employees recorded over 21,000 hours giving back to causes that matter to them. That year, we set an ambitious goal to nearly double that amount, reaching 40,000 hours of volunteering by the end of 2025.

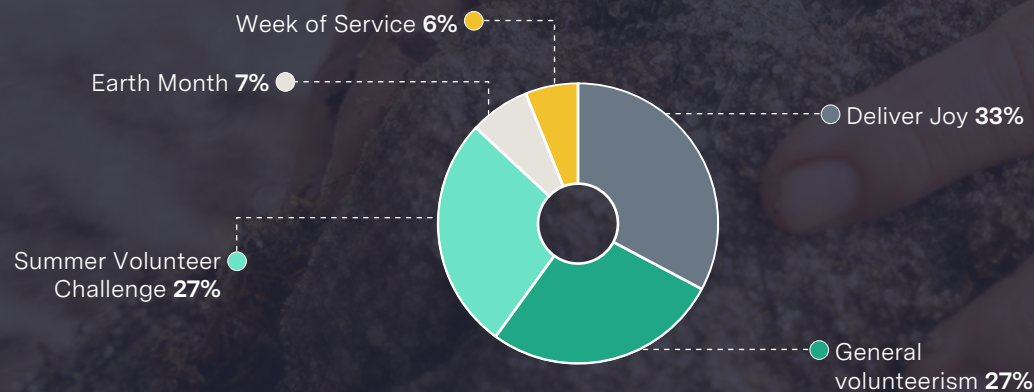
At the time, the goal was not simply about increasing activity. As a core expression of Lam’s values and a key way we contribute to the communities where we operate, employee volunteerism presented an opportunity to encourage new ways of engaging employees, strengthen local ownership of community efforts, and create more consistent, year-round opportunities for employees to contribute their time and skills.


In 2025, Lam exceeded this goal, with employees contributing 48,868 volunteer hours globally and achieving a 55% participation rate across employee giving and volunteer programs. This progress reflects both increased scale and broader engagement across regions, sites, and functions. Here are a few lessons we learned along the way about how to take volunteerism to the next level.

## TAKE WHAT’S WORKING AND GO BIG.

Deliver Joy, our year-end giving campaign, expanded to all 10 European sites for the first time, bringing people together to wrap gifts, assemble care packages, and serve meals. We also matured our Lam Cares Ambassadors program, a group of volunteers who plan, lead, and promote social impact events. With increased support, we now have over 130 ambassadors globally who planned more and larger events.

## Volunteer hours





● IN PROGRESS    ● ACHIEVED

**GOAL:**  
Contribute 40,000 employee volunteer hours annually.

**STATUS:**  
ACHIEVED

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**GOAL:**  
Increase annual unique participation rate in all employee giving programs from 10% to 30%.

**STATUS:**  
ACHIEVED



(continued)

### SUSTAIN MOMENTUM THROUGH EVERY SEASON.

Historically, summer has been a slower time for volunteering at Lam. In 2025, we addressed this pattern through a Summer Volunteer Challenge. The challenge encouraged employees to volunteer 2, 10, or 25 hours. This campaign became one of the largest contributors to our goal, driving over 13,000 hours of volunteering.

### ENCOURAGE FRIENDLY COMPETITION.

We worked with regional teams to establish volunteer hour goals tailored to local contexts, driving accountability and local engagement. For example, Lam Manufacturing Malaysia set an ambitious goal of 5,000 hours, in honor of their fifth anniversary, and installed a countdown tracker in their lobby to inspire participation.

### INCLUDE EMPLOYEES ACROSS THE WORKFORCE.

Lam focused on making volunteer opportunities accessible to employees across roles, locations, and work schedules—including manufacturing teams working non-traditional shifts. Events were intentionally planned to accommodate all shifts, including overnight hours, so employees could participate at a time that works for their schedule.

### ALIGN WITH OTHER MOMENTS OF CELEBRATION.

2025 was a milestone year for many reasons: It represented not only the 25th year of the Lam Foundation but 25 years of Lam's presence in India. To mark the occasion, employees planted over 25,000 tree saplings over multiple weekends. The effort engaged hundreds of employees and reflected a locally led approach to volunteering.



Another key moment in time for Lam employee volunteers is [Earth Month](#). Learn how we observed the month in 2025.





# PLANET+

Just as Lam operates within an interconnected semiconductor value chain, we are also part of a larger web of relationships between humans and the natural world. We strive to operate with respect for the planet and its resources, which we do by embracing renewable electricity and energy efficiency, mindfully using water, reducing waste, and protecting biodiversity. Propelled by teamwork and a spirit of continuous improvement, our actions support growth and resiliency across our industry.

- + Achieved goals for Scope 1 and 2 emissions reduction and energy savings
- + Realized a 21.5% decrease in Scope 3 emissions from use of products sold per USD value added
- + Advanced the regionalization of our global supply chain, avoiding an estimated 13,600 metric tons of CO<sub>2</sub>e in 2025

# Our net zero roadmap

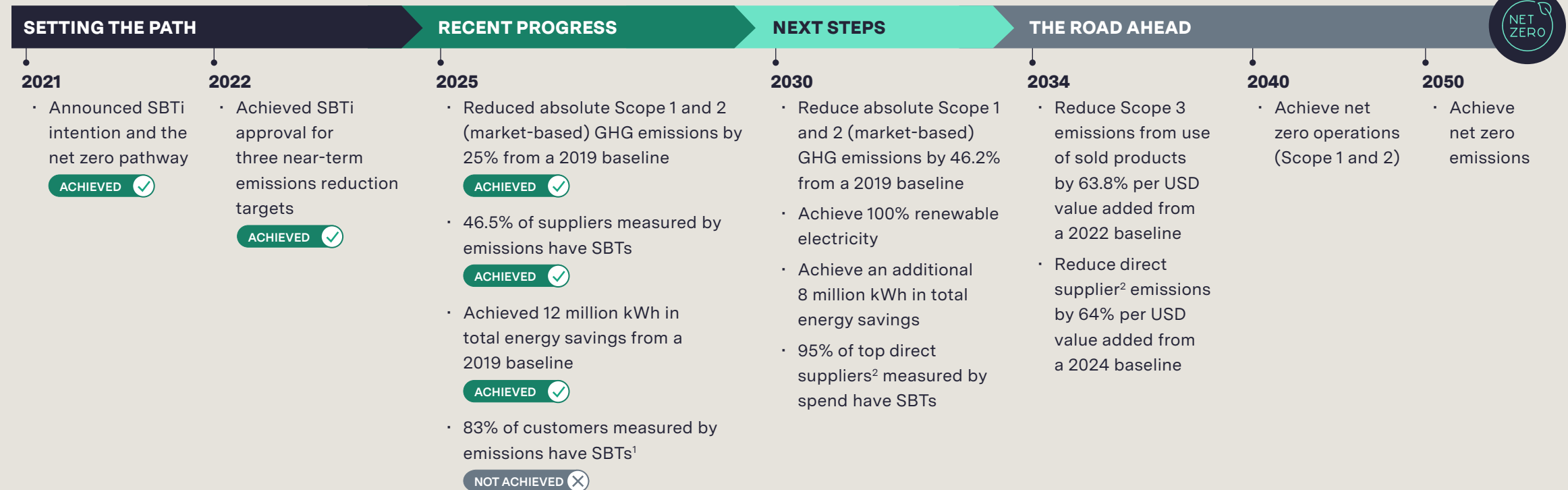
Lam has set a series of short- and long-term goals, many of which are validated by SBTi, and together make up our net zero roadmap. In 2025, we achieved several of these goals, taking measured steps toward a net zero future by reducing Scope 1 and 2 emissions, encouraging and supporting our suppliers in setting SBTs, and increasing energy savings.

We are proud of these accomplishments and strive to accelerate progress in the years to come. As we look ahead, our strategic efforts will be guided by our next series of interim targets, as well as our goals to achieve net zero operations (Scope 1 and 2) by 2040 and net zero emissions across our value chain by 2050.



For more detailed information on our emissions-reduction efforts, please reference our annual [Climate Change submission to CDP](#).

## NET ZERO ROADMAP



<sup>1</sup> Lam did not achieve its goal of 83% of its customers measured by emissions having set SBTs by 2025. Despite customers having long-term goals in place, SBTi requirements do not provide the flexibility some of our customers require in setting and measuring their short-term goals.

<sup>2</sup> Top direct suppliers are defined as the top 100 direct suppliers by spend, which account for approximately 88% of direct spend and 92% of direct supplier emissions, with some variability year-over-year. Direct suppliers are defined as those who provide parts, assemblies, and services to produce parts used to manufacture and support Lam's products. Indirect suppliers are all other goods and services used by Lam's daily operations that are not parts, assemblies, or services directly tied to producing parts used to manufacture or support Lam's products.

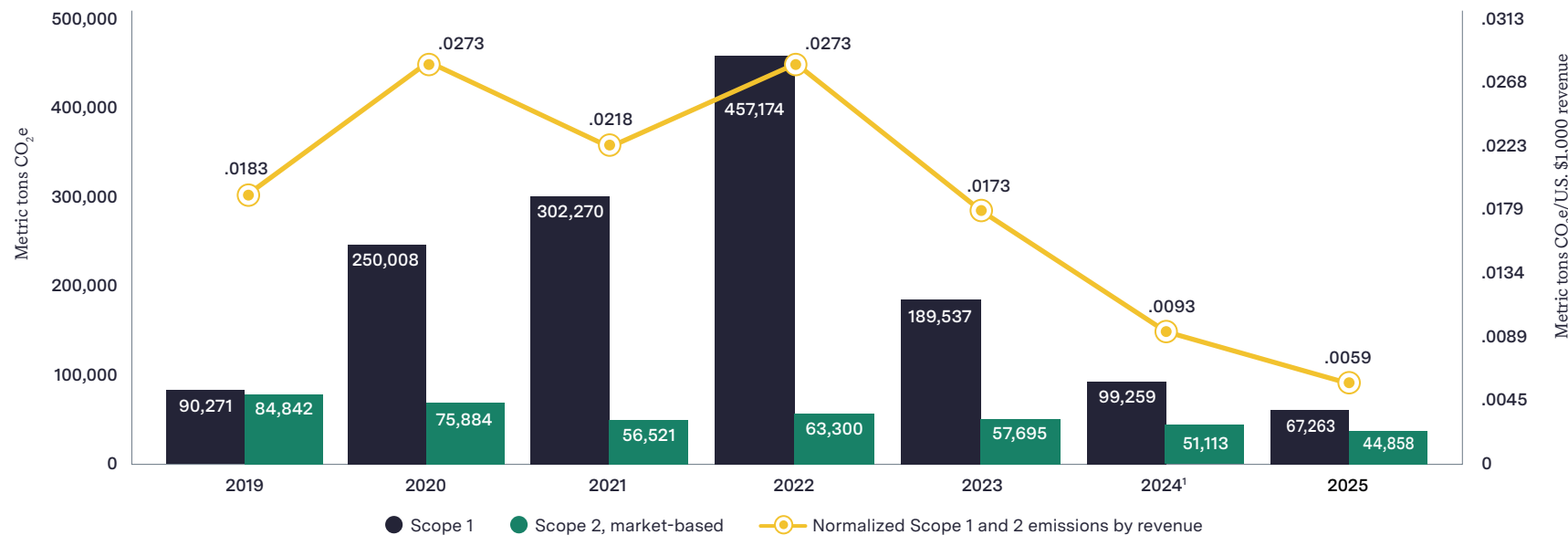
# Our operational footprint

While Scope 3 emissions represent the majority of our GHG footprint, reducing Scope 1 and 2 emissions is essential to making progress on our net zero roadmap. In 2025, we achieved a key milestone by reducing Scope 1 and 2 (market-based) GHG emissions by 35% from a 2019 baseline.

This achievement is just the first step. We continue to work toward achieving net zero operations by 2040, prioritizing energy efficiency and renewable electricity initiatives in our facilities across the globe. To minimize energy and natural gas use, we are testing new, more efficient technologies at our sites and engaging with industry groups to evolve best practices that we can then share with our supply chain.



## Scope 1 and 2 GHG emissions by year



<sup>1</sup> Through the normal course of due diligence and data review, additional Scope 1 emissions for 2024 have been discovered and restated here.

## Expanding our footprint sustainably

In 2025, we opened a new, 120,000-square-foot office building in Tualatin, Oregon, providing up to 700 workspaces for current and future employees as part of our existing Tualatin campus. The new building has been LEED Certified and uses an energy-efficient heat pump for heating and cooling. It incorporates native plantings in its landscaping, and bike lockers and electric vehicle (EV) chargers nearby.

