



Lam Research Corporate Social Responsibility Report 2018

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Letter from Our CEO

This is Lam’s 5th annual corporate social responsibility (CSR) report, and it features updates on our continued progress against our 2020 environmental commitments, investments in our employees’ career development and wellbeing, and ongoing support for the communities where Lam employees live and work. Lam’s contributions to the growth of the semiconductor industry and the data economy have never been greater, but we don’t stop there. We strive to make a lasting, positive impact for all our stakeholders and commit to be a proactive and responsible corporate citizen.

This year, to further integrate CSR into the business, we created a cross-functional CSR Team to develop and drive CSR objectives and strategies. The team’s activities are coordinated and driven by a dedicated CSR manager, a new position created in 2018.

We have organized our CSR report into four main chapters: Company Overview, Workplace, Community, and Operations: Environment and Safety. We have addressed the topics that are priorities for our stakeholders and represent opportunities for Lam to make a positive environmental or social impact. Here are some highlights you’ll read more about in the pages to follow:

- Company Overview – We continued to increase our investments in research and development, dedicating over 60% of our operating expenses to providing our customers with best-in-class and innovative products and services.

- Workplace – We are increasing our focus on inclusion and diversity in the workplace and for the first time are publishing demographics of our workforce; this underscores our commitment to transparency as we address this important topic.
- Community – The Lam Research Foundation increased its giving by 13% from 2017, with a record \$3.7 million in grants, scholarships, and employee-matched donations to non-profits and scholarship programs.
- Operations: Environment and Safety – We surpassed our 2020 goals for greenhouse gas intensity and renewable energy, and we maintained our strong track record for worker safety.

Lam is well-positioned to deliver on the CSR priorities for our employees, customers, shareholders, and communities. We are excited to be on this CSR journey and we hope this report offers valuable insight into Lam’s ongoing commitment to CSR.

A handwritten signature in black ink, reading "Tim M. Archer".

Tim Archer
President and Chief Executive Officer



About This Report

Lam Research Corporation has published this Corporate Social Responsibility (CSR) Report to provide an overview of our company’s products, services, and operations related to environmental, social, and economic performance. This report covers calendar year 2018, with some exceptions noted, including financial data that is Lam’s fiscal year 2018 (July 2017-June 2018). The report encompasses all wholly-owned subsidiaries across the globe, although some data may be limited to particular geographies which we note throughout the report.

We self-declare that this report is in accordance with the Global Reporting Initiative (GRI) Standard framework at the Core level. As required, a GRI Index at the end of the report shows our alignment with GRI reporting elements and our material topics. We intend to continue to report annually.

We have noted any significant changes in scope and boundary throughout the report that may vary from our 2017 report, which was published in 2018. External assurance is limited to our financial data certified in our [2018 Annual Report on Form 10-K](#). This CSR report has been reviewed by the Compensation and Nominating and Governance Committees of our Board of Directors and has been reviewed and approved by our President and CEO.

Questions and comments about this report can be addressed to CSR@lamresearch.com.

Lam’s Approach to CSR

Our Core Values help to guide the decisions we make in every aspect of our business, informing what we do and how we do it. They shape the way we define success in the marketplace as we create solutions for our customers; invest in our employees; incorporate environmental, social, and economic responsibility across our business; give back to our communities; conduct our business ethically through good governance; and deliver value to our shareholders.

In 2018, we created a corporate CSR Team, led by a CSR Manager, to guide our corporate responsibility goals and activities, benchmark our programs against the expectations of our stakeholders and industry, establish and drive future CSR objectives, and deliver plans and progress updates to the CEO and Board of Directors.



The CSR Team includes representatives from Global Customer Operations, Global Workplace Solutions, Environmental Health and Safety, Investor Relations, Global Human Resources (HR), Legal, the Office of the Chief Technology Officer (CTO), Global Supplier Management, Corporate Communications, and Community Relations.

Materiality

We used the GRI materiality assessment process to determine the content of the report and identify key issues and topics to address.

In 2018, we conducted a new materiality assessment. Using a third-party firm, we reviewed important topics and risks published in our 2018 Proxy and Annual Report, consulted with senior management, and catalogued feedback from stakeholders, including investors. The results of this materiality assessment will inform 2019 CSR activities and the 2019 CSR Report. The CSR team also benchmarked our CSR program in part based on scores and rankings by third-party ratings organizations.

United Nations Sustainable Development Goals



In September 2015, 193 member States of the United Nations adopted 17 new Sustainable Development Goals (SDGs) to make our world more prosperous, inclusive, sustainable and resilient. Lam recognizes the importance of these goals and the role businesses play in achieving them. Lam is committed to aligning our programs and initiatives and do our part towards achieving these global goals.



The previous materiality assessment, conducted in 2013, produced the list of material topics within this report, but we have increased our coverage of inclusion and diversity topics due to emerging interests in 2018.

For our 2013 assessment, feedback was solicited from these stakeholder groups: customers, investors, suppliers, policymakers, and communities. To collect this information, we leveraged the use of a survey, interviews, and technical reviews by management advisors. Based on this feedback, more than 74 material topics were identified, from which a list of 15 priority topics emerged.

For the purposes of this report, we define our material topics below:

Business continuity – Through a formal risk management process, we prepare for potential operational, environmental, regulatory, and marketplace risks and opportunities that might affect our ability to conduct business.

Charitable giving – Our charitable giving is an extension of our Core Values, and our practices include global grant making, employee giving match, and employee volunteerism.

Community engagement – We meet with local government officials, regulators, and civic organizations to build partnerships that result in positive contributions to the local economy and community.

Customer data protection and privacy – Our customers, employees, and business partners expect that our information technology systems and data are secure, and we are committed to protecting their information and privacy.

Design for the environment – We provide product features at our customers’ requests that improve energy efficiency, lower waste and water use, reduce carbon footprint, extend longevity, and use less packaging.

Emerging environmental regulations – We monitor, prepare for, and comply with emerging regulations regarding the environmental impact of our products. This includes regulations regarding the environmental impact of our manufacturing processes, research and development operations, and workplace.

Employee wellness – We offer educational resources and empower our employees to cultivate healthy lifestyle choices, grow their careers, and prepare for retirement.

Energy efficiency – Energy is a significant contributor to our greenhouse gas (GHG) profile, and we set goals and implement projects to make significant improvements in our energy performance.

Ethics – Our Global Standards of Business Conduct Policy provides guidance for ethical behavior, rooted in our Core Values. We provide global training on ethics and compliance, and maintain a global Ethics and Compliance Helpline for reporting issues or asking questions.

Greenhouse gas emissions – As a global company with manufacturing operations, we recognize that our GHG emissions contribute to climate change, and we strive to reduce our GHG footprint.

New product pipeline – Through continued investments in research and development (R&D), we remain a key enabler of emerging technologies like the Internet of Things (IoT), artificial intelligence, wearable devices, virtual reality, ubiquitous technology connectivity, augmented reality, autonomous vehicles, and machine learning.

Occupational health and safety – We are committed to providing our employees a safe and healthy workplace, whether they work in an office, a manufacturing or R&D facility, or in the field.

Product safety – Safety is built into our product design, manufacturing, and workplace operational systems.

Product compliance – Safety, environmental, labor, and regulatory compliance with local, national, international and industry standards are incorporated in our products.

Regulatory compliance – We are diligent in our compliance with relevant environmental regulations around the world. We also require our suppliers to do the same.

Stakeholder engagement

We regularly engage with key stakeholders to gather feedback that is incorporated into daily decision making and long-term strategic planning.

- Lam encourages employees to provide feedback and input through managers, HR, the Ethics & Compliance team, including an Ethics and Compliance Helpline, and formal surveys.
- Lam collaborates closely with customers to identify emerging needs for their products and services. These needs guide Lam's service delivery objectives, product research and development efforts, and manufacturing plans.
- Lam works with suppliers to meet emerging customer needs and collaborate as we develop more stringent social and environmental requirements, including screening and auditing requirements regarding human trafficking, child and forced labor, human rights, and workplace safety. As a supplier, we participate in several work groups and organizations to review best practices regarding contractors/migrant workers, human rights, cyber security, supplier diversity, and workplace inclusion and diversity.
- Lam regularly communicates with policy makers and community leaders. We interact to ensure a positive impact in the communities where we operate.
- Lam proactively seeks out opportunities to engage, ask questions, and understand the views of our shareholders on environmental, social, and governance (ESG) topics. We initiate opportunities for direct investor input and mutual exchange of ideas via investor conferences, earnings calls, one-on-one meetings, correspondence, and through their votes with respect to proposals presented at shareholder meetings. This engagement approach ensures we proactively review and address the ESG issues most relevant to our shareholders.





Company Overview

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, autonomous vehicles, and data storage devices. Our customer support provides services, spares and upgrades to enable best tool performance, optimize productivity, and maximize value. We partner with our customers to help them solve their most critical manufacturing challenges in an era when the demands on semiconductor device performance are pushing past the boundaries of traditional 2D structures, and into more advanced 3D architectures.

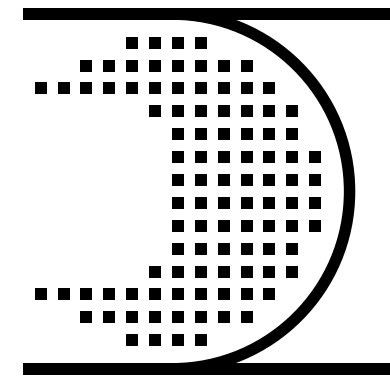
We believe Lam is uniquely positioned to address these unprecedented industry challenges because of our technology capabilities, values-based culture, disciplined

and accomplished management team, experienced and effective Board of Directors, and commitment to our long-term growth objectives through our significant investment in research and development (R&D). In fiscal year 2018, we spent over \$1.1 billion in R&D and approximately \$4.7 billion over the last five fiscal years. Between fiscal years 2013 and 2018, on a quarterly basis, Lam has grown R&D at a faster pace than its peers in the U.S.

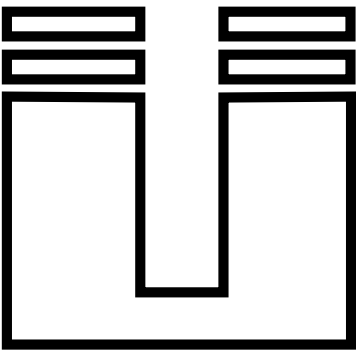
Our R&D focus when combined with demand and technology inflections in our industry, including 3D device scaling, multiple patterning process flow, and advanced packaging/chip integration will lead to an increase in our served addressable market for our products and services in deposition, etch, strip, and clean.

Product Offerings

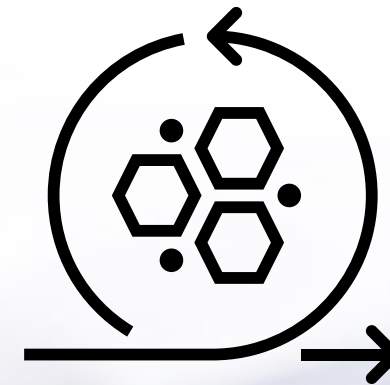
Deposition



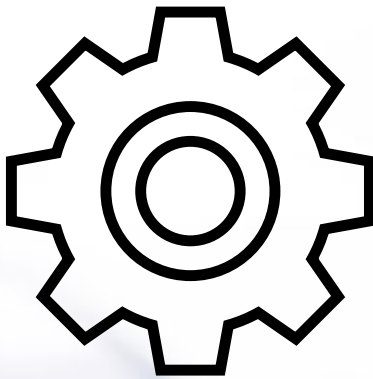
Etch



Strip & Clean



Customer Support



Commitment to Quality

Lam is committed to embedding quality in our culture and operations. We drive a holistic approach to development, delivery, and continuous improvement of our products and services that results in positive differentiation with our customers. Lam maintains a certification for International Standards Organization (ISO) 9001, a voluntary international quality management standard that provides a framework for effective quality management systems.

