

## Lam Research International Sàrl

# Slavery and Human Trafficking Statement

### for the fiscal year ended June 25, 2017

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 25, 2017 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 have built a strong global presence with core competencies in areas like nanoscale applications enablement, chemistry, plasma and fluidics, advanced systems engineering and a broad range of operational disciplines. Our products and services are designed to help our customers build smaller, faster, and better performing devices that are used in a variety of electronic products, including mobile phones, personal computers, servers, wearables, 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 on our top tiers of direct 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. Our Global Supply Chain Compliance Policy also establishes and confirms Lam Research's commitment to compliance with applicable laws and regulations, including the prevention of slavery and human trafficking, in its business operations and throughout its supply chain.

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

- 1. <u>Verification</u>. 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, including to address the risks of human trafficking and slavery in our supply chain. The audit is conducted by Lam Research employees, directly or in conjunction with third parties. During the last fiscal year, audits were announced, but we reserve the right to conduct unannounced audits.
- 3. <u>Certification</u>. In June of 2016 (i.e., shortly prior to the end of the prior fiscal year), we requested 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. Certifications that were requested have been received by us both during the prior fiscal year and during the last fiscal year.
- 4. <u>Internal Accountability</u>. 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. <u>Training</u>. We make training available to front-line employees and managers with direct responsibility for supply chain management on how to identify and mitigate risks of human trafficking and slavery.

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

Robert Stecher, Chairman