# How we did it: The first milestone on our net zero journey

Achieving net zero begins with the emissions we can most control—Scope 1 and 2. For Lam, Scope 1 emissions result from the natural gas required for day-to-day operations as well as the process gases used in our labs, while Scope 2 emissions come from the electricity purchased to power our facilities. Reducing these emissions requires us to employ different and innovative approaches to how we operate our facilities and labs.

And we're doing just that. To meet our first target for Scope 1 and 2 (market-based) emissions reduction, we deepened ongoing procurement of renewable electricity—both onsite installations and market-based instruments—and continued global efforts to replace high-GWP gases. These efforts allowed us to surpass our goal, reducing emissions by 36% from the baseline.

We're also striving to save energy, which represents 66.7% of our market-based operational emissions profile. In 2025, we also exceeded our goal to achieve 12 million kWh in total energy savings from a 2019 baseline, saving cumulatively more than 13.7 million kWh, 1.9 million of which occurred in 2025.

Making a dent in energy use looks different for every facility. For example, on our Tualatin campus, we began a multi-year project to upgrade fan filter units to enable more energy-efficient air filtration in cleanrooms. We also undertook numerous lighting retrofit projects at our facilities in California; Taiwan; and Villach, Austria. We repaired leaks in our compressed air system in Fremont, California, which will save an estimated 147,000 kWh annually.

We continue to participate in Strategic Energy Management (SEM) programs for our facilities in Tualatin, Oregon, and Fremont and Livermore, California. In collaboration with local utilities, we seek to reduce energy consumption through low- or no-cost measures. Once we've captured the easiest efficiency gains, further improvements become increasingly difficult—but Lam experts are up to the task. Team members are constantly gaining knowledge and expertise that allow them to identify new opportunities, supporting our continued efforts to advance toward net zero.



IN PROGRESS  
 ACHIEVED

**GOAL:**

Reduce absolute Scope 1 and 2 (market-based) GHG emissions 25% by 2025 from a 2019 baseline.

**STATUS:**



**GOAL:**

Reduce absolute Scope 1 and 2 (market-based) GHG emissions 46.2% by 2030 from a 2019 baseline.

**STATUS:**



**2025 PROGRESS:**

We have reduced Scope 1 and 2 (market-based) GHG emissions more than 36% from a 2019 baseline through replacement of a high-GWP heat transfer fluid, renewable energy credits, and energy efficiency projects across the globe.



IN PROGRESS  ACHIEVED

**GOAL:**

Achieve 12 million kWh in total energy savings by 2030 from a 2019 baseline.

**STATUS:**

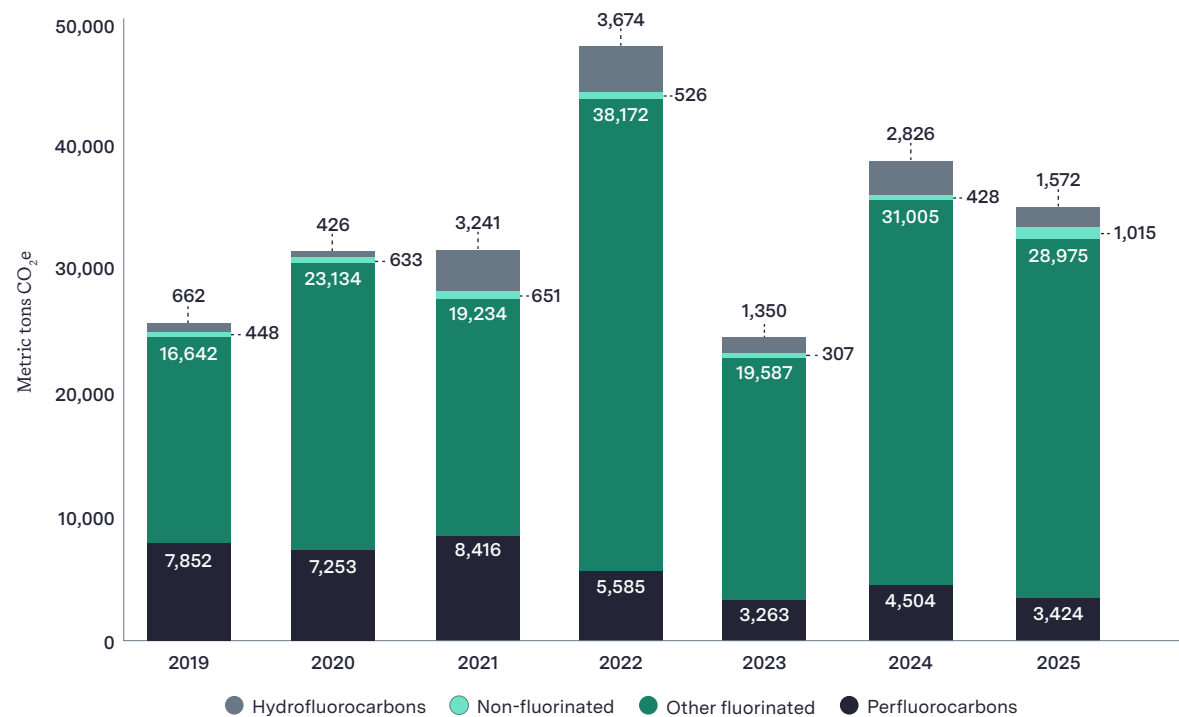
**ACHIEVED**

**GOAL:**

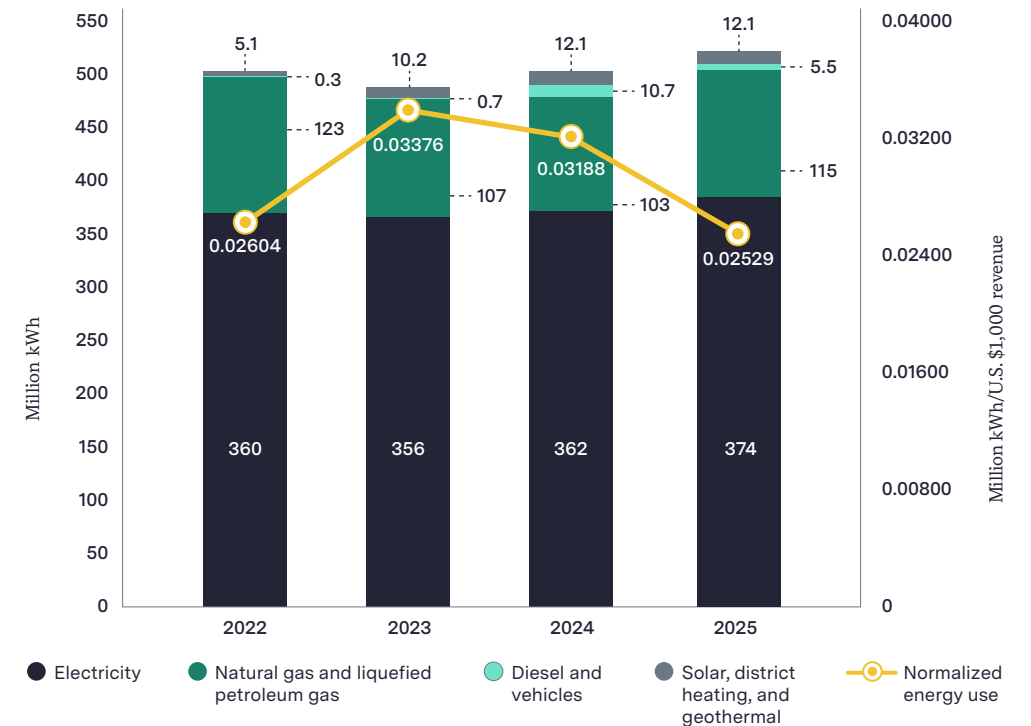
Achieve an additional 8 million kWh in total energy savings by 2030 from a 2025 baseline.

**STATUS: REFRESHED GOAL**

Process chemistry emissions by type



Energy use by type




# Prioritizing renewable electricity sources

Our efforts to reduce Scope 2 emissions in our operations are largely attributable to renewable electricity and renewable energy certificate (REC) procurement. We have set a goal to achieve 100% renewable electricity by the end of 2030 and continue to make progress, with 60% of electricity coming from renewable sources in 2025. As of the end of 2025, the following sites were powered by 100% renewables through a combination of onsite generation and RECs:

- Tualatin, OR
- Eaton, OH
- Springfield, OH
- China
- India
- Malaysia
- Salzburg, Austria
- Villach, Austria

Where feasible, we invest in onsite renewable electricity installations. Currently, four of our facilities, located in Austria, Malaysia, Taiwan, and the United States, feature active solar energy systems, including our global headquarters in Fremont, California, where installation was completed in 2025. Combined, these installations generate an average of more than 15 MWh of renewable electricity every day.

In the United States, Austria, Malaysia, and India, Lam procures renewable electricity through RECs or green tariffs from utility companies. In other regions, accessing renewable electricity remains challenging. Because renewable electricity is essential to our net zero ambition, we are collaborating with international policy groups to drive change in these markets. For example, through our ongoing efforts as a founding member of the SEMI Energy Collaborative (EC), we are working to remove roadblocks to renewable electricity for the industry, with a focus on Asia. The EC brings together the semiconductor value chain—including corporations, energy providers, experts, and policymakers—to accelerate investment in low carbon energy in the Asia-Pacific region.



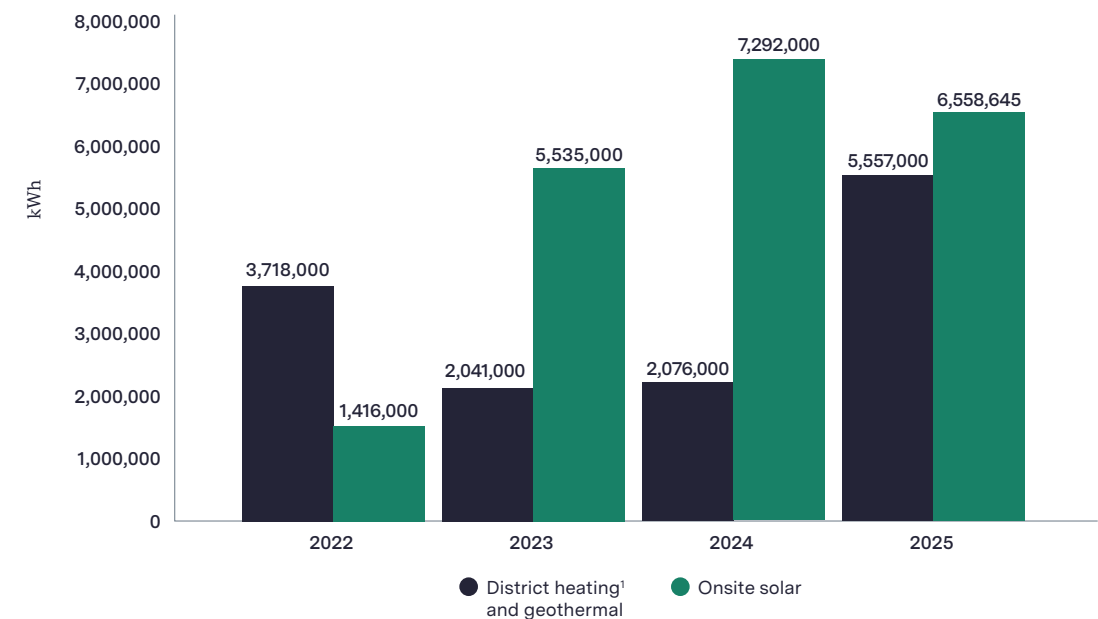
● IN PROGRESS    ● ACHIEVED

**GOAL:**  
Achieve 100% renewable electricity by 2030.

**STATUS:**

**2025 PROGRESS:**  
Renewable electricity surpassed 60% in 2025, through a combination of renewable energy credit procurement, onsite solar, renewables delivered through utility providers.

## Global renewable energy consumption (location-based)



<sup>1</sup> District heating involves a centralized, powered heating system, which uses multiple fuel sources, where the renewable proportion varies year over year.

# Catalyzing impact across the value chain

Working toward our long-term net zero target requires a clear understanding of how activities across the value chain contribute to Lam’s overall emissions. In 2025, Scope 3 emissions represented 98.8% of our total GHG footprint, underscoring the importance of identifying and acting on opportunities for reduction in our upstream and downstream value chain. Building on our ongoing analysis of the entire value chain, we have focused Scope 3 reduction efforts on our two most significant areas of impact: upstream Category 1 (Purchased goods and services) and downstream Category 11 (Use of sold products) emissions.