Our Customers

Our customer base includes leading semiconductor memory, foundry, and integrated device manufacturers (IDMs) that make products such as non-volatile memory (NVM), DRAM memory, and logic devices in wafer fabrication plants (wafer fabs).

Our customers make semiconductors by fabricating multiple dies or integrated circuits (ICs) on a wafer. This involves the repetition of several core processes and can require hundreds of individual steps. Making semiconductors requires highly sophisticated process technologies to integrate an increasing array of new materials with precise control at the atomic scale. Along with meeting technical requirements, our customers expect Lam’s products and services to deliver high productivity and be cost-effective.

Our Customer Support Business Group (CSBG) provides products and services to maximize installed equipment performance, predictability, and operational efficiency. As of the end of 2018, we have an installed base of approximately 56,000 chambers with a dedicated team to serve and maintain those tools for maximum productivity.

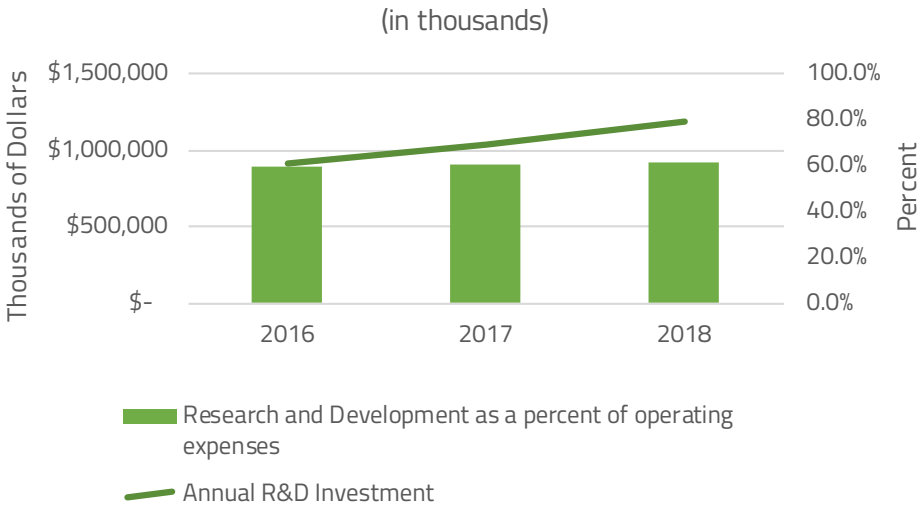
We offer a broad range of services to deliver value throughout the lifecycle of our equipment, including customer service, spares, upgrades, and refurbishment of our products. Many of the technical advances that we introduce in our newest products are also available as upgrades, which provide customers with a cost-effective strategy for extending the performance and capabilities of their existing wafer fabrication lines. Additionally, CSBG provides new and refurbished previous-generation equipment for those applications that do not require the most advanced wafer processing capability.

Research and Development

The market for semiconductor capital equipment is characterized by rapid technological change and product innovation. Our ability to achieve and maintain our competitive advantage depends in part on our continued and timely development of new products and enhancements to existing products. Accordingly, we devote a significant portion of our personnel and financial resources to R&D programs and seek to maintain close and responsive relationships with our customers and suppliers.

Our R&D expenses during fiscal years 2018, 2017, and 2016 were \$1.2 billion, \$1.0 billion, and \$914 million, respectively. Our R&D spend was 61% of our operating expenses in 2018, 61% in 2017, and 59% in 2016. The majority of R&D spending over the past three years has been targeted at deposition, etch, clean, and other semiconductor manufacturing products.

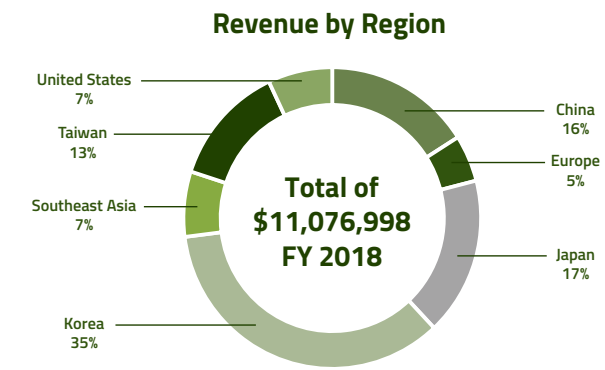
Annual Investments in Research and Development by Fiscal Year



The Research and Development as a percentage of Operating Expenses is directly calculated from data found in our 10-K. In 2018, Lam invested \$1,189,514 in R&D and total operating expenses were \$1,951,733. In 2017, R&D spend was \$1,033,742 and total operating expenses were \$1,701,227. In 2016, R&D spend was \$913,712 and total operating expenses were \$1,544,666.

2018 Fiscal Year Highlights

	FY 2017	FY 2018	% Change
(in thousands, except per share data and percentages)			
Revenue	\$8,013,620	\$11,076,998	38%
Gross margin	\$3,603,359	\$5,165,032	43%
Gross margin as a percent of total revenue	45%	47%	
Total operating expenses	\$1,701,227	\$1,951,733	15%
Net income	\$1,697,763	\$2,380,681	40%
Net income per diluted share	\$9.24	\$13.17	43%



Fiscal year 2018* was the strongest year in our history, with revenue of over \$11 billion, representing a five-year compound annual growth rate, (CAGR) of 25%. Fully diluted earnings per share was \$13.17 on a GAAP basis, with a five-year CAGR of over 80% on a GAAP basis. Details of our financials can be found at <http://investor.lamresearch.com>.

* The Lam Research fiscal year 2018 covers June 26, 2017 to June 24, 2018.



Commitment to Responsible Governance

Lam governs our business to be responsible and responsive to our stakeholders and strives to meet or exceed current industry standards, legal, and regulatory requirements, and to match our own stated values and standards of business conduct. The company’s principles, policies, and procedures are summarized in the 2018 Proxy Statement.

We engage with our top shareholders regarding their views on environmental, social, and governance topics. As part of our shareholder engagement, shareholders have shared their views on capital return, proxy access, director tenure, board refreshment, director skills and experiences, inclusion and diversity, and other environmental and social governance matters. Consistent with their feedback, we have adopted proxy access and have increased our proxy statement disclosure about director tenure, board refreshment, and directors’ skills and experiences. We are responding to their input on inclusion and diversity by providing additional resources and focus to our inclusion and diversity programs. In the Workplace section of this report, we are presenting a snapshot of our employee diversity data.

Ethics and Compliance

Ethics and good governance practices are developed, monitored and adhered to at every level of the Company. Our Ethics and Compliance Helpline reporting, investigations and trends are reported quarterly to the Board of Directors. Elements of our ethics and compliance policies and program include:

Code of Ethics. We maintain a Code of Ethics that applies to all employees, officers, and members of the board. The Code of Ethics establishes standards reasonably necessary to promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; and full, fair, accurate, timely, and understandable disclosure in the periodic reports we file with the Securities and Exchange Commission and in other public communications. We will promptly disclose to the public any amendments to, or waivers from, any provision of the Code of Ethics to the extent required by applicable laws. A copy of the Code of Ethics is available on the Investors section of our website.

Global Standards of Business Conduct (GSBC) policy. We maintain written standards of appropriate conduct for a variety of business situations. Among other things, the GSBC addresses employee relationships with one another (including freedom from harassment and retaliation, workplace safety, and privacy), employee relationships within Lam (including conflicts of interest, financial integrity safeguarding of Company assets, and protection of confidential information), and relationships with other companies and stakeholders (including anti-corruption and fair competition).

Insider trading policy. Our insider trading policy prohibits inappropriate trading of company stock by our directors, officers, and employees, provides for insider blackout periods and prohibits hedges and pledges of company stock.

Risk management. Lam strives to be attuned to both internal and external risks that must be managed to support responsible governance and ethics. We are transparent about these risks and present them extensively in our Annual Report on Form 10-K.

Training and Communication. Ethics and compliance (E&C) training ensures that employees and key suppliers are informed about their ethical responsibilities and are held accountable. In 2018, more than 99% of our approximate 11,000 employees completed online ethics and compliance training, which included topics such as anti-harassment and insider trading. Additional in-person training sessions covering anti-corruption were held in high-risk geographies, and quarterly bulletins were published to all employees highlighting key areas of focus. In 2019, we will augment our communications with a series of short videos to increase employee engagement on relevant compliance topics.

Helpline. We provide an Ethics and Compliance Helpline for employees to report issues or ask questions, on an anonymous basis if desired.



Our Values

Our Core Values guide our business conduct. They inform our Code of Ethics and our Global Standards of Business Conduct, which extend beyond employees into our supply chain. Concerns about ethics violations can be reported through our Ethics and Compliance email address or sent anonymously through our third-party managed EthicsPoint Helpline. These values are reinforced and held consistently throughout the company in all geographies and at all employee levels.



Achievement



Innovation and continuous improvement



Open communication



Teamwork



Honesty and integrity



Mutual trust and respect



Ownership and accountability



Think: customer, company, individual



Supply Chain Responsibility and Governance

Lam is a strong proponent of maintaining an ethical supply chain and adhering to industry standards, including the guidelines published by the Institute for Supply Management and the Responsible Business Alliance Code of Conduct. These standards are designed to ensure that working conditions in the supply chain are safe, that workers are treated with respect and dignity, and that manufacturing processes are environmentally responsible.

Lam utilizes a reputable third party to certify our top tier suppliers for adherence to our Global Supplier Code of Conduct, which addresses conflict minerals, anti-slavery, and human trafficking requirements. For our conflict minerals reporting survey, the response rate from materials suppliers exceeded the industry average. Our top spend suppliers are also subject to audits and facility inspections by Lam. Auditing and mitigation processes include verification, training, auditing of compliance, and corrective action, if required.

Additionally, in 2018 Lam participated in a new customer pilot program to ensure the human rights of contract, migrant, and temporary workers of our suppliers that are located in high risk geographies. This new program requires a comprehensive policy that prohibits forced and bonded labor; it includes such topics as freedom of movement, fees, voluntary separation, and humane work conditions. Oversight of this program also requires an internal cross-functional team with representatives from legal, audit, procurement, human resources, and risk management.

Supply chain and purchasing teams also receive specialized training. In 2018, Lam provided ethics training certified by the Institute of Supply Management (ISM) to more than 300 supply chain employees. The course presents ethical principles and standards to guide individual and group decisions and actions with modules on personal behavior, laws and regulations, interactions with others, and ethical leadership skills.

Web-based human trafficking and anti-slavery training is also mandatory for all global operations and supply chain management.

In 2018, we also joined a special interest group, managed by SEMI™ (a global industry association serving the manufacturing supply chain for the electronics industry)

that promotes and shares best practices for diversity and inclusion in the manufacturing workforce. The goal of the group is to support the desired state that every certified diversely-owned company in the industry has an opportunity to compete and win business. In support of this effort, we will add diversity metrics to our existing supplier performance scorecard in 2019.

Protection of Customer Data, Individual Privacy, and Cyber Security

The protection of information about our employees, customers, and suppliers is of paramount importance. We maintain and rely upon certain critical information systems for the effective operation of our business and make use of Software-As-A-Service (SAAS) products for certain important business functions that are provided by third parties and hosted on their own networks and servers.

In 2018, Physical Security, Cybersecurity, and Business Continuity functions were consolidated under the Chief Security Officer's (CSO) organization to improve efficiency and control of our security management processes. During the year, we developed new processes to more stringently identify at-risk suppliers for security audits and our Chief Security Officer reports quarterly to the Board of Directors Audit Committee. In 2018, we did not experience any cyber incidents that resulted in a material adverse impact.

