



## **Lam Research International Sàrl**

### **Slavery and Human Trafficking Statement**

#### **for the fiscal year ended June 26, 2016**

This statement is made pursuant to section 54, Part 6 of the Modern Slavery Act 2015, and sets out the steps that Lam Research International Sàrl has taken during the fiscal year ended June 26, 2016 to ensure that slavery and human trafficking are not taking place in our supply chain or any part of our own business.

#### **Our Business**

We are a global supplier of innovative wafer fabrication equipment and services to the semiconductor industry. We design, manufacture, market, refurbish, and service semiconductor processing systems that are used in the fabrication of integrated circuits. Our market-leading products are designed to help our customers build smaller, faster, more powerful, and more power-efficient devices that are used in a variety of electronic products, including mobile phones, wearables, tablets, computers, automotive devices, storage devices, and networking equipment.

#### **Our Supply Chain**

Sourcing the specialized components and products needed for our process equipment and services requires our supply chain to stretch around the globe. As a result, we focus our supplier management efforts extensively on our top tier of suppliers that support our manufacturing operations. We implement a collaborative approach to working with our supply chain and strive to actively share best practices in order to mitigate our collective challenges. Our supply chain is held to the same Core Values to which we hold ourselves, and we are committed to rewarding integrity and continuous improvement.

#### **Policies and Practices**

Fair and humane employment practices are a core business principle to ensure compliance with applicable laws and provide a productive and unbiased workplace. As outlined in our Global Employment Practices Policy, we support freely chosen employment, avoidance of child labor, compliance with applicable wage and benefits laws, humane treatment of employees, non-discrimination, and freedom of association.

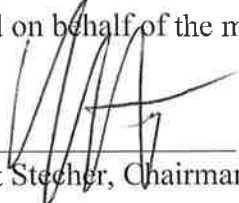
The steps that Lam Research International Sàrl has taken include the following:

1. **Verification**. In order to verify prospective direct product suppliers, we require all new direct materials suppliers, as part of the supplier screening process, to provide a completed written certification that addresses risks of human trafficking and slavery

(described in paragraph 3 below). The verification is conducted by Lam Research employees.

2. Auditing. We periodically audit major direct product supplier operations. The audit is conducted by Lam Research employees, and may be announced or unannounced. During the last fiscal year, we developed a number of enhancements to the audit process to more specifically address the risks of human trafficking and slavery in our supply chain, including by incorporating specific questions into our audit checklist that address these risks, and by updating our internal training materials. These enhancements are being implemented during the audits carried out in the 2017 fiscal year.
3. Certification. We request a written certification from major direct product suppliers that the materials incorporated into their products comply with applicable laws and regulations, including laws regarding slavery and human trafficking of the country or countries in which they are doing business.
4. Internal Accountability. Lam direct product suppliers, employees, and contractors who fail to comply with Lam's expectations are subject to corrective action up to and including termination.
5. Training. We periodically conduct training of front-line employees and managers with direct responsibility for supply chain management on how to identify and mitigate risks of human trafficking and slavery. During the last fiscal year, we updated this training, including to incorporate our enhanced audit checklist. This updated training is being used in 2017, including to train those employees who will be conducting supplier audits.

Signed on behalf of the managing officers of Lam Research International Sàrl.

  
Robert Stecher, Chairman