## UPSTREAM ACTIVITIES

## LAM FACILITIES AND OPERATIONS

## DOWNSTREAM ACTIVITIES

### SCOPE 3 INDIRECT

Total GHG emissions:

**2,148,065**

metric tons carbon dioxide equivalent (MTCO<sub>2</sub>e)

#### KEY CONTRIBUTORS

- Purchased goods and services
- Upstream transportation and distribution

#### COLLABORATING FOR PROGRESS

- Supporting suppliers in setting SBTs and reducing their climate impacts
- Offering free access to the industry renewable electricity procurement program, Catalyze
- Providing free energy audits to select suppliers
- Optimizing logistics to reduce transportation and distribution emissions, where possible

### SCOPE 2 MARKET-BASED INDIRECT

Total GHG emissions:

**44,858**

MTCO<sub>2</sub>e

#### KEY CONTRIBUTOR

- Purchased electricity for Lam facilities and operations

#### COLLABORATING FOR PROGRESS

- Improving energy efficiency through capital and strategic energy management
- Purchasing RECs
- Investing in projects to transition to renewable electricity

### SCOPE 1 DIRECT

Total GHG emissions:

**67,263**

MTCO<sub>2</sub>e

#### KEY CONTRIBUTORS

- Process chemistries
- Natural gas consumption
- Heat transfer fluids

#### COLLABORATING FOR PROGRESS

- Investing in emissions controls, abatement, and energy-efficiency technologies to optimize our processes, products, and facilities to make them more resource-efficient
- Improving manufacturing and lab operations
- Evaluating lower-GWP process gas alternatives

### SCOPE 3 INDIRECT

Total GHG emissions:

**6,826,685**

MTCO<sub>2</sub>e

#### KEY CONTRIBUTORS

- Downstream transportation and distribution
- Use of sold products

#### COLLABORATING FOR PROGRESS

- Engaging customers and identifying opportunities to reduce energy and emissions associated with the use of our products

## SCOPE 3 EMISSIONS

Upstream, we work closely with suppliers to help them identify emissions-reduction opportunities and set measurable SBTs for their own operations and supply chains, thereby supporting Lam’s efforts to reduce emissions from purchased goods and services (Category 1). In 2025, our supplier engagement efforts paid off, enabling us to exceed our goal of 46.5% of suppliers by emissions setting their own SBTs. We also work to reduce emissions resulting from upstream transportation and distribution.

Downstream, emissions from the use of sold products (Category 11) represent the largest percentage of Scope 3 emissions and our overall footprint. Because our tools are both energy-intensive and long-lasting, we invest in product innovation and engage with customers to identify opportunities for reduction. In 2025, our Category 11 total emissions increased compared to the previous year as a result of growing sales and an increasingly global customer base. However, we decreased our product emissions per USD value added by 21.5% from 2022.

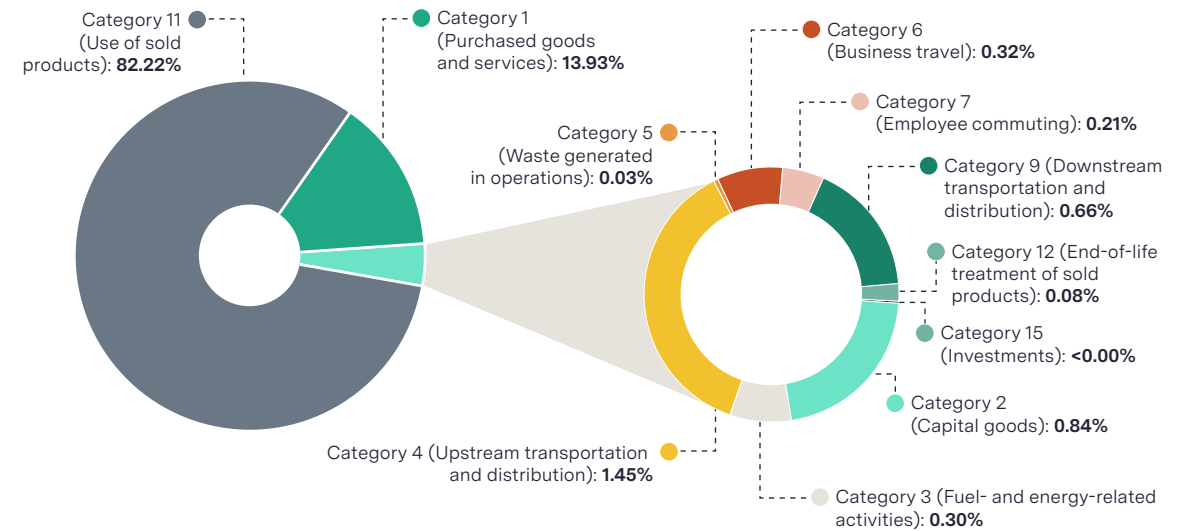


[Learn more](#) about our efforts to reduce Scope 3 emissions in collaboration with suppliers and customers.

# 8,974,750 MTCO<sub>2</sub>e

total Scope 3 emissions  
representing 98.7% of combined 2025 emissions

## Scope 3 emissions by category



## INNOVATIONS IN LOGISTICS AND TRANSPORTATION

We continually seek opportunities for efficiency and innovation in our logistics operations—which encompass warehousing, packaging, and transportation—developing data-driven strategies that better connect our suppliers, manufacturing sites, and customers across the globe.

In 2025, our total volume of shipments was higher than in 2024, but our carbon footprint from shipments was 8% lower. Our calculated carbon emissions are based on industry factors that take into account the latest data on passenger loads, fleet efficiency, and fuel burn. In 2025, we set an intensity target for 2026 based on our forecasted 2026 volumes and efficiency gains.

### Supplier regionalization

A focus of our work in recent years has been the regionalization of our supply chain. As the semiconductor industry continues to expand globally, it is also becoming more concentrated, and we increasingly work with suppliers close to our manufacturing hubs. Minimizing the distance between our suppliers and warehouses has enabled us to shift from long-distance, carbon-intensive air freight to lower-emissions modes of shipping, including regional trucking and ocean shipments. This work has contributed to avoided emissions of over 38,000 MTCO<sub>2</sub>e since 2023.

We have also supported this work through improved inventory management, ensuring that each of our warehouses holds appropriate levels of inventory so we can readily provide customers with the tools and parts they need. This includes regional spares warehouses, where we store and maintain high-quality, cost-effective spare parts in proximity to our customers. Our spares warehouse in Sepang, Malaysia, supports the growing demand for semiconductor manufacturing in Asia. Relying on this warehouse to fulfill nearby orders drove estimated avoided emissions of 13,600 MTCO<sub>2</sub>e in 2025 compared to using our U.S.-based spares warehouse. We plan to open additional warehouses and depots to support our customers in other regions and further reduce our global transportation emissions footprint.

### Making emissions data count

As our business grows and evolves, we have developed more granular emissions data and improved calculation methodologies to help us better track the environmental impacts of our logistics network. This has included a shift from spend-based to activity-based carbon accounting to capture more specific and detailed data across the entire value chain, including emissions factors such as energy consumption, fuel usage, distance traveled, and raw material weights. With this new accounting system, we're better able to understand the areas where we need to focus reduction efforts, such as air travel and trucking, both of which are more carbon-intensive modes of transport than ocean shipping.

### Asset recovery

Over the past three years, Lam has invested in asset recovery pilots that support the reduction of both waste and emissions from our logistics organization. Through these pilots and initiatives, we have worked to recover and reuse the casters used to move heavy equipment over short distances in our warehouses. We have also reduced the size and extended the usable life of large crates used to transport heavy equipment. Since beginning this work, we estimate that 5,466 MTCO<sub>2</sub>e emissions have been avoided by reducing the number of new assets purchased.



# Protecting natural resources

As we expand our operations worldwide, we strive to act as stewards for the local environments we call home. Through projects that help conserve water and protect biodiversity—including many team-led initiatives—we strive to make a positive impact where we live and work, supporting better outcomes for local communities and ecosystems.

## A LOCAL APPROACH TO WATER STEWARDSHIP

Water is essential to Lam’s business. Used in our chillers, house scrubbers, process cooling water systems, and soft water treatment plants, water is a resource we strive to use as responsibly and efficiently as possible.

As businesses build data centers to power a fast-growing number of AI applications, the water footprint of the technology industry has been placed in the spotlight. While the manufacturing of wafer fabrication equipment itself is not water-intensive, we recognize the need to contribute to responsible water stewardship throughout the technology and semiconductor value chain.

Lam works to reduce, recycle, repurpose, and reclaim the water used in our operations, particularly because 53% of our water withdrawals occur in water-stressed regions—where scarcity, quality issues, and climate risks can disrupt our local operations and supply chains.

After meeting our water-reduction goal one year early in 2024, we have set a new goal to save an additional 80 million gallons of water by 2035. To meet this new target, we are expanding ongoing water reclamation, reuse, and recycling efforts, primarily in our greenfield projects. We also plan to pilot new initiatives that advance Lam’s water stewardship within the communities where we operate.

## Assessing water risks

In 2025, we conducted a water risk assessment, investigating local water risks and stressors and deepening our understanding of how our business may impact the communities and watersheds where we operate, particularly in water-stressed regions. We evaluated the majority of our global sites, assessing catchment and site risk across physical quantity and quality, regulatory, and reputational indicators.

Tailored to the unique circumstances and water needs in each region where we operate, our risk assessment considered the conditions of local watersheds, needs of communities, and requirements of local regulations. This highly localized approach helps ensure we understand which watersheds need increased investment, where we can work with local governments and nonprofits, and how we can best contribute.

In response to findings from the assessment, we undertook several new initiatives to help us better track and reduce our water use. For example, in Springfield, Ohio, we installed a system to reuse water for the facility’s Power Flush—which cleans our central heating system with high-velocity, low-pressure water—saving 2.4 million gallons of water per year. We also installed cooling tower submeters, which help us more accurately measure water consumption.

**227M**  
total gallons withdrawn in 2025 in water-stressed regions

**53%**  
of Lam’s water use from water-stressed regions



IN PROGRESS  
 ACHIEVED

### GOAL:

Achieve 80 million gallons of water savings in water-stressed regions from a 2019 baseline.

### STATUS:

**ACHIEVED**

### 2025 PROGRESS:

Achieved more than 85 million gallons of water savings from a 2019 baseline, with 4.5 million gallons saved in 2025.

### GOAL:

Achieve an additional 80 million gallons of water savings by 2035 from a 2025 baseline.

### STATUS: REFRESHED GOAL



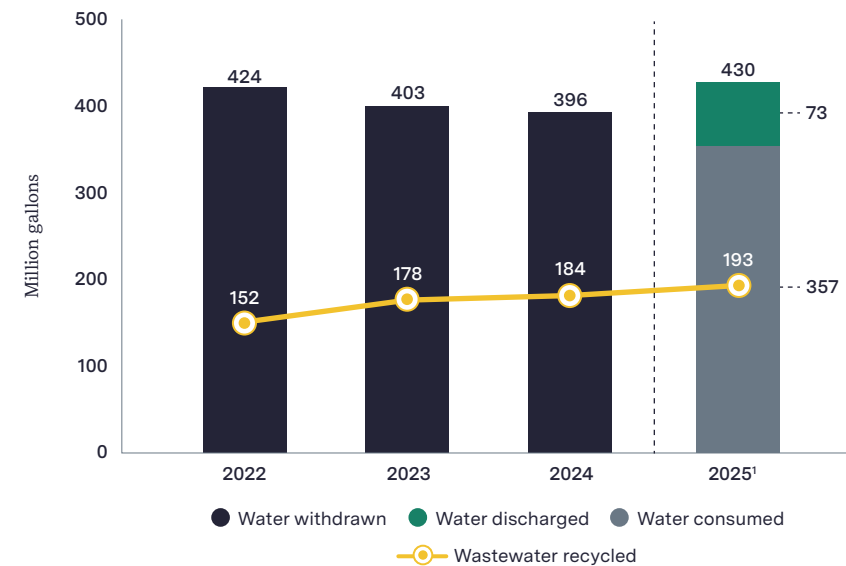
### Reducing wastewater in Ohio

We continue to prioritize wastewater reduction through advanced cleaning and reclamation projects at Silfex, Lam’s subsidiary based in Eaton and Springfield, Ohio. Since installing a new water reclamation system in Springfield in 2023, we have seen a 50% reduction in city water usage at our water purification plant, demonstrating the ongoing success of the initiative. Additionally, in 2025, we built on the water reclamation system in Springfield, creating a similar system in Eaton to reclaim deionized water from our part rinsing process. We have seen early success from the project, saving an excess of 6 million gallons of water since the system went live, which is reducing our need for purchased city water.