Lam enhanced current processes to manage risk and has achieved ISO 27001 certification for information security for selected sites. This ensures that our information security management system and programs are in compliance with global best practices.

Lam collaborates with industry groups to address preventative measures and standards for data breaches in manufacturing lab facilities, especially as it relates to malware that might affect manufacturing operations. We also implemented clean room training to ensure that our computers and equipment were secure and meeting their standards. Lam selectively audits suppliers for information security controls to protect Lam and our partners' information.

Workplace

Management Approach

Lam strives to provide a work environment that ensures every voice is heard and enables employees to achieve their full potential. We provide our employees with tools, information, and systems that are scalable, consistent, and easily accessible. To ensure consistency in our employment practices, policies and processes are consolidated into a single global approach. This is intended to provide Lam employees with a consistent experience and equitable treatment anywhere in the world. We embrace inclusion and diversity and proactively create opportunities to attract, retain, and reward a multidimensional workforce. Our Core Values, mission, and vision objectives provide the common goals, framework, and language to help employees interact effectively and allow us to scale efficiently.

Inclusion and Diversity

Lam is committed to fostering inclusion and diversity because we believe that the diverse backgrounds, perspectives, talents, and expressions of our employees promote creativity and innovation, accelerate performance, and are critical to our long-term success. Our vision is for every employee to feel valued, included, and empowered to achieve their full potential. To that end, we invest in initiatives and practices to attract, engage, and retain employees with diverse viewpoints and experiences that are important to unlocking new innovations and achieving our mission of being a world-class provider of innovative technology and productivity solutions to the semiconductor industry.

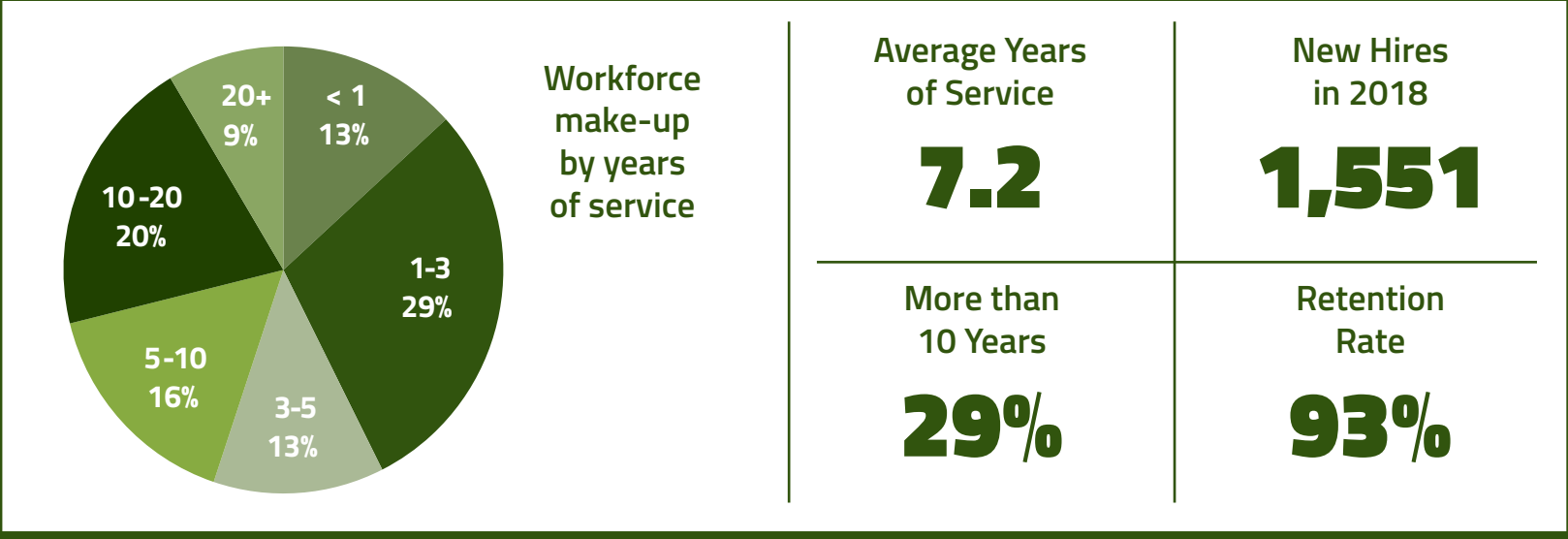
We also recognize that a commitment to inclusion and diversity requires continual resources, focus, and efforts. Therefore, we are investing in strategies and programs built around four platforms: leadership, employee engagement, talent development, and communications. Under these platforms there are ongoing and planned programs relating to recruiting, onboarding, mentoring, training, and networking opportunities. For example, the importance of inclusion and diversity is emphasized in our employee onboarding sessions, in employee and management training programs, and in our regular communications across all company work groups and geographies. We encourage employee-driven initiatives where diverse communities can share, network, learn, and support each other. Employee Resource Groups (ERG) include Women in Leadership at Lam, Women in Global Operations, the Community of Latino/African Americans for Student Success (CLASS), the Lam Veterans Community, and Women in Engineering. We also monitor diversity metrics and conduct employee engagement surveys. We have resources to support these important initiatives and will expand those resources in 2019, by hiring a dedicated manager to own our inclusion and diversity programs.



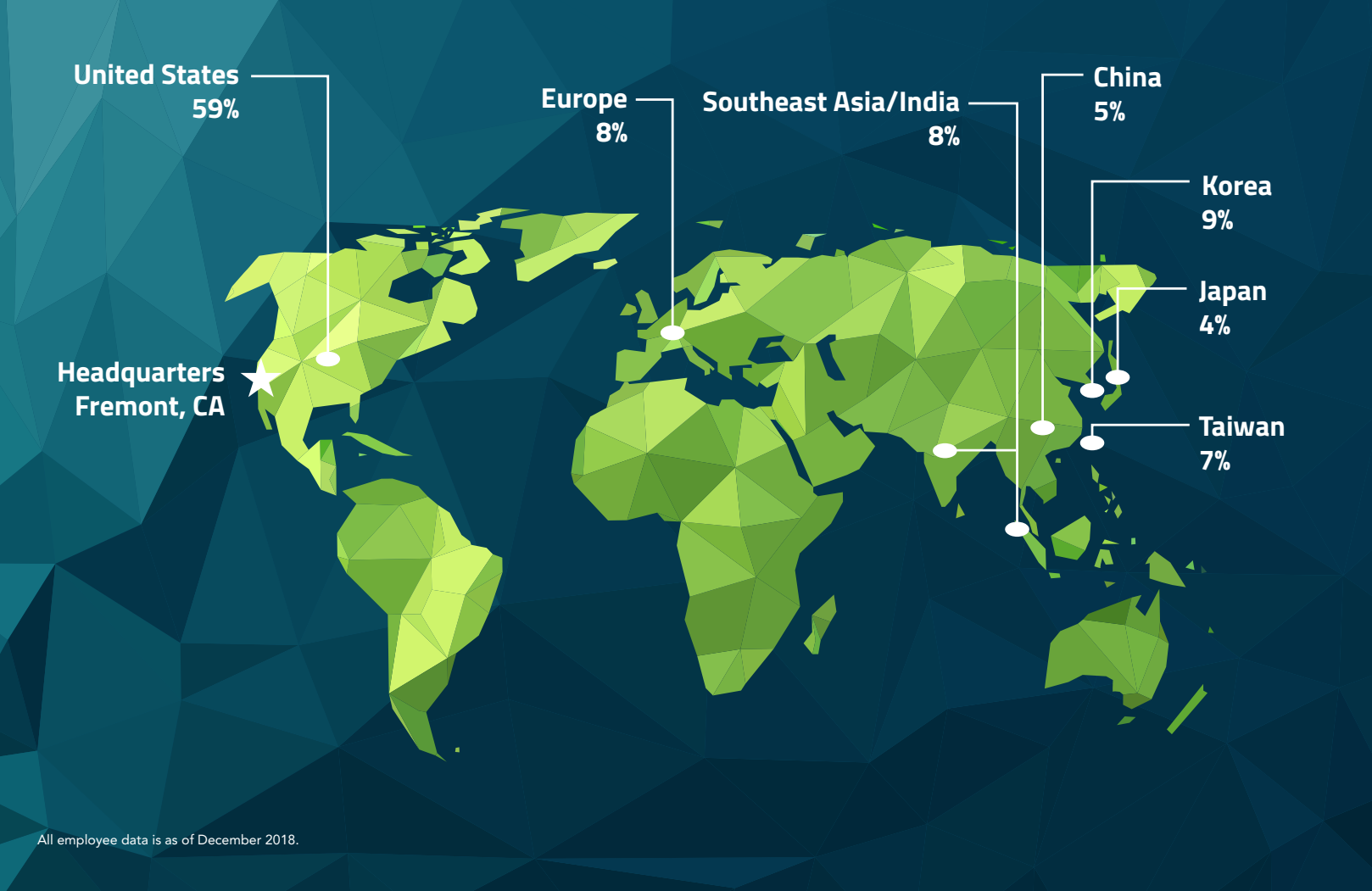
Our People

Our innovative and talented people are at the heart of our success as a company, fueling our progress and the unique and powerful ways we serve our customers, communities, and other stakeholders. Our employees enable the innovation behind some of the world’s most advanced consumer technology devices and computing architectures. A global presence brings a diversity of perspectives, culture, and expertise, which is leveraged to provide high quality customer service and products.

2018 Employee Hiring and Service



10,933 Total Employees in Offices World-Wide

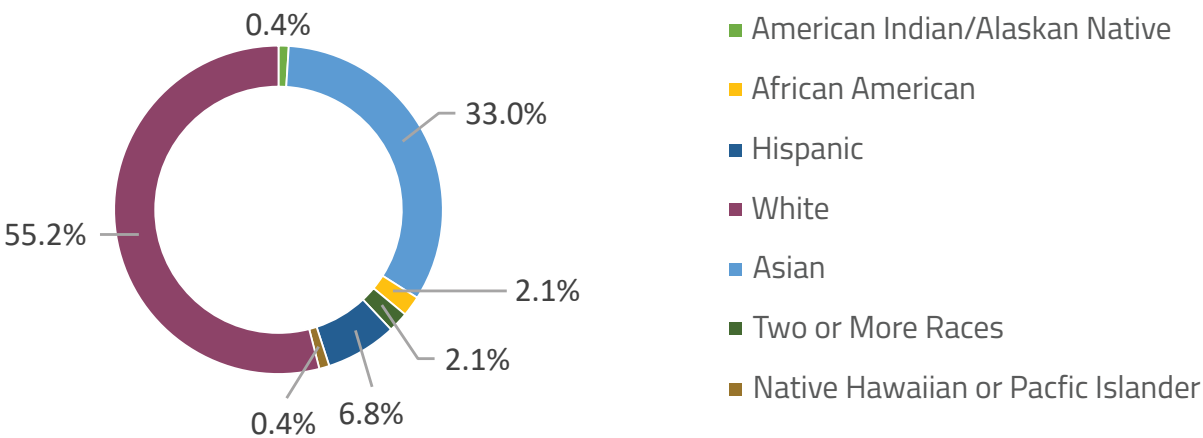


All employee data is as of December 2018.

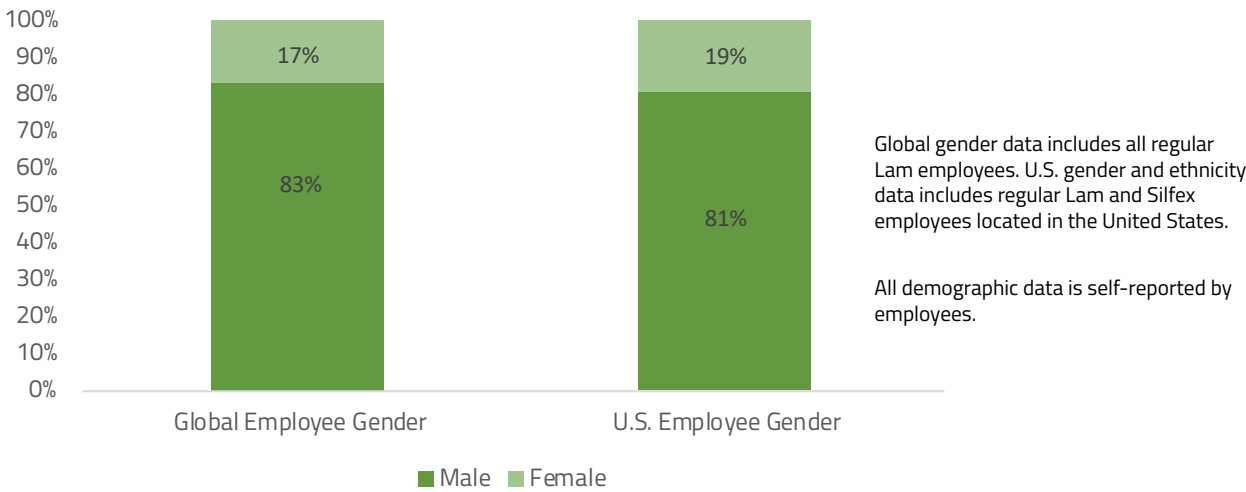


Workforce Demographics

U.S. Ethnicity



Employee Gender



Our Tualatin Women in Engineering ERG is a very active group. Their stated mission is “To share our experiences as women working in engineering and science fields, and provide resources to enhance not only our own careers but those of future women engineers through career enrichment events, workshops, outreach activities, mentoring, and networking.” Monthly activities include networking and career enrichment events, sessions on mindfulness and financial health, community outreach supporting Science, Technology, Engineering and Math (STEM) education for girls, and social events.

Lam also seeks to increase diversity of our workforce through partnerships with external programs. In 2018, we became a member of the National Consortium for Graduate Degrees for Minorities in Engineering and Science (GEM Consortium). The GEM Consortium is a network of leading corporations, government laboratories, universities, and research institutions that enables qualified students from under-represented communities to pursue graduate education in applied science and engineering. As part of the program, Lam is funding 12 GEM fellowships for students starting graduate school in 2019.

A significant enhancement to our CSR report this year is the inclusion of workforce demographics relating to gender and ethnic diversity. Driven by our desire to increase transparency and an understanding that our key stakeholders care about diversity, we are including demographic information about the U.S. ethnic and U.S. and global gender diversity of our workforce. In addition, we expanded the leadership disclosure on our website.

Our 2018 demographic data reflects opportunities to increase gender and ethnic diversity at Lam. In 2019, we plan to utilize our data to develop longer-term strategies that invest in inclusion and diversity within the company.

Employee Relations

As part of Lam’s commitment to maintaining a positive work environment where all employees can achieve their full potential, Global Human Resources launched the Employee Relations group in October 2018. The team supplements the Human Resource services already available with specific responsibility for addressing and bringing resolution to workplace challenges including co-worker conflict, behaviors inconsistent with our Core Values, working through medical accommodation requests, and more.

Compensation and Benefits

We take pride in our ability to attract and retain top talent with our strong values-based culture and opportunities for professional growth for new graduates, outside candidates, and those within our existing employee base.

An annual review of salaries and benefits packages using third-party benchmarking surveys ensures that our packages are aligned with the marketplace. In addition to competitive salaries, we offer bonus incentives based on both individual and company performance. In 2018, 99% percent of eligible employees received bonuses. In addition to bonuses, we offer stock awards to senior and other selected employees.

We are very proud that many of our employees choose to invest in Lam through our Employee Stock Purchase Program (ESPP). Employees who work 20 hours or more per week may contribute up to 15% of their earnings and are eligible to purchase shares at a discount of at least 15%. Additionally, we offer a competitive 401k benefit with a 3% match annually.


One way of measuring our success in being a company where successful people want to work is in our ability to recruit and retain talent. 29% of our workforce has been with the company for more than 10 years, and 13% has been here less than a year. Our average years of service for full-time employees is 7.2 years, and our annual retention rate in 2018 was 93%.

Training and Development

Lam’s Core Values of achievement, innovation, and continuous improvement drive us to invest in training and development opportunities for our workforce. In 2018, we offered 483,880 training sessions across 1,854 different courses, totaling more than 481,381 employee-training hours. We offer both on-site classroom learning and online courses to improve access to professional development and education. Our employees receive training on core topics such as technical knowledge, management, ethics and compliance, and situational leadership. We also provide specialized training suited to an employee’s role and function within the company. We offer training for employees at all levels of their career. For example, the New College Graduate program offers training on emotional intelligence skills and mid-level and senior leaders received tailored training for both leadership and technical skill development.

When employees seek professional development beyond the scope of our internal programs, we reimburse their education expenses up to \$15,000 per year in the U.S. In 2018, Lam reimbursed \$1.4 million in educational expenses to support employees’ professional growth, up from \$1.1 million in 2017.


Finally, we know that positive recognition can be a powerful tool to promote employee engagement and satisfaction. In 2018, we launched a new platform that empowers employees and managers to easily recognize contributions of their colleagues and share it with the rest of the company. Awards are available through four programs, all of which align with our Core Values: the Above and Beyond Award recognizes employees for going above and beyond their typical job duties;



Number of training sessions enrollments

483,880


43% increase over 2017



Number of different courses

1,854


28% increase over 2017



Number of management training participants

976

24% increase over 2017



Dollars in reimbursement for educational expenses


\$1,362,210

19% increase over 2017

the Cash Spot Award recognizes individuals for an outstanding achievement; the Vista Award recognizes a team’s accomplishment; and the Milestone Award recognizes employees’ key service milestones. The initial participation on the platform was positive, with more than 10,500 awards given in 2018.

Innovation Investments that Empower Employees

In response to our 2017 employee engagement survey, Lam invested in the design and launch of programs and training to drive more innovation. This includes targeted training to encourage managers to be architects of positive change through enhanced communication, effective prioritization, and decision-making, as well as programs and tools that allow prototyping of innovative approaches.




Gaining an Edge

Christopher Wong is a senior director of customer service in Singapore and a 2018 graduate of the Edge leadership program. The program expanded his internal network and allowed him to work on teams addressing opportunities across the business. The curriculum provided critical business insights and the tools and motivation to better articulate Lam’s vision, mission, and objectives to employees in his organization. According to Wong he learned “the importance of growing consistently.” As a result of his participation, he has taken on additional responsibilities supporting Lam’s Customer Support Business Group.

Here are some programs that received additional resources in 2018.

Leap: Technical Certification for Engineers



Leap provides engineers with four levels of technical certification, across 11 disciplines. The classes foster knowledge transfer, cross-functional collaboration, speed to solutions, and personal development. In 2018, over 2,000 employees were enrolled into the program, with 300 live sessions offered, along with 117 web-based courses. A mid program survey shows that a majority of respondents agreed that Leap is effective in facilitating career and skills development, builds consistency in technical capability, and improves productivity.

Edge: Senior Executive Leadership Development



Edge provides executive training for our most senior leaders across all business groups and regions with a world-class curriculum designed in cooperation with faculty members from the University of California at Berkeley Haas School of Business. The curriculum is intended to equip leaders with the skills needed to drive positive change. Each participant has a 12-month journey through the program that includes a mix of class sessions, professional coaching, peer learning, and daily practices in targeted development areas. The curriculum includes leading high-performance teams, strategic thinking, and executive communications through continuous practice. Each participant is challenged to collaborate on a large cross-functional team project selected to improve or increase competitive differentiation. Edge graduates cascade their learning through project sponsorships and leadership presentations. During 2018, 141 leaders completed the Edge program.



My Tech Vision

A^I

ACCELERATE
INNOVATION

+

D^T

DISCOVER
TOGETHER

=

R^O

REALIZE
OPPORTUNITY

Tech Vision: Realizing Opportunity with Innovation and Collaboration

Tech Vision was launched in March 2018 to provide shared purpose across the Lam global technical community around areas of strategic relevance, customer grand challenges, and critical enabling technologies. The platform provides opportunities for our employees to learn, connect, innovate, and inspire through “Accelerate Innovation” and “Discover Together” initiatives.

Accelerate Innovation: We offer a unique lab infrastructure that supports creativity and enables fast cycles of learning. Our Leap program offers tailored certification courses for the technical community to help build skills that encompass both depth of expertise

and broad knowledge across other disciplines to foster career development and advancement. We support open innovation programs that harness disruptive ideas for co-development to drive speed to solution for our customers.

Discover Together: We invest in a series of educational opportunities and events that allow our engineers to showcase their research with peers and management to inspire one another, and encourage knowledge sharing and collaboration. Customers, university faculty, and students as well as leaders of innovation are frequently invited to present and participate in these events to provide exposure on the latest research and best practices to encourage more innovation.

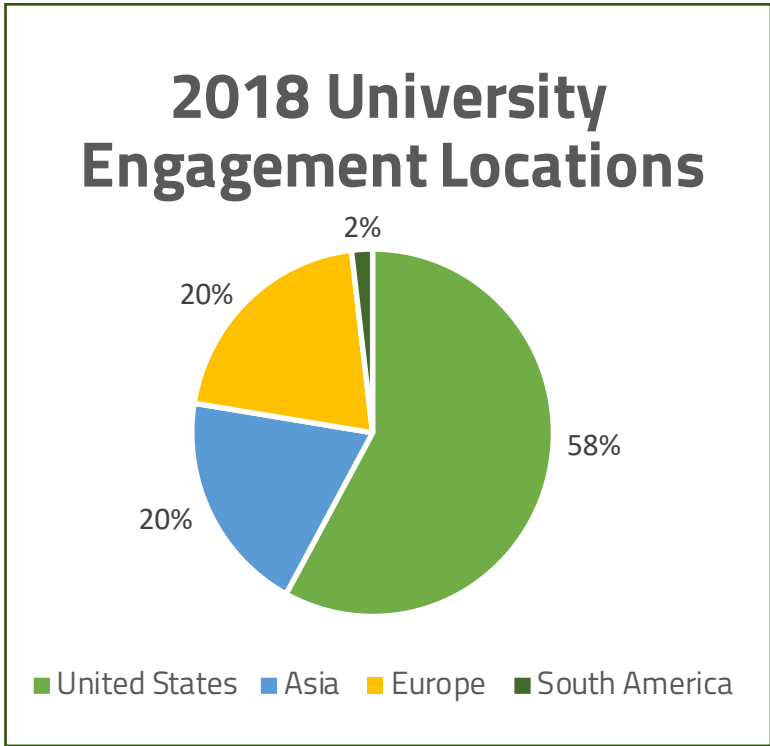




University Engagements

Lam collaborates with universities and academic consortia around the globe by supporting leading-edge research and building strong relationships with graduate and undergraduate students and professors. These relationships support emerging technologies and innovations, provide a pipeline of highly-skilled talent and encourage thought leadership around disruptive technologies that fuel innovation. In 2018, 64% of the year’s new college graduate hires in the U.S. were from schools where we have academic collaborations or consortia memberships, and some of those candidates were directly involved in Lam-funded projects or events.

Lam’s university engagements include scholarships and fellowships, research projects, thesis awards and scholarly competitions, sponsored events, research consortia and lab affiliations, and industry tours. In 2018, Lam had research engagements with universities across 18 countries. Many of these programs and activities are conducted jointly between the Lam Foundation and the Office of the CTO.



Specific examples of Lam-sponsored activities include:

Unlock Ideas is a university grant program to support feasibility testing of innovative ideas, funded jointly by the Lam Foundation and the Office of the CTO. Winning proposals received a seed donation to conduct research collaborations with professors.