### Environmental management systems and certifications

Lam has earned International Organization for Standardization (ISO) 14001:2015 multi-site certification for environmental management at locations including Villach, Austria; Tualatin, Oregon; and Fremont and Livermore, California. Our site in Eaton, Ohio, holds individual certification. In 2025, we earned certifications in Penang, Malaysia; Osan, Korea; and Taoyuan City, Taiwan. These certifications create accountability for reducing environmental impacts through waste prevention, process optimization, and product lifecycle assessments. As a member of the RBA, we voluntarily complete SAQs addressing both environmental and social topics at our worldwide manufacturing facilities.

### Water consumed, discharged, and withdrawn by year



### 2025 water withdrawals

|                                | MILLION GALLONS <sup>2</sup> | % OF TOTAL  |
|--------------------------------|------------------------------|-------------|
| Austria                        | 14,571,000                   | 3.4%        |
| Eaton, Ohio                    | 29,345,000                   | 6.8%        |
| Fremont, California*           | 145,573,000                  | 33.8%       |
| India*                         | 4,571,000                    | 1.1%        |
| Korea*                         | 34,039,000                   | 7.9%        |
| Livermore, California*         | 5,848,000                    | 1.4%        |
| Malaysia*                      | 36,948,000                   | 8.6%        |
| Springfield, Ohio              | 69,359,000                   | 16.1%       |
| Taiwan                         | 19,013,000                   | 4.4%        |
| Tualatin, Oregon               | 64,159,000                   | 14.9%       |
| Other global sites (estimated) | 6,939,000                    | 1.6%        |
| <b>TOTAL</b>                   | <b>430,365,000</b>           | <b>100%</b> |

\* Water-stressed region

1 Beginning in 2025, water withdrawn data has been disaggregated into its components, water discharged and water consumed. Prior-year figures reflected total water withdrawn only and were not restated.

2 Minimal rounding has been applied to these data.

## STRENGTHENING BIODIVERSITY

Closely connected to our water conservation efforts is our work to protect the biodiversity of local ecosystems impacted by our direct operations and supply chain. Following our first-ever biodiversity assessment in 2024, we continue to address biodiversity where we have the most control, with resource management and preservation projects across our own campuses and facilities, and through the [sustainability efforts of our employees](#).

### Where water stewardship meets species protection

In 2025, Lam launched a pilot program in Tualatin, Oregon, to explore approaches to contribute more clean water to local watersheds than we consume. Through the pilot, we are focused on improving water quality and quantity within the Tualatin Wildlife Refuge, while also reducing invasive vegetation and increasing ecosystem services, amphibian breeding habitat use, and native vegetation cover. We'll apply learnings from this pilot to our ongoing efforts to strengthen biodiversity and water security in other operating locations.

## Supporting native habitats close to home

At our 75+ acre campus in Tualatin, Oregon, we have intentionally landscaped the grounds surrounding our buildings to support the native local ecosystem. Our Facilities team has established seven pollinator gardens with native plants to attract local bees. Along one edge of campus, we've leveraged the Miyawaki technique, an approach that mimics natural forest regeneration, to accelerate tree growth and develop a canopy that supports biodiversity. In 2025, we also added two new pollinator gardens at our Fremont, California headquarters, removing non-native plants.



# Managing operational waste

Through the development, manufacturing, and packaging of our products, Lam generates both non-hazardous and hazardous waste that we strive to divert from landfill and dispose of responsibly. We continually seek new ways to reduce and manage waste, actively monitoring our impact and engaging in industry initiatives to improve waste management practices throughout the value chain.

Because waste generated through our operations contributes to our Scope 3 footprint, reducing waste to landfill ladders up to our net zero emissions targets. As we work toward achieving our new goals and continue our efforts to divert 100% of hazardous waste from landfill, we are creating impact across the value chain while supporting our broader emissions-reduction strategy.

## Turning wastewater into opportunity

Semiconductor manufacturing processes can generate wastewater containing acids and metals, which typically has to be transported to a hazardous waste treatment facility for safe disposal. Membrion, a startup backed by Lam Capital, our corporate venture capital arm, has developed a heavy metal wastewater treatment system that allows this wastewater to be treated onsite, potentially reducing shipping costs and associated environmental impacts. This technology is currently being piloted at Lam's Tualatin facility, and we are working with the startup to continue developing the system and prepare for broader customer engagement.



## NON-HAZARDOUS WASTE

The majority of the waste produced through our operations is non-hazardous, such as wooden pallets, packaging, food, and municipal waste. Comprising about 87% of our overall operational waste, non-hazardous materials represent a key opportunity for Lam as we work to reduce our environmental impact. In 2025, we established a new goal to assess the top 80% by mass of our non-hazardous waste by 2030 from 2025 baseline under the EPA’s waste management hierarchy for all facilities. This goal was informed by the efforts of a cross-functional working group that analyzed site-level waste data and explored best-practice waste diversion initiatives. Central to its design is the assessment of each site’s waste streams against the waste hierarchy, evaluating what avoidance, reuse, or disposal methods are most appropriate given the local context. This approach aims to create a consistent, credible basis for waste reporting across sites and inform the setting of future targets.

As a next step, the working group is focused on making sure that facilities continue to dispose of waste responsibly and in alignment with our waste hierarchy. We continue to explore diversion opportunities for hard-to-recycle materials along with industry peers.

In addition, we have developed special recycling streams for the single-use items required in our cleanrooms, such as hair nets and shoe covers. In 2025, we conducted a waste audit in Tualatin and waste assessments at our sites in Korea and Malaysia. We used the results of these assessments to identify targeted diversion opportunities, optimization of bins, and improved signage in support of our corporate waste goal.

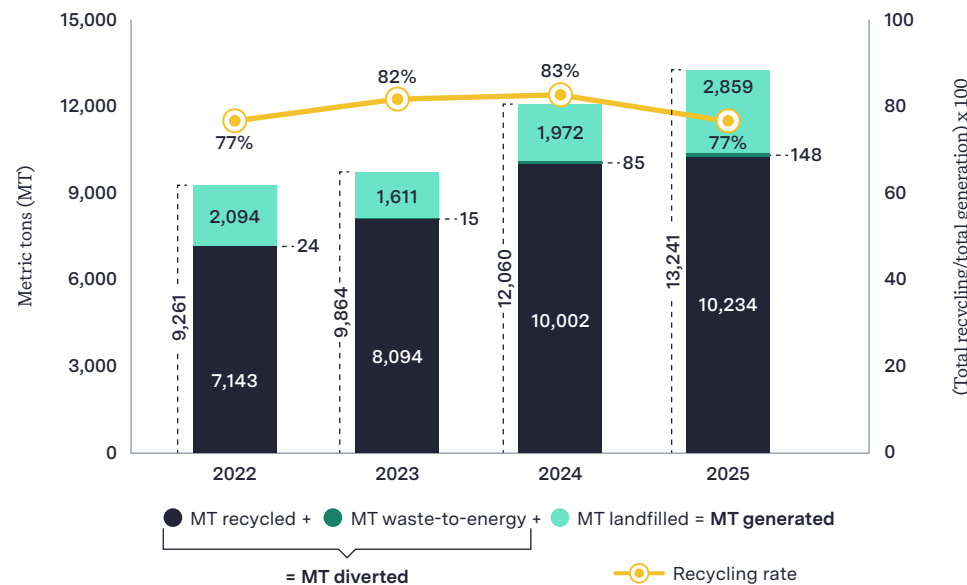


### GOAL:

Apply the EPA waste management hierarchy to all facilities by conducting thorough assessments of our top 80% of waste categories by mass to drive circular economy principles by 2030 from a 2025 baseline.

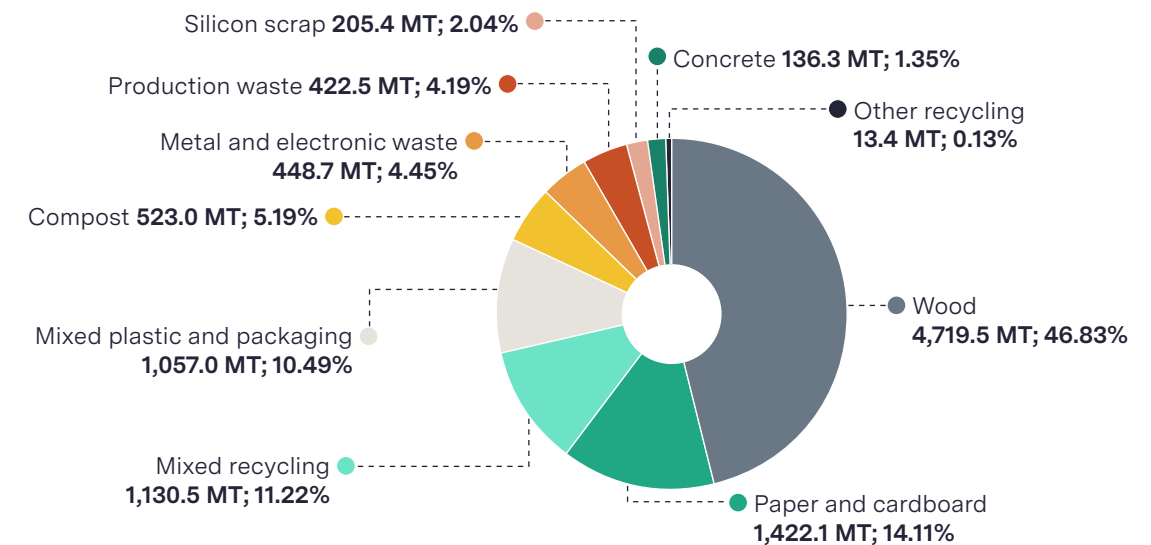
### STATUS: NEW GOAL

## Non-hazardous waste generation and recycling by year



## Non-hazardous waste recycling by material

Weight in metric tons (MT)



Note: Minimal rounding has been applied to these data.

## HAZARDOUS WASTE

Today, our global hazardous waste recycling rate is about 81%, with the remainder diverted from landfill through other disposal methods, such as offsite wastewater treatment, deep-well injection, and thermal treatment.

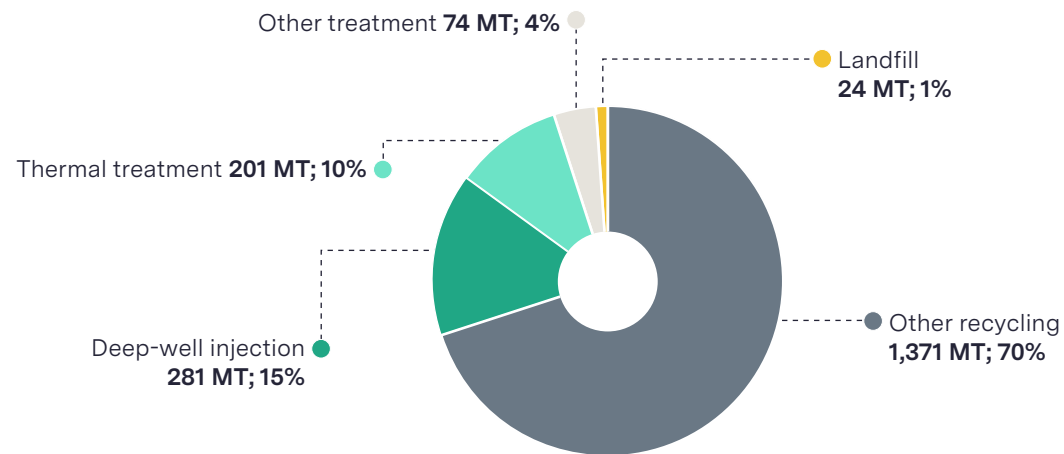
We maintain a robust waste management approach, prioritizing recycling and, where possible, installing onsite pretreatment systems to reduce the generation of hazardous waste. As part of our environmental due diligence, we regularly audit offsite hazardous waste treatment, storage, and disposal facilities (TSDFs), integrating results into our TSDF selection and risk assessment processes.



Learn more about how we responsibly manage hazardous waste on our [website](#).

## Hazardous waste by disposal method

Weight in metric tons (MT)



Note: Minimal rounding has been applied to these data.



IN PROGRESS  ACHIEVED

### GOAL:

Achieve zero waste to landfill for hazardous waste.