Tech Symposium is an annual event in collaboration with our strategic university partners, Massachusetts Institute of Technology (MIT), Stanford University, Tsinghua University, and University of California, Berkeley. The 2018 event was co-sponsored by Tsinghua University in Beijing, China. More than 150 students, professors, and industry executives participated in keynote presentations, plenary talks, discussion panels, a student poster session, and networking opportunities to strengthen relationships across academia and industry. The 2019 event will be held at MIT in the fall.

Lam Days are annual events held at key university campuses to promote networking and technical exchange with students and faculty. The 2018 Lam Day at MIT featured a Lam keynote, events with students from under-represented communities, including a breakfast with graduate women at MIT, and engagement with three research centers: MIT.nano, Microsystems Technology Lab (MTL), and the Computer Science & AI Lab (CSAIL).

MEMS Design Contest is sponsored by Cadence Design Systems, Coventor (a Lam subsidiary), and X-FAB in conjunction with Reutlingen University. The contest featured 10 qualifying and three finalist teams from universities and research institutions located worldwide. The goal of the contest was to test new micro-electro-mechanical systems (MEMS) design technologies and train the next-generation of MEMS designers. The winner of the 2018 Global MEMS Design Contest was announced at CDNLive EMEA 2018, a Cadence® annual user conference.

College Scholarships include thesis award competitions, Innovation Design Center awards, and fellowships in support of engineering and chemistry. Lam provided scholarships to college students in the U.S. and Asia in 2018.

Textbook Donations are another way that Lam supports university students. Lam donated over 350 textbooks to Hanyang University, Yonsei University, Chung Ang University, and Kwangwon University students in Korea. The donation provided Solid State Electronic Devices and Electronic Materials textbooks required for core classes.

Celebrating Achievement - Leaders in Technical and Patented Innovation

Lam Research celebrates and recognizes the employees who exemplify ground-breaking technical innovation and expertise. We give two annual awards to recognize these contributions:

Outstanding Technical Achievement Award

This award recognizes sustained technical contributions of significant impact and exemplary leadership. It is awarded to those employees who embody Lam’s mission, vision, and Core Values. To be considered, an employee must:

- Participate as a leader in our technical community
- Consistently deliver technical contributions to our customers and the company

Patented Innovation Award

This award recognizes outstanding patented technology issued in the U.S. in the last five years. Evaluation criteria include:

- Highly innovative technology
- Competitive differentiation
- Proven or anticipated (with high confidence) commercial success



Live Well Program

The health and well-being of employees is critical to Lam’s sustainable success. The global Live Well program is designed to support the physical and mental health of employees in enriching ways at work, at home, and in the community. The program is focused around four areas: Eat, Move, Be Mindful, and Learn. The simplicity of these areas helps make wellness relatable and achievable for all employees. In 2018, we were honored with two awards from the American Heart Association.

An online platform, launched in 2017, monitors employee participation. In 2018, 5,000 employees participated on that platform. Activities include both online and in-person training, education, health screens, fairs, speakers, and fitness programs.

Employee challenges have been a particularly popular way to encourage employees to achieve positive health outcomes. Examples include a Winter Olympics Challenge, Blood Pressure Challenge, and Global Steps Challenge. More than 1,200 employees signed up for these competitions.

This year, we focused on three major health problems in the U.S.: musculoskeletal, neoplasms (cancer), and behavioral health (mental health/depression). We offer a variety of programs to employees that directly address these health problems, including: lifestyle health coaching, personalized nutrition plans, biometric screenings, genetic testing to identify potential health issues, onsite blood pressure machines and 39 seminars on topics such as heart health, financial well-being and managing stress.



Stepping Up for Wellness

Prateek Muchhal, software engineer in India was one of 1,200 employees to participate in the Global Steps Challenge in 2018. This annual challenge motivates individuals to set daily activity goals and motivate one another to achieve their goals. Lam’s wellness activities are designed to help employees build healthy, long term habits.

Prateek tells us that he likes to have a balance of work and fitness, participating in a variety of activities such as cricket and marathons. Participating in the Global Steps Challenge and other Lam wellness activities ensures he stays accountable and consistent with his exercise. Prateek says, “I maintained a routine, even after completion of the challenge, to get up early and jog for at least five kilometers. I feel fresh when I come to work, have better mind control, and am more productive.”

Community

Management Approach

Through our global philanthropy programs, Lam supports organizations impacting issues that our employees care about. It is through these programs that the company extends its Core Values into the communities where our employees live and work. Our charitable giving includes grantmaking for education and quality of life initiatives, employee gift matching, volunteer activities, and disaster relief and recovery support.

Grants to non-profits are primarily distributed through the Lam Research Foundation (“the foundation”) and are administered through partnerships with the Silicon Valley Community Foundation and the East Bay Community Foundation. In addition, some international grants are managed by Lam’s local offices. In 2018, foundation giving totaled \$3.7 million, up 13% from \$3.3 million in 2017. Altogether more than 1,154 unique charity organizations were supported. This includes grants, scholarships, and matching gifts.

Employee Engagement

Lam’s employee participation programs - matching dollars for employee donations and volunteer time, volunteer opportunities, and employee-sponsored grants to local charities - seek to support employees as they give back to their local communities around the globe and amplify their impact.

In 2018, the foundation donated more than \$800,000 in matching gifts to charities around the world. This was an expected reduction from 2017, when the total was a record \$1.7 million because of a one-time, double-match campaign that contributed two dollars for every dollar match and doubled the volunteer hour match to \$20 for every employee volunteer-hour.

Employees volunteered 11,321 hours, up from 9,770 hours in 2017. Activities ranged from helping families with school supplies, delivering meals, restoring the environment, mentoring and tutoring, supporting children and seniors in need, and fund-raising for charities.



In Villach, Austria, Lam employees purchased and installed playground equipment for Hause Hernhlf youth home that supports children in difficult situations.



In Osan City, Korea, employees participated in a “Clean-up Campaign” of environmental conservation activities in the local community in commemoration of World Environment Day.



During the 2018 annual holiday giving campaign, more than 2,100 employees all over the world provided food, toy, and clothing donations, and volunteered almost 1,300 hours.



Charitable Grantmaking

Our charitable grantmaking is focused on two key areas: Science, Technology, Engineering, and Math (STEM) education/education support programs and “Quality of Life” grants for social impact. The achievement of students and young leaders in our communities is important to us, and by meeting community educational needs with sustainable programs, we expect to advance the quality of education and support the cultivation of a well-trained workforce. We are also committed to supporting our local communities around the world by investing in organizations that share our Core Values.

STEM Education. A highly-skilled workforce is essential for the success of Lam today, and we believe that advancing student achievement in math and science education now will contribute to the future success of the semiconductor manufacturing industry.

In addition to grants and volunteerism in support of K-12 and university STEM-related initiatives, we also invite students to interact with our employees at our workplace and in the community to share their passion for STEM careers.

Grants support elementary, middle, and high school programs to address achievement gaps in underserved communities. In 2018, we increased funding for STEM and educational programs to more than \$1.25 million, representing 34% percent of our total foundation giving in 2018.

Some of the programs that received these additional resources included:

For Inspiration and Recognition of Science and Technology (FIRST) – a non-profit that engages youth in research and robotics programs. Lam provided a new \$30,000 grant for a FIRST® Lego League program (for grades 4-8) in Fremont/Silicon Valley, California and our support of FIRST Robotics high school teams in Oregon and New York increased to \$75,000.



Girls, Inc. – a non-profit aiming to inspire and empower girls and young women in Oregon. Lam supports the Eureka! program, a STEM-based approach to engaging and empowering 8th to 12th grade girls. We increased grant support from \$15,000 to \$25,000 to support the demand for that popular and successful program.

As we expand our impact around the world, new education program partnerships include:



Child Fund Korea – a non-profit that provides financial, physical and emotional support for children. Lam sponsors a program that teaches children how to code.



Vidya Poshak in India – a non-profit that supports underprivileged students to pursue higher education. Lam sponsors the educational expenses of 25 students.





National Science and Technology Museum in Taiwan – an organization that offers science and technology education for kids. Lam supports the museum’s robotic-related and coding programs.



Saturday Academy in Oregon – a non-profit that connects students with community mentors and educators with a focus on STEM. Lam provides funding for their Girls Engage Technology (GET) program.

In addition to grantmaking for STEM/education programs, employees host manufacturing site visits so that, students can learn about Lam’s high-skill, high-paying jobs and its positive economic impact in the region. Visitors also get hands-on exposure to an advanced manufacturing environment to complement their STEM education.

One such student tour is sponsored by a Lam employee group, “Community of Latinos and African Americans for Student Success” (CLASS) based in Fremont. Tours hosted by CLASS expose African American and Latino students to STEM careers and bring students from the Bay Area to Lam in Fremont to learn about the company’s technology and gain exposure to engineers and other professionals of similar ethnic backgrounds.

Quality of Life. Through the foundation, we contribute to local, national, and international organizations that help to improve people’s lives. This includes grantmaking to charities that support underserved populations and civic needs such as food and water security, support for disadvantaged children and senior citizens, assistance for economically disadvantaged communities, health improvement, and environmental protection.

In 2018, foundation giving for quality of life initiatives totaled almost \$1.7 million to organizations such as the Singapore Children’s Society in support of their services for vulnerable youth, the American Heart Association for heart and stroke support programs, and numerous community food banks providing meals for those in need.



Core Values Scholarships Milestones



Core Values Scholarship Alumni Share Their Achievements

Each year, Lam awards scholarships of \$10,000 each to graduating high school seniors from local high schools in California and Oregon. Students are chosen for exemplifying Lam’s Core Values. In 2018, we reached a significant milestone – awarding more than \$1 million to over 100 students since 2003. Two of our recent Core Value Scholarship Alumni share their stories:



Adam Mitchell was a Core Values Scholarship winner in 2014 from Tualatin High School in Oregon. He graduated from Pomona College in Claremont, CA as a physics and astrophysics major. Currently he is at Georgetown University Law School. His most recent job was as a research assistant at NASA’s Jet Propulsion Laboratory in Pasadena, CA. Adam is the first in his family to attend college and overcame obstacles associated with an autism diagnosis at the age of six. He sees himself as a role model for those with overlapping or similar identities.

Adam says, “I wish to pursue careers that I believe are noble, socially beneficial, and helpful to other people.” He thinks that it is important for anyone considering a STEM degree to know that multiple career options are available and that “STEM can be one of the most fulfilling and interesting subjects that you ever study.”



Maryann Gong received her Core Values scholarship in 2013 when she graduated from Granada High School in Livermore, California. She graduated from the Massachusetts Institute of Technology (MIT) and then earned a Master of Engineering degree in January of 2018. Currently she is a software engineer at Peloton Interactive in New York, NY.

Maryann shares how Lam’s Core Values influenced her in school and work: “During school, the values of teamwork, achievement, and honesty and integrity helped me keep a healthy mindset. Today, at work, I practice the values of open communication, which is key for working on a successful project.”

Maryann believes it is never too late to start a career in a STEM field. When she got to college she hadn’t taken any formal computer science courses. She initially felt very behind her peers, but she quickly overcame any perceived disadvantage. MIT was a formative place for Maryann. There she met many entrepreneurial individuals. She says, “They inspired me to do more and make an impact!”

Operations: Environment and Safety

Environment

Management Approach

Lam utilizes energy, water, and hazardous chemicals and generates waste in our operations. Accordingly, we carefully monitor and manage our environmental impact across the business – in manufacturing, during research and development and product design, and throughout a product’s lifecycle. We commit to complying with all applicable laws and regulations and protecting the health and safety of our employees, contractors, and customers. This commitment to environmental health and safety is foundational to our overall operations and how we manage our supply chain, risk, and compliance with government regulations. It also influences our energy, waste, and water management practices.

Lam maintains corporate level certification for the International Organization for Standardization (ISO) 14001, a voluntary international environmental management standard that provides a framework for effective environmental management systems. We have maintained this certification since 2003. Responsibility for the overall environmental program and related sustainability initiatives are assigned to the global Environmental Health and Safety (EHS) group at Lam. Global EHS reports through Global Customer Operations to the CEO. Additionally, the global workplace solutions (GWS) group is responsible for energy efficiency and renewable energy projects. GWS has key performance indicators (KPI) on energy conservation and savings that are tied to their annual performance monitoring process. GWS reports through Global Operations (GOps) to the CEO.

Risk Management

Risk management is an important part of the management philosophy at Lam. The purpose of risk management is to identify and evaluate the hazards and risks faced by the organization, and to responsively monitor and manage those risks. As part of our formal risk management process, we monitor potential safety, environmental, and regulatory issues. Our teams also determine how environmental and climate change



regulations impact our business operations and what operational control methods we must apply to mitigate the risks and ensure compliance.

Global EHS has developed and implemented a global EHS risk management program to standardize Lam’s EHS risk assessment process. In 2018, the program included EHS risk assessments at our factory sites at Osan, Villach, Livermore, Tualatin, and Fremont campuses, Silfex sites (both Eaton and Springfield) as well as Tualatin’s warehouse operations. No unmitigated high-risk activities or processes were identified during these assessments.

Regulatory Compliance

Lam is subject to a variety of governmental regulations related to the management of hazardous materials that we use in our business operations. In 2018, we had no pending notices of violations, fines, lawsuits, or investigations arising from environmental matters that would have a material effect on our business.

Commitment to Addressing Climate Change

Lam recognizes that as a global business with manufacturing operations our greenhouse gas (GHG) emissions contribute to climate change, and we strive to reduce those impacts. We also support climate initiatives asserted by SEMATECH and transparently report on our environmental performance in this annual CSR report and the CDP (formerly Carbon Disclosure Project) Questionnaire.

In support of the American Business Act on Climate Pledge enacted in 2015, we identified and publicly committed to achieve the following goals by 2020:

- Reduce our GHG intensity by 20% from a 2012 baseline
- Achieve an accumulated 14 million kilowatt hours (kWh) of energy savings through implementation of energy-efficiency projects among our global facilities compared to a 2012 baseline
- Build all new buildings to EPA ENERGY STAR standards
- Have our U.S. operations rely on 25% renewable energy sources by 2020
- Consistently expand the product and service offerings that enable customers to curb GHG emissions and chemical consumption within their operations

In 2018, we made significant progress towards our Climate Pledge goals to save energy and reduce emissions through a variety of activities. We also made further investments in managing and measuring our environmental impacts by adopting a new technology platform. This new platform will help ensure consistency and accuracy in our data collection, streamline data analysis, and support future goal setting. Our operational and sustainability teams are actively engaged to ensure we meet our energy goals, which we are currently on track to achieve.



CDP

Lam discloses our carbon footprint, water data, and climate-and-water-related risks and opportunities through CDP. In 2018, Lam received a “B” grade on the Climate Change Survey and “B-” on the Water Survey. These scores are higher than the general sector average and North America regional average and have shown improvement over 2017.



Responsible Business Alliance Evaluation

Lam evaluates our corporate headquarters in Fremont and our major manufacturing sites in Livermore, California; Tualatin, Oregon; Villach, Austria; and Osan, Korea annually using the Responsible Business Alliance (RBA) self-assessment questionnaire. This assessment covers a set of standards on labor, environmental, health and safety, and ethical issues. We use this tool to gauge our progress and continuously improve in these areas. In 2018, Lam was determined to be low-risk with overall scores ranging from 87% to 90%.

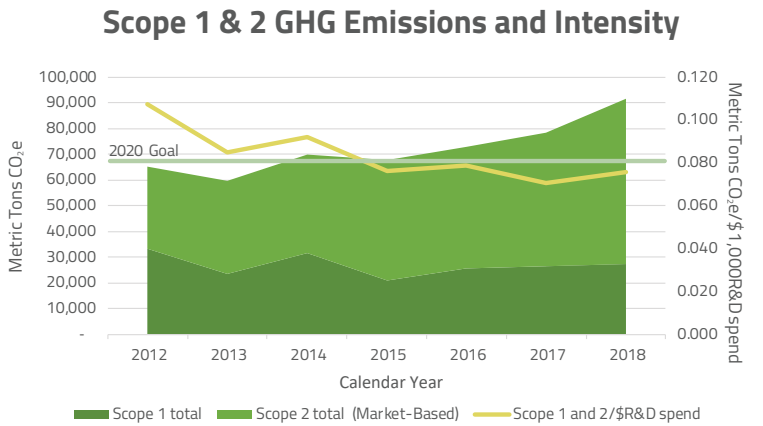
Greenhouse Gas Emissions

Lam’s Scopes 1, 2, and 3 emissions increased over 2017. The 4% increase in Scope 1 emissions in 2018 is mainly due to the increased usage of process nitrous oxide for research and development at the Tualatin campus. The 23% increase in Scope 2 emissions in 2018 is primarily due to the addition of Korea and Silfex utility consumption. Korea and Silfex data were previously not included in the CSR report.

GHG Emissions Scope ¹	2018 MTCO ₂ e	% change (Y/Y)
Scope 1 Emissions ²	27,426	4% increase
Scope 2 Location Based Emissions	65,137	23% increase
Scope 2 Market Based Emissions ³	64,026	23% increase
Scope 3 Emissions	34,565	24% decrease

1 2018 data include Fremont, Livermore, Tualatin, Villach, Korea, and Silfex.
2 Scopes 1-2: We use the Austria National Emission Factors to calculate the Scope 1 and 2 emissions from their operations. In 2018, our Scope 1 emission for U.S. facilities are calculated using Fourth Assessment (AR4) Global Warming Potentials.
3 Our facility in Austria obtains 100% of its electricity from a renewable energy market-based instrument. As per the market-based method of the Scope 2 Protocol, we are reporting 0 MTCO₂e for Scope 2 market-based emission at this facility.

Scope 1 & 2 Emissions



Lam pledged to decrease our Scope 1 and 2 emissions by 20% using an intensity metric tons of carbon dioxide equivalent (MTCO₂e) per \$1,000 of R&D spend. In 2018, Lam’s GHG intensity metric was 30% below our 2012 baseline, surpassing our stated goal.

Scope 3 Emissions

The calculated Scope 3 emissions are 34,565 MTCO₂e, which are attributed to our global business travel. The emissions associated with business travel are for global employees’ air travel, car rentals, and campus shuttle buses. Lam offset 23,743 MTCO₂e from business travel, via carbon credits, representing 69% of our measured Scope 3 emissions, see inset for further details. Lam’s global site distribution creates difficulties in capturing 100% of our emissions associated with business travel. The travel data Lam collects and currently offsets represents approximately 80% of total travel for the company.

Lam utilizes multiple suppliers to design, assemble, test, and install semiconductor equipment. Calculating Scope 3 emissions from purchased goods and services and upstream transportation is difficult to quantify due to the number of suppliers, variability in our operations, and various geographic locations.

Carbon Offsets Mitigate Scope 3 Emissions

In 2018, Lam purchased carbon credits offsetting 23,743 MTCO₂e of our global employees’ air and rental car travel and the employee shuttle. The carbon credits fund the following sustainability projects:

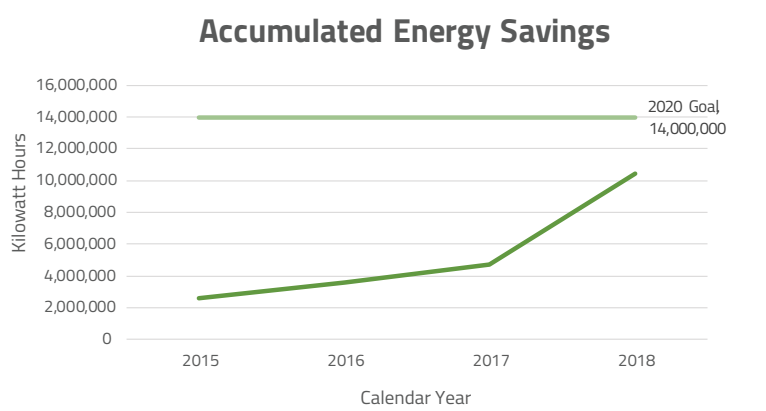
Lam offsets a portion of air travel through the Tonk Biomass Project. This Gold Standard project generates clean energy from mustard crop residues in Tonk, India. Since 2008, Kalpataru Power Transmission Limited (KPTL) and Atmosfair cooperate in the Tonk Biomass Project. Their goal is to produce renewable energy at comparable prices to electricity from coal power plants. To reach this goal they have continuously improved the efficiency of the power plant as well as streamlined operations in the biomass storage and delivery system. In 2018, this resulted in 44,596 MWh of renewable electricity fed into the grid, which equals 43 MTCO₂e mitigated by the project. Until 2022, additional funding generated will ensure that the power plant generates clean electricity along with additional income for local farmers who sell their crop residues to KPTL.

Lam offsets a portion of car rentals and shuttles with credits from Big Smile Wind Farm at Dempsey Ridge, Oklahoma. This project delivers enough clean energy to power more than 46,000 U.S. homes.

Lam will continue to fund both projects in 2019.



Energy Savings



Lam pledged to achieve an accumulated 14 million kWh of energy savings through implementation of energy-efficiency projects among our global facilities compared to a 2012 baseline. We are currently at 75% of our 2020 goal. To date, our accumulated energy savings are 10.4 million kWh, up from 4.4 million kWh in 2017. In 2018, we invested in a variety of energy efficiency projects to make significant progress toward our goal.

Energy efficiency projects in 2018 included:

- **LED lighting.** Upgrades installed in May of 2018 at our Fremont campus produced 1.8 million kWh savings. More than 7,000 lighting fixtures were replaced with energy-efficient LED lighting, and 100% of old lamps were recycled. In addition, employees have expressed increased satisfaction with their workplace lighting. Lam estimates future savings of 2.2 million kWh annually from this project.
- **Gas burner system upgrades.** At our Tualatin site, we installed a modulating burner system for building heating using natural gas that is more efficient and produces fewer GHGs than the original steam boiler. The new unit saved 31,000 kWh in 2018 and will achieve savings of more than 120,000 kWh annually.

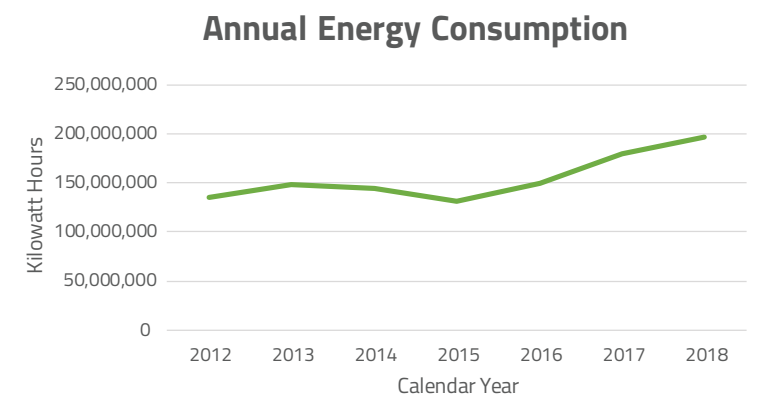
In 2019, we plan to implement new energy efficiency projects to meet our 2020 goals. Planned projects in 2019 include:

- **Process cooling water system.** Two process cooling water systems in our Osan, Korea plant will be consolidated in 2019. The system will store and recirculate water used in the manufacturing process. Lam estimates annual savings from this project of 147,000 kWh.