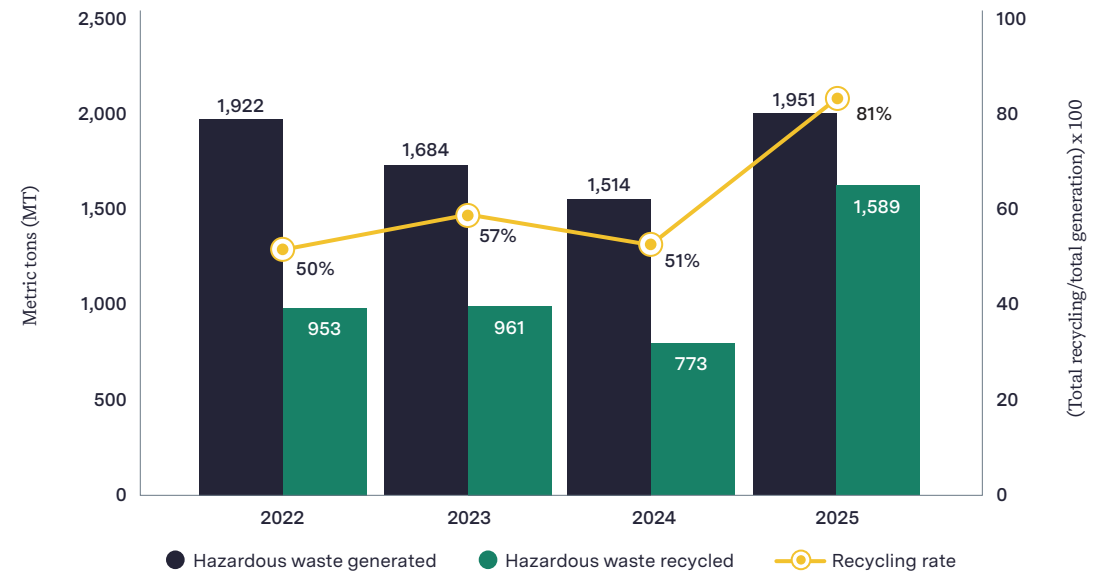
### STATUS:



### 2025 PROGRESS:

Continued to prioritize alternatives to landfill wherever possible.

## Hazardous waste generation and recycling by year



# Engaging employees on sustainability

Lam employees bring sustainable practices and processes to life across our company. Through team-led community events, sustainability initiatives, educational workshops, challenges, and more, employees contribute to Lam's environmental stewardship through the work they do.

## ELEVATING EARTH MONTH

In 2025, Lam brought together global teams in recognition of Earth Month, with the goal of encouraging the adoption of sustainable habits and practices. We held more than 65 events across the globe—including an Earth Month Fair in Fremont, California; a lights-off event in Korea; tree planting in Taiwan; and more—and hosted thought leaders to engage and mobilize our teams. This included 49 events during which 745 people volunteered over 3,400 hours. Over the course of the month, we recognized global team members through weekly shout-outs, celebrating their dedication to living and working sustainably every day.



“ Earth Month reminds me that sustainability means rethinking how we use resources—more consciously and responsibly—every day. Our choices and awareness shape how we move forward and what we pass on.”

Silvia Moschik—Villach, Austria



“ What inspires me most is turning engineering expertise into sustainable solutions that create real environmental impact—showing how innovation, collaboration, and purpose can help shape a better future at Lam Research.”

SK Yoon—Lam Manufacturing Korea



## EMPLOYEES LEADING ON SUSTAINABILITY

With more than 1,000 employee members worldwide, the Lam Employee Sustainability Community (LESC) plays a significant role in realizing best-in-class environmental stewardship at Lam.

Several LESC chapters work with Green Teams, which organize local events open to everyone who works at our sites. At Lam Manufacturing Malaysia (LMM), a Green Team organized a food waste challenge and audit, an onsite fabric recycling initiative and awareness workshop, recycling training for onsite suppliers, and more.

Another way we involve employees in our sustainability progress is by organizing Eco Hackathons, which unite people across disciplines for several days of focused work on sustainable solutions. We held our second annual U.S. Eco Hackathon in 2025 at our Fremont and Tualatin campuses. Over the course of several weeks, teams investigated ways to reduce emissions, energy use, and waste associated with Lam’s products. The winning team proposed a solution to reduce chiller power consumption by optimizing cooling processes for ESCs.

The LMM Green Team organized our first Eco Hackathon in Malaysia, which focused on ways to further integrate sustainability into Lam’s operations. The event began with a walking tour of the site to identify opportunities for improvement. Over the course of the workshop, team members generated 88 ideas to reduce emissions, energy, water use, and waste. These included a proposal to collect and reuse condensate water from the site’s air conditioning systems for landscaping and storage.

Another site that held its first Eco Hackathon in 2025 was Lam India, where the event was organized by LESC and focused on operational improvements. Teams generated 48 ideas, 14 of which were shortlisted and three were recognized for their strong impact on potential water and energy conservation.

## 2025 Environmental Stewardship Awards

Every year, Lam’s Environmental Stewardship Awards recognize employees and teams for their efforts to model sustainable practices, reduce Lam’s environmental impact, promote environmental and community action, and more. In 2025, our individual and team winners were:



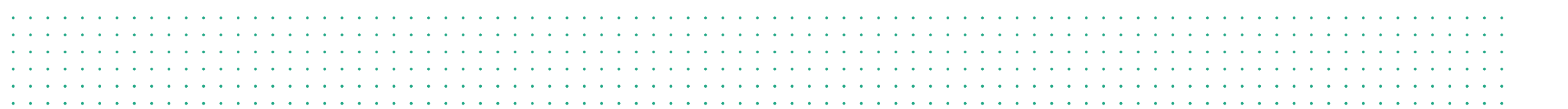
### INDIVIDUAL: TONY SHIN, EHS ENGINEER

As part of the Korea Technology Center (KTC) team, Tony demonstrated exceptional leadership in sustainability. In 2025, he helped secure nitrogen oxide (NO<sub>x</sub>) credits that support compliance with air quality standards in the region and developed a multi-factor chemical assessment system to identify and mitigate the risks of chemicals used in KTC operations.



### TEAM: LAM MANUFACTURING MALAYSIA, LESC AND GREEN TEAM

Through their dedication and passion, the LMM LESC and Green Team earned the first-ever Penang Green Office Award for LMM. The team discontinued the use of disposable paper cups in the office, eliminating more than 5,000 kg of waste in 2024. They also inspired more sustainable working habits by organizing campaigns focused on individual emissions reduction, plastic reduction, upcycling, and community service.





# BUSINESS AND GOVERNANCE

Strong governance and a culture of ethical conduct help enable our success. As our company grows and our industry advances, we continue to raise our standards—strengthening oversight and enhancing engagement on ethics and compliance topics. We engage with key stakeholders in a variety of ways to maintain accountability and stay attuned to their needs.

- + Named to Ethisphere's World's Most Ethical Companies® list for the third time
- + Held our fourth annual Ethics & Compliance Week, during which we recognized colleagues with Ethics Awards
- + Refreshed our internal guidelines on responsible AI use

# Corporate governance

In our industry, change happens fast. With the increase of AI adoption and other breakthrough technologies, the rate of change is accelerating. To innovate and stay competitive in a responsible way, Lam depends on strong leadership, oversight, and accountability.

Our Board of Directors (Board), directly and through its committees, oversees key risks across the company, including ESG topics. Of the 11 directors on our Board, 10 are independent. Directors have an average tenure of 6.7 years and an average age of 61.8.<sup>1</sup>

Leaders across Lam regularly update the Board on key topics related to ESG. Board engagement throughout 2025 included:

- The chief technology and sustainability officer oversaw quarterly ESG updates via presentations or written reports to the full Board or the Nominating and Governance Committee.
- The corporate vice president of global government affairs and trade made quarterly updates on political activities and an annual update on political policy and contributions to the Nominating and Governance Committee.
- The chief legal officer provided an annual update on enterprise risks to the full Board.
- The chief compliance officer made quarterly ethics and compliance updates to the Audit Committee and an annual update to the full Board.
- The chief information security officer gave quarterly information security updates to the Audit Committee and an annual update to the full Board.
- The chief human resource officer shared periodic human resource (HR) updates with the Compensation and HR Committee and an annual update on employee engagement to the full Board.

Lam’s Internal Audit function strengthens governance by providing independent, objective assurance on risk management, internal controls, and compliance across our operations. Reporting directly to the Board, Internal Audit promotes transparency, accountability, and ethical conduct, supporting informed decision-making and a strong control environment aligned with Lam’s ESG commitments.

## ESG governance at Lam



Learn more about our corporate governance practices and executive compensation program in our [2025 Annual Report](#). You can also visit our [website](#) to explore corporate governance documents and additional information about our Board.

<sup>1</sup> Board data are as of Lam’s most recent Proxy statement from September 24, 2025.

# How we did it: A firm foundation for what's ahead

We set goals not only to challenge ourselves internally, but to make progress in ways that are meaningful to a range of stakeholders, including investors. When Lam set its previous roster of ESG goals in 2020, one aim we identified was for an overall expansion of our disclosures and maturation of our programs. The wording of our governance-oriented goal was intentionally open-ended, acknowledging the varying needs of standards-setting bodies and many forms that progress can take.

Five years later, we are proud of how far we've come. Key points of progress include:

- Adding SASB and TCFD frameworks to our reporting
- Improving our scores with CDP, MSCI, and Sustainalytics
- Updating key policies to clarify our programs based on rater feedback
- Forming a cross-functional working group to enhance collaboration on emerging ESG disclosure and compliance requirements
- Shifting our data management platform to further streamline reporting

The work doesn't end here. We'll keep pushing ourselves forward as stakeholder expectations and industry standards evolve.



IN PROGRESS  ACHIEVED

**GOAL:**

Continue to expand our disclosure and alignment with industry-recognized frameworks and standards.

**STATUS:**

**ACHIEVED**



# Ethics and compliance

Every Lam employee has a mandate to do their job in accordance with applicable laws, and with Lam’s Core Values of honesty, open communication, inclusiveness, and mutual respect toward colleagues. These shared values allow us to deliver best-in-class solutions for our customers. Our Code of Conduct (Code)—available in 10 languages and accessible to Lam’s workforce, business partners, and the public at large—outlines our expectations of employees and provides them with guidance on standards of behavior, making ethical decisions, safeguarding confidential information, preventing harassment and discrimination, and more. No major changes were made to the Code in 2025.

Lam’s Ethics & Compliance (E&C) program is organized around five pillars:

- Governance
- Operations
- Third-party management
- Training and communications
- Investigations

## A FOUNDATION OF STRONG GOVERNANCE

Lam’s chief compliance officer leads our E&C team and is responsible for embedding business integrity and compliance risk management throughout the organization. The team develops the strategy and core materials to support implementation of our compliance program, while the Audit Committee of the Board oversees the program. Lam’s chief compliance officer reports to our chief legal officer with dotted-line reporting to the Board’s Audit Committee. Global and regional E&C Steering Committees meet regularly to foster engagement on E&C topics, promote an ethical culture, and provide strategic and operational guidance.

Leaders and managers at Lam set the tone for ethical conduct across the organization and seek to foster an ethical, respectful, and inclusive culture where employees feel safe asking questions and reporting concerns. We have developed specific toolkits for people leaders, designed to help them share experiences with their colleagues and to understand their responsibility for risk, controls, and compliance.

## Recognized as a top ethical company

In 2025, Lam was named to Ethisphere’s World’s Most Ethical Companies® for the third year running. We’re proud to once again be honored for our unwavering focus on business integrity.



## PUTTING OUR VALUES INTO PRACTICE

Our E&C operations pillar focuses on assessing internal and external risks on an ongoing basis, in addition to testing and monitoring the effectiveness of key compliance controls. We conduct annual assessments to mitigate risks related to bribery, corruption, and human rights. Learn how Lam respects [human rights in our own operations](#) and our [supply chain](#), and see more in our [Human Rights Policy](#).

The third-party management pillar includes the due diligence, controls, and monitoring we use to identify and mitigate E&C risks that may arise from our interactions with external parties, such as customers and suppliers. See [Responsible sourcing](#) for details on how we screen suppliers for E&C risks during onboarding and throughout the lifespan of our engagements.

## PROMOTING AN ETHICAL CULTURE

We foster an ethics-driven culture with regular training and tailored communications for employees and managers. New employees participate in training on various elements of the Code when they join Lam, and existing employees complete training on an ongoing basis. Our most recent Code training was deployed in 2024 with 100% employee completion.<sup>1</sup>

We also provide targeted training throughout the year based on emerging company and industry trends, risk factors, regulatory requirements, and business requests. In 2025, we deployed refreshed biennial training on ethical leadership for global people managers.