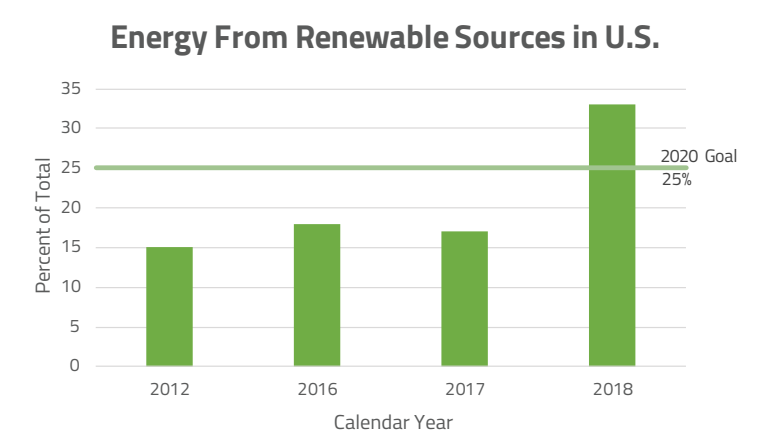
- **Compressor consolidation.** In our two 120,000 ft² manufacturing facilities in Livermore, California we will consolidate two compressors and dryers. These compressors support clean dry air in our clean room environments. Lam estimates annual savings from this project of 600,000 kWh.

Overall energy use from our facilities continues to increase mainly due to increased production capacity. The significant increase in our energy consumption in 2018 was primarily driven by including energy consumption at our Silfex facilities for the first time.



ENERGY STAR Standards

Lam pledged to build all new buildings to Environmental Protection Agency ENERGY STAR standards. Currently, twelve Lam facilities incorporate ENERGY STAR certified products and standards and one new building has been built to ENERGY STAR standards.



Renewable Energy

Lam pledged to have our U.S. operations rely on 25% renewable energy sources by 2020.

Our data indicates that renewable energy makes up 35% (or 68.7 million kWh) of our 2018 global energy use and approximately 33% (or 60.2 million kWh) of our U.S. energy use. In the base year 2012, the percentage of renewable energy sources in the U.S. was 15%.

In Villach, Austria, we completed our largest solar project to date: the installation of 3,904 solar photovoltaic panels (pictured above). In 2019, we estimate that 2.4 million kWh will be produced. This will provide approximately 15-17% of our total energy consumption for that site.

Lam provides onsite electric vehicle charging stations at three facilities that contribute to reduction in emissions associated with commuting. Lam currently has 34 charging stations in operation, a 42% increase over 2017. In 2018, employee usage of the stations equaled over 23,000 gallons in gasoline savings and a reduction of 77 MTCO₂e.

Products and Services with Environmental Features

Lam pledged to design our products to use less energy, water, and chemicals; extend the life of products to ensure less waste; and adopt production techniques that minimize energy use. To respond to customer demand, we have a goal of 30% energy reduction per wafer by 2020 (from a 2015 baseline). We approach the reduction of power usage of our products in two ways: productivity improvements (reducing the amount of energy consumed in making each wafer) and pure energy savings (building our equipment with more energy-efficient heaters, radio frequency power sources, and other components). Eco-mode is now offered as an optional feature that places pumps and scrubbers in idle mode when not in use. Our spare parts, systems upgrades, and refurbishment programs help our customers increase productivity and extend the longevity of their manufacturing equipment.

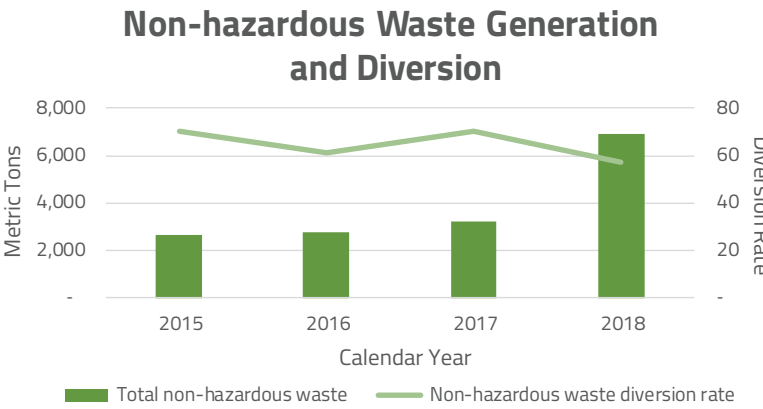
We continue to invest in R&D to extend the life and productivity of our products, which ultimately saves materials and energy. One ongoing project is the energy reduction features in our deposition products which

gained momentum in 2018. An estimated 11% energy reduction related to process cooling water and exhaust can be achieved in certain configurations.

Lam’s Customer Support Business Group (CSBG) focuses significant attention on delivering solutions that meet our customers’ technical requirements as well as productivity needs during the equipment lifecycle. This growing business of Lam enables our customers’ success by delivering world-class service and lifecycle solutions for their most critical equipment and process challenges. Through our product buy-back program, we’re able to lessen the environmental impact and extend the service life of our tools. Used products from customers are refurbished, repurposed, reconfigured, and either re-sold to other customers or re-used for research and development in our labs.

Waste: Reduce, Reuse, Recycle

Lam carefully monitors and manages hazardous and non-hazardous waste generation as a result of our operations. We report our impact and have operational programs in place to ensure that we comply with applicable laws and regulations.



Non-Hazardous Waste

Solid waste at Lam’s facilities is segregated with the primary intention of diverting waste from landfills and other disposal sites through recycling and reuse. In 2018, 57% of non-hazardous solid waste was recycled, a decrease from 70% in 2017. The total mass of non-hazardous recycled waste was 3,986 Metric Tons (MT) in 2018, an increase of 76% from 2,260 MT in 2017. The total mass of non-hazardous waste generated was 6,939 MT in 2018, an increase of 114% from 3,236 MT in 2017. These changes are primarily due to the addition of Silfex data in 2018.

Foam packaging is one of the major non-hazardous waste streams at our Livermore location. Lam installed a foam densifier in 2011 that grinds and melts the foam packaging and forms it into ingots which are then sold to manufacturers of polyethylene products. In 2018, we recycled 89 metric tons of densified foam, a 13% increase over 2017.

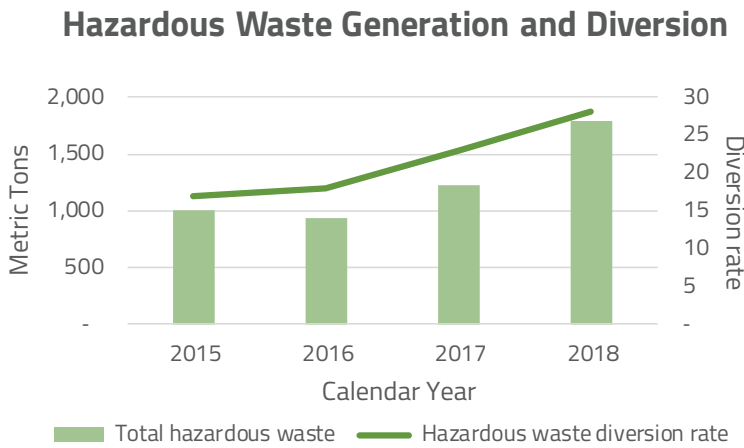
Use a Cup. Save the Earth

Lam Korea employees launched a Save the Earth Campaign to replace bottled water with personal mugs and cups. Since the start of the campaign in August, the operation has cut plastic water bottle consumption by 36%, from a base of more than 2,400 water bottles per month.



Hazardous Waste

Lam is aware of environmental risks and legal obligations related to hazardous materials and chemicals and takes all appropriate measures to keep operations safe. The majority of Lam’s hazardous wastes are corrosive inorganic and heavy metal wastes, flammable solvent wastes, and lab debris from semiconductor processes in our R&D operations.



The overall recycling diversion rate for our hazardous waste in 2018 was 28% compared to the previous year’s diversion rate of 23%. The total mass of recycled hazardous waste was 505 MT in 2018, an increase of 78% from 284 MT in 2017. The total mass of hazardous waste generated was 1,788 MT in 2018, an increase of 47% from 1,219 MT in 2017. The significant increase is due to an increase in concentrated mixed heavy metal wastewater generated at the Tualatin site; the waste is sent to a recycling facility for metal recovery.

In 2018, as part of our due diligence and environmental efforts, Lam initiated a risk assessment of our major hazardous waste management vendors and their

transportation, storage, and disposal facilities (TSDFs). Lam partnered with CHWMEG, a non-profit trade association, to conduct comprehensive reviews of commercial TSDFs. In 2018, we audited six major TSDFs in the U.S., which resulted in no major findings. In 2019, we will continue our assessment of eight more TSDFs used by our manufacturing sites. The main objective is to identify and mitigate potential liability related to hazardous waste generated by our manufacturing and R&D activities.

Packaging

In 2018, Lam laid the foundation with several key suppliers to implement new thermoformed packaging technology. Initial volume was minimal, representing an estimated reduction of 2.7 MTCO₂e. With planned roll outs of the new packaging in 2019, Lam is estimating a packaging emissions reduction of 72.3 MTCO₂e.

Chemical Management System

In 2018, Lam began developing an integrated chemical inventory management system. When fully implemented in 2019, this system will connect physical real-time inventory to procurement, usage conditions, and regulatory reporting for chemical users, handlers, and planners. The result will be improved chemical usage efficiency, reduced waste, and greater transparency across lab locations.

Water

In 2018, globally we used 191 million gallons of water. As part of the permit requirements, we monitor and measure total discharge to the sanitary sewer, and the data are included in our semi-annual self-monitoring reports to the regulatory agencies.

Our Fremont facility received a Certificate of Merit from its regional water management utility, the Union Sanitary District, a distinction it has earned for eight consecutive years. The District recognized the Fremont site for its consistent compliance with pretreatment regulations, implementation of pollution prevention measures, and demonstration of its awareness and understanding of environmental issues.

Tualatin Facility Leads in Reuse and Reclaimed Water Use

Our Tualatin facility reclaims treated process wastewater and uses it as feed water to the house scrubbers and point-of-use abatement units in the research and development labs. For the past three years, 87% of total treated wastewater in Tualatin has been reclaimed. In 2018, we reclaimed 86 million gallons an increase of 8% from 2017. The reclaimed water helps reduce our total global water withdrawals and the volume of municipal water needed to support our facility infrastructure.





Health and Safety

Management Approach

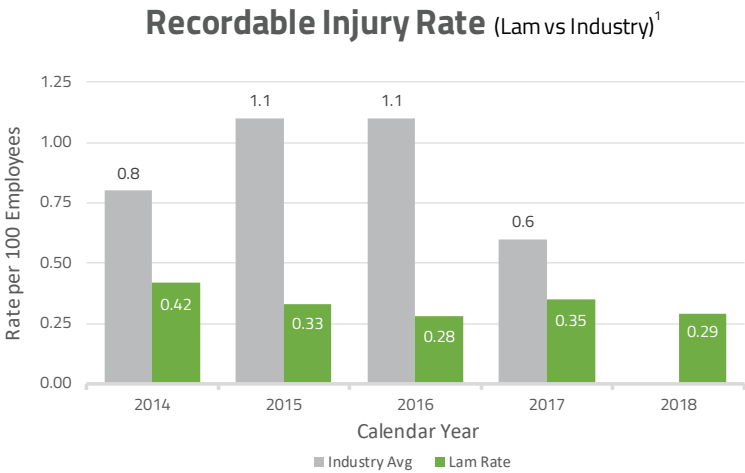
At Lam, the safety of our employees is critical. We aim to protect the health and safety of our personnel throughout our entire operation, including in our offices, manufacturing sites, R&D centers, and our field teams working at customer sites. We recognize that behavior and training are the most important factors in preventing injuries and safety incidents. Therefore, we have a rigorous health and safety program that uses consultation, education, behavior monitoring, and awareness to reinforce that safety is the responsibility of every employee, contractor, customer, supplier, and visitor. This culture forms the basis of our strong record of safety performance.