Beyond training, we communicate with employees year-round to raise awareness and deepen understanding of our E&C policies and procedures. The E&C team solicits employee feedback and uses multiple channels to address inquiries and trending E&C topics. We held our fourth annual E&C Week in 2025, during which employees worldwide celebrated the importance of innovating with integrity and nominated colleagues for the Ethics Award. This award recognizes those who go above and beyond to embody our Code.

Ethics ambassadors are a team of employee volunteers who are trained to promote an ethical culture and drive E&C initiatives across business units and regions. In 2025, ambassadors shared key E&C messages in team meetings, facilitated E&C Week activities, and provided practical feedback on training and communication materials.



## ACTING ON CONCERNS

We expect employees and third parties, including contractors, suppliers, and customers, to raise concerns of potential or actual violations of our Code, our policies, procedures, or applicable laws. They can report via our Ethics Helpline, either by phone or online. The Ethics Helpline is operated by an independent third party and is available to anyone who has a question or concern related to a potential violation of Lam’s policies, or external regulations or laws. Concerns may be reported anonymously, where allowed by law, and reports are treated confidentially. Employees may also raise concerns to their managers, senior management, HR representatives, or members of the Legal and E&C teams, as well as to the Lam Audit Committee. The E&C team, in addition to other internal groups, then investigates allegations of misconduct, gathers findings, and recommends corrective actions as needed.

Lam strictly prohibits any form of retaliation against individuals who report concerns in good faith or assist in investigations. Any person determined to have participated in retaliatory actions against those raising concerns will face corrective action.

As part of our focus on transparency, accountability, and promoting a safe reporting culture, the E&C team also shares investigation metrics with employees every year. In 2025, we saw a slight decrease in reports to the Ethics Helpline compared to 2024, with an increase in reports made anonymously.

<sup>1</sup> Excluding those who were on a leave of absence or left the company during the reporting period.

# Stakeholder engagement

Listening to and learning from our stakeholders, including customers, employees, industry organizations, policymakers, stockholders, and community members, helps us make informed decisions, evolve our programs, and advance shared priorities.

Periodic [ESG materiality assessments](#) are one way we gain understanding of what matters most to internal and external stakeholders. We also stay up to date with industry trends through association memberships and support of organizations including:

- [The RBA](#), the world’s largest coalition dedicated to responsible business conduct in global supply chains. Lam is a member of the RBA and leverages its resources to support our work around supply chain human rights, E&C, and upstream environmental impacts.

- [The UNGC](#), which unites businesses to take shared responsibility for achieving a better world. As a member, Lam supports the UNGC’s Ten Principles for labor, including environment, anti-corruption, and human rights. We also support the UNGC’s strategy to drive action in support of the UN Sustainable Development Goals (SDGs). Learn how Lam is working to [accelerate progress toward the SDGs relevant to our efforts](#).
- [RE100](#), a global initiative that advocates for policies that support the growth of renewable energy markets. Members of the group are large businesses working toward 100% renewable electricity use.
- [SEMI](#), a global association that brings together professionals and businesses across the semiconductor manufacturing and design supply chain. We participate in several SEMI-led forums and working groups, such as the Semiconductor Climate Consortium and the Energy Collaborative.



## Global Trade and Government Affairs (GTGA) focus areas

In 2025, the GTGA group focused on:

- Trade and tariff policy
- Export controls and allied coordination
- Tax policy and investment incentives
- CHIPS Act and robust R&D as a crosscutting priority
- Supply chain resilience
- Workforce development

## SUPPORTING PUBLIC POLICIES ALIGNED WITH INDUSTRY PRIORITIES

The GTGA team leads Lam's strategic engagement with policymakers at every level and on a global scale—local, state, federal, and international. Lam's Government Affairs team engages with legislative and regulatory bodies on matters affecting our business and industry, with a focus on shared priorities and promoting responsible business conduct.

GTGA secures Lam's technological leadership position through congressional action and global public-private relationships to advance policies that support industry roadmaps and next-generation technologies that fuel Lam's economic growth and advance national security.

The organization also collaborated across the business in 2025 to address evolving environmental regulations, such as those related to carbon emissions, packaging and packaging waste, and deforestation in the EU, and PFAS in the U.S. and EU.



GTGA also manages Lam's Public Policy Advisory Committee (PPAC), which supports thoughtful policymaking and shares major considerations and recommendations with Lam's Board. The PPAC is comprised of senior executives and oversees the Leading American Microelectronics Political Action Committee (LAMPAC). LAMPAC serves as a non-partisan federal PAC for Lam employees and is dedicated to supporting federal candidates of all political ideologies who strive to strengthen our nation's semiconductor ecosystem and foster economic growth. To ensure the proper administration of LAMPAC and maintain compliance with state and federal regulatory requirements, only authorized GTGA personnel may be involved in making political contributions by LAMPAC.

LAMPAC is registered with the Federal Election Commission (FEC) and subject to federal campaign finance laws, including those related to monitoring prohibitions and limitations on donations. Any donations to or from LAMPAC are publicly disclosed via the FEC's website. Lam also employs external legal counsel to advise LAMPAC regarding compliance with laws and regulations.

The Board's Nominating and Governance Committee oversees our lobbying, as well as political activities, policies, and spending. These activities are governed by Lam's Code and Political Activity and Government Affairs procedures, reinforcing our dedication to transparency and ethical practices.

As a matter of company policy, Lam makes no direct political contributions of any kind to political parties, candidates, or committees. Additionally, Lam does not:

- Make payments to influence the outcome of ballot measures
- Engage in independent political expenditures in direct support of or opposition to campaigns
- Engage in indirect political spending, including through our supply chain, consultants, or third-party political organizations such as 501(c)(4) entities or 527 groups, such as governors' associations and super political action committees



Visit Lam's [website](#) to learn more about our GTGA approach and policies, including our Corporate Public Policy Engagement, Political Activity Statement, Trade Association Fees and Dues Statements, and approach to global taxation.

# Information security, data privacy, and AI

To maintain stakeholder trust and remain competitive, we work to ensure that Lam’s intellectual property—as well as information that employees, customers, and suppliers entrust to us—remain both private and secure.

## MAINTAINING DATA PRIVACY

We are committed to responsible data stewardship and handle the personal information of our employees, contractors, candidates, customers, and suppliers with care and in accordance with applicable personal data protection laws and regulations. Protecting this data is a shared responsibility across the organization, and is led by the Global Office of E&C.

Our personal data compliance framework embeds privacy by design into our operations by limiting data collection to what is necessary, defining clear purposes, managing retention responsibly, vetting and assessing third parties for privacy risks, and ensuring appropriate access and secure storage with automated controls. High-risk activities are subject to dedicated privacy assessments to identify, evaluate, and mitigate potential impacts.

Lam’s various data privacy notices explain how, when, and why employee and business contacts’ information may be used and processed. We closely track global legal and regulatory developments to anticipate evolving privacy requirements and regularly assess our privacy practices to maintain compliance with applicable laws and regulations. See [Our Protected Health Information Policy](#) and [Privacy Statement](#).

## PROTECTING INFORMATION SECURITY

Lam’s Board is responsible for overseeing our strategy and approach to addressing information security risks, including managing and assessing risks from cybersecurity threats, both directly and through the Audit Committee. Our chief information security officer (CISO) leads Lam’s global Information Security program, which includes dedicated teams specializing in identity access management; incident response; vulnerability governance; security operations and engineering; governance, risk, and compliance; and insider risk and intelligence. The CISO reports on information security risks at least annually to the Board and quarterly to the Audit Committee or Board. In addition, we have implemented processes, which are integrated into the company’s Enterprise Risk Management program, for identification, assessment, and management of material risks from cybersecurity threats.

Strong information security requires the vigilance of not just these teams, but every employee at Lam. To foster broad awareness of cybersecurity issues, we provide our employees with training and host relevant discussions throughout the year. We mandate annual cybersecurity training for employees, which we supplement with our onboarding training for new employees across Asia and the U.S.

Lam maintains ISO 27001:2022 certification for information security at our corporate headquarters in Fremont, California. We regularly conduct independent, third-party assessments of our security capabilities against the National Institute of Standards and Technology Cybersecurity Framework.

## OUR INFORMATION SECURITY PROGRAM IS BUILT AROUND THREE PILLARS:

- **Product security, engineering, and architecture** to enhance security measures during the development of products and applications and deploy security controls
- **Governance, risk, compliance, and identity access management** to ensure robust management of internal and external user access, manage security policies and training, and comply with regulatory standards
- **Security Operations Center** to serve as the nerve center for detecting, analyzing, and responding to potential cybersecurity threats



Visit our [website](#) to learn more about how we govern and manage our Information Security Program.

## RESPONSIBLE USE OF AI

In 2024, Lam published internal guidelines on the use of generative AI tools in the workplace, and in 2025, we continued to review and update these guidelines to capture new use cases and address evolving risks. A cross-functional responsible AI team has established a governance framework and controls focused on aligning the use of Generative AI capabilities by our employees with our Core Values, internal policies, and applicable legal requirements, while addressing risks related to transparency, fairness, data privacy and intellectual property protection, information security, accountability, and oversight of third-party AI solutions.

# APPENDIX

Learn more about the scope and boundaries of this report, data calculations, and third-party assurance. For more information about industry terminology used in this report, explore our [glossary](#).

# About this report

Lam Research Corporation published this report to provide an overview of the global impact of our company's products, services, and operations. This report covers calendar year 2025, with some exceptions noted, including financial data that is from Lam's fiscal year (June 30, 2024 to June 29, 2025) and demographic data that is from December 30, 2024, to December 29, 2025. The report encompasses our wholly owned subsidiaries across the globe, with some data limited to particular geographies, which we note throughout the report.

This report has been prepared with reference to the GRI Universal Standards. A GRI index at the end of this report shows our alignment with GRI reporting elements and our priority ESG topics. We intend to continue to report annually. We also report in alignment with the SASB Standard for the Technology and Communications Sector: Semiconductor Industry. This alignment is detailed in the SASB index.

We have noted any significant changes in scope and boundary throughout the report that may vary from our 2024 report, published in 2025. External assurance is limited to financial data from the consolidated financial statements in our 2025 Annual Report on Securities and Exchange Commission Form 10-K and environmental and safety data, as outlined in the third-party assurance letter included in this report. This Global Impact Report has been reviewed by the Nominating and Governance Committee of our Board and has been reviewed and approved by our president and CEO. For more information about our corporate governance, please reference our [Proxy Statement](#).

# Methodology

## SCOPE 1, 2, AND 3

We calculate our Scope 1 and 2 emissions using the GHG Protocol standard. Of the 15 Scope 3 categories, the following do not apply to Lam: upstream leased assets, downstream leased assets, franchises, and processing of sold products. The primary contributors to our total Scope 3 GHG emissions include the use of sold products, purchased goods and services, and transportation and distribution. For the use of sold products, we use data from industry-standard S23 reports and include the energy use of the tool; location-based or customer-specific emissions factors, when applicable; and a lifetime of 25 years for our tools. For purchased goods and services, we use spend-based data and emissions sourced from the Environmentally Extended Input-Output (EEIO) database, while increasing the availability of reliable primary data in the future.

In 2025, through the normal course of reviewing data sources, additional sources of Scope 1 emissions were discovered for 2024 as a result of changes in operational control for certain sites, as well as adjustments to chemical and fuel data.

## PRODUCT EMISSIONS-REDUCTION ESTIMATES

To calculate estimates of product-related emissions reductions, we use data derived from SEMI S23 reports, tool sensors, and data logs to compare changes in energy use and chemical flows. For all process-related chemicals, we use the Fifth Assessment Report (AR5) GWPs and apply the Intergovernmental Panel on Climate Change Tier 2C methodology. For energy, we apply the most appropriate emissions factors such as those from the International Energy Association or EPA databases.

## SUPPLIER AND CUSTOMER ENGAGEMENT GOALS

To calculate the percentage of suppliers (measured by emissions) who have set SBTs, we divide the estimated annual emissions associated with our suppliers who have set SBTs by the estimated annual emissions of all direct, indirect, and subsidiary suppliers. Estimated annual emissions are determined using a GHG Protocol spend-based methodology and emissions factors derived from the EEIO database. The percentage of customers measured by emissions who have set SBTs is calculated by summing the emissions associated with Category 11: Use of Sold Products for each customer with a SBTi or SBTi-aligned methodology and then dividing by the total emissions for Category 11: Use of Sold Products to get a proportion of emissions represented by customers with SBTi or SBTi-aligned methodology.

# Assurance letter



## INDEPENDENT ASSURANCE STATEMENT

### Introduction

DNV Business Assurance USA, Inc. (DNV) was commissioned by Lam Research Corporation (Lam Research) to conduct an independent assurance against the Selected Performance Indicators for calendar year 2025 as presented in Lam Research's 2025 Sustainability Disclosures (the "Report"). The assurance was performed to assess the completeness, accuracy, transparency, consistency, and relevance of Lam Research's performance indicators. The assurance was carried out January through June 2026.

### Boundary and Scope

- **Reporting Boundary:** Global Operations
- **Consolidation approach:** Operational Control

### Selected Performance Indicators

- **Calendar Year (CY) 2025 GHG Emissions Scope 1 and 2 (location and market-based)**
  - Biogenic emissions
  - Emissions from CFCs/HCFCs
- CY 2025 Scope 3 GHG Emissions (Category 1, 2, 3, 4, 5, 6, 7, 9, 11, 12, and 15)
- CY 2025 Total Energy Consumption
- CY 2025 Total Energy Savings Achieved as a result from energy conservation measures implemented
- CY 2025 Total Water Savings
- CY 2025 Total Water Withdrawal
- CY 2025 Total Waste Generated (Hazardous and Non-Hazardous)
- CY 2025 Total Waste Diverted (Hazardous and Non-Hazardous)
- CY 2025 Total Recordable Incident Rate per 200,000 hours (or per 100 Full-Time Employee (FTE))
- CY 2025 Progress towards 2025 goals against 2019 baseline
  - 2025 GHG Scope 1 and 2 emissions (market-based) change against 2019 baseline
- CY 2025 Volatile Organic Compounds (VOCs) Emitted

Unless otherwise specified, we have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Lam Research's website for the current or previous reporting periods.

### Reporting Criteria

The disclosures have been prepared based on the following reporting criteria:

- The World Business Council for Sustainable Development's (WBCSD)/World Resources Institute's (WRI) "The Greenhouse Gas Protocol, A corporate accounting and reporting standard – Revised edition" (2004);
- WRI's "GHG Protocol, Scope 2 guidance, An amendment to the GHG Protocol corporate standard" (2015); and,



- WBCSD's/WRI's "GHG Protocol, Corporate value chain (Scope 3) accounting and reporting standard, Supplement to the GHG Protocol corporate accounting and reporting standard" (2013); and,
- Lam Research's Selected Information Reporting Criteria, See Annex II.

#### Standard and Level of Assurance

We performed a **limited level** assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed with the ISO IEC 17029:2019 - Conformity Assessment – General principles and requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. These standards require that we comply with ethical requirements and plan and perform the assurance engagement. To ensure consistency in our assurance process, we conducted our work in accordance with DNV's assurance methodology, VeriSustain™ applying only the pertinent sections of the protocol relevant to the specific purpose of the activity.

We understand that financial data, including financial data that feeds into the calculation of Selected Performance Indicators are subject to a separate independent audit process. DNV has relied on this information as accurate for the purposes of our scope of work. This includes but is not limited to any statements relating to sales, revenue, salaries, and charitable contributions.

The procedures performed in a limited assurance engagement vary in nature and timing and are less detailed than those undertaken during a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being in error is reduced but not reduced completely.

#### Materiality<sup>1</sup>

Errors/omissions which represent 5% of single or aggregated total emissions are considered material. Additionally, any omissions or inconsistencies that could influence stakeholder decisions or affect the integrity of the GHG report are considered qualitatively material, regardless of size.

#### Responsibilities of the Management of Lam Research and of the Assurance Provider

The Management of Lam Research has the sole responsibility for the preparation of the Report and is responsible for all information disclosed in the Report. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and, ensuring the quality and consistency of the information presented in the Report.

<sup>1</sup> Materiality as defined in ISAE3000 Paragraph 44 (A92-A100)



DNV's responsibility is to plan and perform the work to obtain assurance about whether the Report has been prepared in accordance with the reporting requirements. In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

#### **Inherent Limitation(s):**

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and free from material misstatements. Because of the selected nature (sampling) and other inherent limitations of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected.

The assurance scope has the following limitations:

- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The engagement excludes the sustainability management, performance, and reporting practices of the Company's suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

#### **Basis of Our Opinion**

As part of the Limited level of Assurance process, a multi-disciplinary team of assurance specialists performed assurance work for Lam Research. We adopted a risk-based approach, that is, we focused our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

- Reviewed the selected performance indicators under the reporting framework;
- Conducted interviews with Lam Research management to obtain an understanding of the key processes, systems and controls in place to aggregate and report the Selected Information;
- Walked through key data sets to understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting principles;
- Collected and evaluated documentary evidence and management representations supporting adherence to the reporting principles;
- Conducted remote audits for corporate offices and one site in Austria and sample-based assessment of site-specific data disclosures was carried out; and,
- Reviewed the process of reporting as defined in the assessment criteria.

In addition, the following methods were applied during the verification of Lam Research's environmental footprint inventories and management processes:

- Review of documentation, data records, and sources relating to the corporate environmental data claims and GHG emission assertions;
- Review of the processes and tools used to collect, aggregate, and report on all environmental data and metrics;
- Assessment of environmental information systems and controls, including:



- Selection and management of all relevant environmental data and information;
- Processes for collecting, processing, consolidating, and reporting the relevant environmental data and information;
- Design and maintenance of the environmental information system; and,
- Systems and processes that support the environmental information system.
- Performed sample-based audits of the processes for generating, gathering, and managing the quantitative and qualitative environmental data;
- Examination of all relevant environmental data and information to develop evidence for the assessment of the environmental claims and assertions made; and,
- Confirmation of whether the organization conforms to the verification criteria.

#### Conclusion

On the basis of the work undertaken, nothing came to our attention to suggest that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria. This conclusion relates only to the Selected Information, and is to be read in the context of this Independent Limited Assurance Statement, in particular the inherent limitations explained overleaf.

#### Statement of Competence and Independence

We have complied with the DNV Code of Conduct<sup>2</sup> during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement.

#### DNV Business Assurance USA, Inc.

Xu,  
Yishuang

Digitally signed  
by Xu, Yishuang  
Date: 2026.06.09  
14:37:41 -07'00'

Yishuang Xu  
Lead Verifier

Chen,  
Owen

Digitally signed  
by Chen, Owen  
Date: 2026.06.05  
15:01:03 -07'00'

Owen Chen  
Verifier

Yun,  
Chang  
Rok

Digitally signed by  
Yun, Chang Rok  
Date: 2026.06.06  
06:13:01 +09'00'

Chang Rok Yun  
Technical Reviewer

<sup>2</sup> DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>



*DNV Business Assurance USA, Inc. is part of DNV, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. [www.dnv.com](http://www.dnv.com)*

*This Statement is for the sole use and benefit of the party contracting with DNV Business Assurance USA, Inc. to produce this Statement (the "Client"). Any use of or reliance on this document by any party other than the Client shall be at the sole risk of such party. In no event will DNV or any of its parent or affiliate companies, or their respective directors, officers, shareholders, employees or subcontractors, be liable to any other party regarding any statements, findings, conclusions or other content in this Statement, or for any use of, reliance on, accuracy, or adequacy of this Statement.*

*DNV-2026-ASR-817412  
19219 Katy Fwy, Houston, TX 77094*



**Annex I**  
**Data Verified**

The Selected Performance Indicators (metrics are presented in calendar year (CY), or otherwise specified)

**GHG Scope 1, 2 and 3**

|   |  |   |
|---|--|---|
| • | CY 2025 GHG Emissions                                      |   |
| ◦ | Scope 1 emissions  | 67,263 metric tons CO <sub>2</sub> e    |
| ◦ | Emissions from HCFCs (R-22)                                | 21 metric tons CO <sub>2</sub> e        |
| ◦ | Scope 2 emissions (location based)                         | 131,827 metric tons CO <sub>2</sub> e   |
| ◦ | Biogenic emissions (CO <sub>2</sub> emissions from biogas) | 55 metric tons CO <sub>2</sub>          |
| ◦ | Scope 2 emissions (market based)                           | 44,858 metric tons CO <sub>2</sub> e    |
| • | CY 2025 Scope 3 GHG Emissions                              |   |
| ◦ | Category 1: Purchased Goods and Services                   | 1,765,648 metric tons CO <sub>2</sub> e |
| ◦ | Category 2: Capital Goods                                  | 91,523 metric tons CO <sub>2</sub> e    |
| ◦ | Category 3: Fuel and Energy Related Activities             | 37,437 metric tons CO <sub>2</sub> e    |
| ◦ | Category 4: Upstream Transportation and Distribution       | 182,858 metric tons CO <sub>2</sub> e   |
| ◦ | Category 5: Waste Generated                                | 3,721 metric tons CO <sub>2</sub> e     |
| ◦ | Category 6: Business Travel                                | 40,164 metric tons CO <sub>2</sub> e    |
| ◦ | Category 7: Employee Commuting                             | 26,714 metric tons CO <sub>2</sub> e    |
| ◦ | Category 9: Downstream Transportation and Distribution     | 82,896 metric tons CO <sub>2</sub> e    |
| ◦ | Category 11: Use of Sold Products                          | 6,741,009 metric tons CO <sub>2</sub> e |
| ◦ | Category 12: End-of-life Treatment of Sold Products        | 2,660 metric tons CO <sub>2</sub> e     |
| ◦ | Category 15: Investments                                   | 120 metric tons CO <sub>2</sub> e       |

**Energy**

|   |   |                  |
|---|---|------------------|
| • | Total Energy Consumption  | 506,731,633 kWh  |
| • | Total Energy Savings Achieved as a result from energy conservation measures implemented | 1,941,908 kWh/yr |

**Water**

|   |                        |                                  |
|---|------------------------|----------------------------------|
| • | Total Water Savings    | 4,511,400 gallons saved per year |
| • | Total Water Withdrawal | 430,523,189 gallons              |

**Waste<sup>3</sup>**

|   |                                 |                   |
|---|---------------------------------|-------------------|
| • | Total Hazardous Waste Generated | 1,951 metric tons |
|---|---------------------------------|-------------------|

<sup>3</sup>Total waste generated excludes waste generated from construction, demolition, and remediation.



- Total Non-hazardous Waste Generated 13,241 metric tons
- Hazardous Waste Recycled 81%
- Hazardous Waste Diversion from Landfill 99%
- Non-hazardous Waste Recycled 77%

**Volatile Organic Compounds**

- Volatile Organic Compounds (VOCs) Emitted 52 metric tons

**Progress towards 2025 goals against 2019 baseline**

- GHG Scope 1 and 2 emissions (market-based) change -35%

**Employee Health & Safety**

- Total Recordable Incident Rate per 200,000 hours (or per 100 Full-Time Employee (FTE)) 0.26



**Annex II**

**The Selected Performance Indicators Criteria**

The table below has been prepared by Lam Research. It is intended to provide with a summary of the methodologies used to prepare the Selected Performance Indicators.

| Topic            | Description  | Calculation Methodology   |
|------------------|--|---|
| Energy Savings   | 2025 energy savings achieved as a result from energy conservation measures (ECM) implemented at all global facilities under Lam's operational control in the reporting year. Savings quantified in comparison to energy baseline (energy consumption occurring without implemented ECM.)   | Total sum of energy savings achieved across all ECMs implemented in the reporting year.<br><br>Unit of measure: Kilowatt hours (kWh)  |
| Water Withdrawal | Water usage at all global facilities under Lam's operational control in the reporting year.  | Total sum of water usage entered based on invoices.<br><br>Unit of measure: Gallons   |
| Water Savings    | Water savings are achieved by installing water reduction units at the manufacturing plants in water-stress areas. Water savings are quantified based on the reduced flow rate measured by the flow meters.   | Total sum of water savings based on real-time flow meters.<br><br>Unit of measure: Gallons  |
| VOC Emitted      | Three primary factors to consider chemicals as VOCs:<br>1. Any compound of carbon, excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates and ammonium carbonate, which participates in atmospheric photochemical reactions.<br>2. Boiling point at STP is lower than 250 Celsius degrees<br>3. Vapor pressure is more than 0.01 kPa <sup>2</sup> at 293K.  | Total sum of VOCs weight expressed in metric tons after conversion from volume.<br><br>Unit of measure: metric tons   |
| Waste Management | (1) 2025 Total amount of hazardous waste generated at all global facilities under Lam's operational control in the reporting year.<br>(2) 2025 Total amount non-hazardous waste generated Non-hazardous waste generated at all global facilities under Lam's operational control in the reporting year.<br>(3) 2025 Total percentage hazardous waste recycled Hazardous waste disposed by means of recycling across global facilities under Lam's operational control in the reporting year.<br>(4) 2025 Total non-hazardous waste recycled Non-hazardous waste disposed by means of recycling across global facilities under Lam's operational control in the reporting year.<br><br>Note: Total waste generated excludes waste generated from construction, demolition, and remediation. | (1) Total sum of hazardous waste generated across global facilities in the reporting year.<br>(2) Total sum of non-hazardous waste generated across global facilities under Lam's operational control in the reporting year.<br>(3) Total metric tons of hazardous waste recycled / total metric tons of hazardous waste generated X 100 (%)<br>(4) Total metric tons of non-hazardous waste recycled / total metric tons of non-hazardous waste generated X 100 (%)<br><br>Unit of measure for (1), (2): Metric tons<br>Unit of measure for (3), (4): Percentage (%) |



|                          |   |  |
|--------------------------|---|--|
| Employee Health & Safety | (1) Total Recordable Incident Rate (TRIR)<br>Number of incidents reported per 100 full-time employees (FTE) against the number of hours worked. | (Total number of incidents X 200,000) / Full time equivalent headcount X 2000<br><br>Unit of measure: Rate per 100 FTE |
|--------------------------|---|--|

# Cautionary statement

With the exception of historical facts, the statements contained in this Global Impact Report (“Report”) are forward-looking statements. Forward-looking statements are subject to the safe harbor provisions created by the Private Securities Litigation Reform Act of 1995. Certain, but not all, of the forward-looking statements in this Report are specifically identified as forward-looking by the use of words and phrases such as “aim,” “anticipate,” “aspire,” “believe,” “build,” “commitment,” “continue,” “could,” “endeavor,” “expand,” “expect,” “future,” “goal,” “increase,” “intend,” “maintain,” “may,” “objectives,” “opportunities,” “path,” “plan,” “remain,” “seek,” “should,” “strategy,” “strive,” “target,” “vision,” “will,” and “would.” However, our identification of certain statements as forward-looking does not mean that other statements not specifically identified are not forward-looking. Forward-looking statements include, but are not limited to, statements that relate to: industry and market growth and demand expectations; demand for our products; our plans and expectations for growth; technology and product innovation; sustainability and ESG strategy and goals; net zero, emissions reduction, and climate action goals; energy efficiency, renewable energy, and resource conservation initiatives, targets and goals; product lifecycle impacts and customer environmental performance; virtual technologies and environmental impact reduction; PFAS and other product regulatory and compliance risks; research and development investments; product safety and quality; operational efficiency and resilience; water stewardship, waste management, chemicals management, and biodiversity actions; workforce, safety, talent development, and employee experience; supply chain sustainability, due diligence, and supplier climate engagement; supplier and logistics optimization; community impact and charitable initiatives; ethics, compliance, corporate governance, and data integrity; information security, data privacy, and intellectual property protection; human rights and responsible labor practices; and legal, regulatory, and tax compliance. Such statements are based on current expectations

and are subject to risks, uncertainties, and changes in condition, significance, value, and effect. Some factors that may affect these forward-looking statements include: business, economic, political and/or regulatory conditions in the consumer electronics industry, the semiconductor industry and the overall economy may deteriorate or change; the actions of our customers and competitors may be inconsistent with our expectations; trade regulations, export controls, tariffs, trade disputes, and other geopolitical tensions may inhibit our ability to sell our products; supply chain cost increases, tariffs, export controls and other inflationary pressures have impacted and may continue to impact our profitability; supply chain disruptions, export controls or manufacturing capacity constraints may limit our ability to manufacture and sell our products; and natural and human-caused disasters, disease outbreaks, war, terrorism, political or governmental unrest or instability, or other events beyond our control may impact our operations and revenue in affected areas; as well as the other risks and uncertainties that are described in the documents filed or furnished by us with the Securities and Exchange Commission, including specifically the Risk Factors described in our most recent annual report on Form 10-K or subsequent quarterly report on Form 10-Q. Such risks, uncertainties, and changes in condition, significance, value, and effect could cause our actual results to differ materially from those expressed in this Report and in ways that are not readily foreseeable. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Report and are based on information currently and reasonably known to us. We do not undertake any obligation to update any forward-looking statements, or to release the results of any revisions to these forward-looking statements, to reflect the impact of anticipated or unanticipated events or circumstances that occur after the date of this Report.

Additionally, while we leverage various frameworks and other standards in our disclosures, such standards are ultimately only used to inform our disclosures, and we cannot guarantee (and no language of “alignment” or similar should be understood to mean) complete adherence to such standards or any particular stakeholders’ interpretation of same. Our disclosures based on standards may change due to revisions in framework requirements, availability or quality of information, changes in our business or applicable governmental policies, or other factors, which may be within or outside of our control. Similarly, some of the information in this Report is reliant on third-party information or methodologies. Any inaccuracies or changes in such information or methodologies, whether within or outside of our control, could cause results and performance to differ from what is reported. In addition, various aspects of this report are based on processes and procedures that we believe apply appropriate levels of support to address issues in scope and, while these statements may use words such as “ensure”, “prevent”, or similar language, such terms should not be considered to mean (as there can be no guarantee) that such efforts will be successful in all situations.

Separately, certain information included in this Report may be used for compliance with various legal obligations; however, this Report is necessarily broader than certain legal requirements, and any such use shall not be deemed to incorporate portions of this Report that are not responsive to such obligations or references to same. It is not intended, and we hereby disclaim, any legal relations, rights or obligations to any third party in connection with these disclosures. Moreover, by providing this information, neither we nor any of our affiliates are conceding any specific item is required or applicable under any legal obligation, nor are we conceding any particular interpretation of such legal requirements. Moreover, in certain circumstances, information included in this Report may differ from information included in regulatory reporting due to differences in methodologies for the calculation of certain metrics or other factors, which may be within or outside of our control.

# Glossary

| TOPIC  | DEFINITION   |
|--|--|
| <b>Abatement controls</b>                          | Measures taken to reduce or eliminate the presence of hazardous materials or pollutants.   |
| <b>AI</b>  | Artificial intelligence technology that enables computers and digital devices to learn, read, write, create, and analyze.  |
| <b>Biodiversity</b>                                | The biological diversity of flora and fauna species on Earth; a complex web of life that underpins the natural life processes on the planet. Human-caused environmental damage reduces biodiversity, and creating a healthy, sustainable society requires increasing biodiversity. |
| <b>Carbon dioxide equivalent (CO<sub>2</sub>e)</b> | A metric that converts amounts of gases to the equivalent amount of carbon dioxide with the same GWP.  |
| <b>Carbon footprint</b>                            | The amount of GHG, and specifically carbon dioxide, emitted by something (such as a person’s activities or a product’s manufacture and transport) during a given period.   |
| <b>Co-location</b>                                 | A strategy to place two or more production processes in close proximity to each other to streamline processes and reduce transportation needs.   |
| <b>Customer Support Business Group</b>             | Lam business division that includes the Reliant® product group (older technology sales and refurbished systems), upgrades, spares, and services.   |
| <b>Deposition</b>                                  | A semiconductor process that selectively adds material to the surface of a wafer.  |
| <b>Direct suppliers</b>                            | Those who provide parts, assemblies, and services to produce parts used to manufacture and support Lam’s products.   |
| <b>Ecosystem services</b>                          | The services that an ecosystem supplies, such as food, water, climate regulation, and pollination, among others, and on which humans depend.   |
| <b>Environmental, social, and governance (ESG)</b> | A collection of corporate performance evaluation criteria that assess the robustness of a company’s governance mechanisms and its ability to effectively manage its environmental and social impacts.  |
| <b>ESG materiality</b>                             | A process through which topics that represent the organization’s most significant impacts on the economy, environment, and people are identified.  |
| <b>Etch</b>  | A semiconductor equipment process that selectively removes material from the surface of a wafer.   |
| <b>Fab</b>   | A site where semiconductor wafers are fabricated for the manufacture of chips.   |
| <b>Greenhouse gas (GHG)</b>                        | Gases, such as carbon dioxide and methane, which trap and hold heat in the atmosphere and contribute to climate change. Much of human activity emits GHG gases, such as burning fossil fuels for energy and transport, farming land for food production, and deforestation.        |
| <b>Hazardous waste</b>                             | Includes waste streams which are regulated and could pose a risk to human or environmental health. These materials may be considered corrosive, flammable, toxic, or reactive and require specific disposal methods.   |
| <b>Heat transfer fluid</b>                         | Specialized liquids used to manage and maintain precise thermal conditions during various production processes. These fluids play a critical role in ensuring the integrity of semiconductor devices, as temperature control is essential for high product quality and yield.      |
| <b>High global warming potential (GWP) gas</b>     | Gases with a higher GWP absorb more energy, per ton emitted, than gases with a lower GWP, and thus contribute more significantly to global warming.  |
| <b>Indirect suppliers</b>                          | All goods and services used in Lam’s daily operations that are not parts, assemblies, or services directly tied to producing parts used to manufacture or support Lam’s products.  |
| <b>Installed base</b>                              | The number of semiconductor manufacturing equipment units or systems currently in use by a customer.   |

| TOPIC  | DEFINITION  |
|--|---|
| <b>Location-based renewable energy</b>             | Renewable energy generated and consumed within a geographic area, like a city, region, or even facility.  |
| <b>Market-based renewable energy</b>               | Renewable energy purchased from the grid, regardless of where it is generated.  |
| <b>NAND</b>  | Refers to NAND flash memory, which is a type of non-volatile storage technology. It is widely used in modern electronic devices such as solid-state drives (SSDs), USB flash drives, memory cards, and smartphones.   |
| <b>Net zero</b>                                    | The overall balance between emitting and absorbing carbon in the atmosphere. Limiting climate change requires companies and countries to become net zero, and many policies are based on achieving that within certain time frames.   |
| <b>Non-hazardous waste</b>                         | Includes waste streams that do not pose risk of harm to human or environmental health. Includes common waste streams such as paper, cardboard, wood, metal and e-waste, plastic, glass, and compostable materials.  |
| <b>Process chemistry</b>                           | Involves the development and optimization of production processes for chemical compounds, and the scaling up of laboratory reactions.   |
| <b>Renewable energy credits/certificates (REC)</b> | A market-based instrument that represents the property rights to the environmental, social, and other non-power attributes of renewable electricity generation. RECs are issued when one megawatt-hour (MWh) of electricity is generated and delivered to the electricity grid from a renewable energy resource.  |
| <b>Science-based target (SBT)</b>                  | A clearly defined pathway for companies and financial institutions to reduce GHG emissions in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement.   |
| <b>Scope 1 emissions</b>                           | Direct GHG emissions that occur from sources that are controlled or owned by an organization.   |
| <b>Scope 2 emissions</b>                           | Indirect GHG emissions associated with any purchases of electricity, steam, heat, or cooling.   |
| <b>Scope 3 emissions</b>                           | Emissions that are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its value chain.   |
| <b>Self-assessment questionnaires (SAQ)</b>        | The Responsible Business Alliance (RBA) produces assessment tools to help members meet RBA standards and drive improvements. One such tool is the SAQ, which is designed to help RBA members identify their greatest labor; environmental, health, and safety; and ethical risks in their supply chains. The SAQ is primarily a tool for RBA members to own due diligence by providing a mechanism to assess their own risk management systems and identify gaps. |
| <b>Semiconductor</b>                               | A material that can conduct electricity under certain conditions, such as temperature or chemical treatment.  |
| <b>Silicon</b>                                     | A non-metal element with semiconducting properties, used in making electronic circuits.   |
| <b>Temperature control unit (TCU)</b>              | A device that precisely regulates the temperature of tools, processes, or components during semiconductor fabrication. A TCU typically circulates a temperature-controlled fluid through cooling channels or plates in the process equipment.   |
| <b>Validated assessment program (VAP)</b>          | The RBA's standard for onsite compliance verification and effective, shareable assessments conducted by independent, third-party firms.   |
| <b>Virtualization/Virtual Twins</b>                | Advanced software platforms (part of Semiverse® Solutions) that create digital representations of physical processes or assets, allowing simulation and optimization without physical experimentation.  |
| <b>Wafer</b>                                       | A thin slice of semiconductor (such as silicon) used as a base for an electronic component or circuit.  |

## WORKING TOGETHER TO SHAPE THE FUTURE

Our report opens the conversation on how we can collectively support a sustainable semiconductor industry.

**Get in touch:**

If you have questions regarding this report or Lam’s global impact activities, please contact us via [globalimpact@lamresearch.com](mailto:globalimpact@lamresearch.com).

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