We believe that all workplace injuries and safety incidents are preventable. With continued investment in injury prevention and education programs, we strive to achieve an incident-free workplace and ensure that our employees return home safe every day.

Our EHS management system in Fremont is externally certified to the internationally recognized Occupational Health and Safety Assessment Series (OHSAS) 18001 standard. In 2019, Lam will begin preparation at our Osan and Fremont sites to achieve third-party validation to ISO 45001, the new international standard for safety management systems, published in March 2018. The

goal of ISO 45001 is to help organizations achieve further reduction of occupational injuries and diseases, and it is based on OHSAS 18001 conventions and guidelines which will be replaced once 45001 certification is achieved in 2020.

Injury Rates and Risk Management



¹ 2018 industry average for recordable injury rates data not available at time of publication

Lam ended 2018 with a global recordable injury rate of 0.29, less than half the semiconductor equipment manufacturing industry average of 0.6. There were no fatalities. The most common injuries, representing nearly 90% of all injuries in 2018 include: strains and sprains; slips, trips and falls; struck by or against objects; and pinched by or caught in objects.

Much of our success in sustaining our low recordable rate is due to our proactive prevention and awareness programs. A key element of these programs is our employee- and management-driven Risk Management By Walking Around (RMBWA) inspection process. The RMBWA inspections not only help us identify and track corrective actions for potential health and safety risks, they drive active engagement by our workforce. We use the inspection findings to identify areas for additional focus and training and to inform what topics we include in our regular safety updates to employees. In 2018, we logged 191,822 RMBWA inspections worldwide, up from 132,320 RMBWA inspections in 2017.

Another key EHS tool is the global Rapid Field Risk Assessment (RFA), which is designed to help our field personnel assess and mitigate risks associated with non-standard tasks at customer sites. In addition, Lam’s Safety Awareness for Everyone (SAFE) program engages employees in safety training that is topical and relevant and directly addresses issues identified in our RMBWA process. We share safety messages monthly with our employees who work in manufacturing, laboratories, operations, and at customer sites. Other employees receive SAFE messages quarterly, which are mandatory for all employees.

In 2018, our safety programs focused on four areas to continue our move beyond regulatory compliance and management systems to an even more proactive approach of risk prevention:

- Risk assessments and audits of critical sites, such as manufacturing facilities and field-service offices.
- Risk audits of waste management service provider facilities
- Developing the ability of contractor management to assess risks
- Increasing auditing processes and programs

Utilizing these tools and focusing on preventative action contributed to Lam receiving seven awards from five customers for safety performance. One customer named Lam as an outstanding vendor for EHS Management. This recognition is an appreciated reinforcement of our commitment to safety.



Performance Summary

Performance Area	2016	2017	2018
Company Overview			
Number of full-time employees	~8,200	~10,200	~10,950
Revenue ¹	\$5.9B	\$8.0B	\$11.1B
R&D spend (as percentage of operating expenses) ¹	~\$914M (59%)	~\$1.0B (61%)	~\$1.2B (61%)
Workplace			
Employee retention rate	94%	95%	93%
Average service years	8.3	7.3	7.2
Giving by the Lam Research Foundation	\$2.1M	\$3.3M	\$3.7M
EHS Management System			
RMBWA	77,256	132,320	191,822
OSHA recordable incident rate	0.33	0.28	0.35
GHG emissions Scopes 1 and 2 (MT CO ₂ e)	73,082	78,370	92,563
GHG emissions Scope 3 (MT CO ₂ e)	33,275	241,032	34,565
Hazardous waste diversion	18%	23%	28%
Recycling diversion	61%	70%	57%
Water usage (cubic meters)	609,101	586,870	723,013
Number of environmental fines	0	0	0

1. All figures are for calendar year, with the exception of revenue and R&D spend which are presented on a fiscal year basis: 2016 is for the fiscal year ending June 26, 2016; 2017 is for the fiscal year ending June 25, 2017; 2018 is for the fiscal year ending June 24, 2018. M is defined as million and B is defined as billion.

GRI Index

GRI 102	General Disclosures	
	Disclosure 102-1 Name of the organization	Company Overview, p.7
	Disclosure 102-2 Activities, brands, products, and services	Company Overview, p.7
	Disclosure 102-3 Location of headquarters	Fremont, Calif. USA
	Disclosure 102-4 Location of operations	Company Overview, p.8
	Disclosure 102-5 Ownership and legal form	Company Overview, p.8 -The company's stock is publicly traded on the Nasdaq under the symbol LRCX.
	Disclosure 102-6 Markets served	Company Overview, p.8
	Disclosure 102-7 Scale of the organization	Company Overview, p.8
	Disclosure 102-8 Information on employees and other workers	Workplace, p.11
	Disclosure 102-9 Supply chain	Company Overview, p.10
	Disclosure 102-10 Significant changes to the organization and its supply chain	About This Report, p.10
	Disclosure 102-11 Precautionary Principle or approach	Yes
	Disclosure 102-12 External initiatives	Company overview, p.10. ; Community, p.17-20; Environment and Safety, p.21-22
**Confirm	Disclosure 102-13 Membership of associations	Institute of Supply Chain Management, p.11; SEMI, p.11; GEM Consortium, p.13; University Engagements, p.15; East Bay and Silicon Valley Foundations, p.17; ISO, p. 21.27; RBA, p.21; SEMATECH, p 21; CDP, p.22-23; CHWMEG, p.25.
	Disclosure 102-14 Statement from senior decision-maker	CEO Letter, p.3
	Disclosure 102-15 Key impacts, risks, and opportunities	2018 10-k, p.13 ; Letter to Stockholders
	Disclosure 102-16 Values, principles, standards, and norms of behavior	Company Overview, p.9
	Disclosure 102-17 Mechanisms for advice and concerns about ethics	Company Overview, p.9
	Disclosure 102-18 Governance structure	2018 Proxy Statement, Governance Matters , p.7+
	Disclosure 102-19 Delegating authority	About This Report, p.4
	Disclosure 102-20 Executive-level responsibility for economic, environmental, and social topics	Yes
	Disclosure 102-21 Consulting stakeholders on economic, environmental, and social topics	About this Report, p.4
	Disclosure 102-22 Composition of the highest governance body and its committees	2018 Proxy Statement, Governance Matters, p.10+
	Disclosure 102-23 Chair of the highest governance body	Stephen G. Newberry
	Disclosure 102-24 Nominating and selecting the highest governance body	2018 Proxy Statement, Governance Matters, p.7
	Disclosure 102-25 Conflicts of interest	2018 Proxy Statement, Governance Matters, p.7
	Disclosure 102-26 Role of highest governance body in setting purpose, values, and strategy	About This Report, p. 4
	Disclosure 102-27 Collective knowledge of highest governance body	2018 Proxy Statement, p.2 , p.46, p.52
	Disclosure 102-28 Evaluating the highest governance body's performance	2018 Proxy Statement, Compensation Matters, p. 16+
	Disclosure 102-29 Identifying and managing economic, environmental, and social impacts	About this Report, Lam's Approach to CSR, p.4
	Disclosure 102-30 Effectiveness of risk management processes	2018 10-k, p.12 , p.13+
	Disclosure 102-31 Review of economic, environmental, and social topics	About this Report, Lam's Approach to CSR, p.4
	Disclosure 102-32 Highest governance body's role in sustainability reporting	About This Report, p.4
	Disclosure 102-33 Communicating critical concerns	Critical concerns are elevated to the Board of Directors at the discretion of the Executive Committee
	Disclosure 102-34 Nature and total number of critical concerns	Not available.
	Disclosure 102-35 Remuneration policies	2018 Proxy Statement, Exec. Compensation Highlights, p.16+
	Disclosure 102-36 Process for determining remuneration	2018 Proxy Statement, Exec Compensation Highlights, p.16+
	Disclosure 102-37 Stakeholders' involvement in remuneration	2018 Proxy Statement, p.53+
	Disclosure 102-38 Annual total compensation ratio	2018 Proxy Statement, p.40
Not in 2017.	Disclosure 102-39 Percentage increase in annual total compensation ratio	2018 was the first disclosure.
	Disclosure 102-40 List of stakeholder groups	About This Report, Stakeholder Engagement, p.5
	Disclosure 102-41 Collective bargaining agreements	None
	Disclosure 102-42 Identifying and selecting stakeholders	About this Report, p.5
	Disclosure 102-43 Approach to stakeholder engagement	About this Report, Stakeholder Engagement, p.6
	Disclosure 102-44 Key topics and concerns raised	About this Report, p.5
	Disclosure 102-45 Entities included in the consolidated financial statements	2018 10-k, Exhibit 21
	Disclosure 102-46 Defining report content and topic boundaries	About This Report, p.4
	Disclosure 102-47 List of material topics	About This Report, p.5

GRI Index (continued)

	Disclosure 102-48 Restatements of information	None.
	Disclosure 102-49 Changes in reporting	Workplace, p.12
	Disclosure 102-50 Reporting period	Calendar Year 2018, Exceptions noted
	Disclosure 102-51 Date of most recent report	2017
	Disclosure 102-52 Reporting cycle	Annual
	Disclosure 102-53 Contact point for questions regarding the report	CSR@lamresearch.com
	Disclosure 102-54 Claims of reporting in accordance with the GRI Standards	About This Report, p.4
	Disclosure 102-55 GRI content index	Yes
	Disclosure 102-56 External assurance	No
GRI 103	Management Approach	
	Disclosure 103-1 Explanation of the material topic and its boundary	About This Report, p.4-5
	Disclosure 103-2 The management approach and its components	Workplace, p.11.; Environment, p.21; Safety, p. 26; Community, p. 17
	Disclosure 103-3 Evaluation of the management approach	Workplace, p.11.; Environment, p.21; Safety, p.26; Community, p.17
GRI 201	Economic Performance	
	Disclosure 201-1 Direct economic value generated and distributed	investor.lamresearch.com , CSR Report, p.8
	Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	CSR Report, p.21; 2018 CDP Report, section 5.1
	Disclosure 201-3 Defined benefit plan obligations and other retirement plans	2018 10-k, p.47
	Disclosure 201-4 Financial assistance received from government	None
GRI 202	Market Presence	
	Disclosure 202-1 Ratios of standard entry level wage by gender compared to local minimum wage	We consider this information confidential.
	Disclosure 202-2 Proportion of senior management hired from the local community	All executives leading international operations are local.
GRI 203	Economic Impacts	
	Disclosure 203-1 Infrastructure investments and services supported	None
	Disclosure 203-2 Significant indirect economic impacts	Community, p.17
GRI 204	Procurement Practices	
	1. Management approach disclosures	Company Overview, p.10
	2. Topic-specific disclosures	Company Overview, Global Supply Chain, p.10
GRI 205	Anti-corruption	
	Disclosure 205-1 Operations assessed for risks related to corruption	00%
	Disclosure 205-2 Communication and training about anti-corruption policies and procedures	Company Overview, p.10
	Disclosure 205-3 Confirmed incidents of corruption and actions taken	We consider this information confidential.
GRI 206	Anti-competitive Behavior	
	Disclosure 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None
	Environment	
GRI 301	Materials	
	Disclosure 301-2 Recycled input materials used	Environment and Safety, p.24
	Disclosure 301-3 Reclaimed products and their packaging materials	Environment and Safety, p.25
GRI 302	Energy	
	Disclosure 302-1 Energy consumption within the organization	Environment and Safety, p.23
	Disclosure 302-2 Energy consumption outside of the organization	We do not track this information.
	c	Environment and Safety,Scope 2 intensity metric , p.22
	Disclosure 302-4 Reduction of energy consumption	Environment and Safety, p.23
	Disclosure 302-5 Reductions in energy requirements of products and services	Environment and Safety, p.23
GRI 303	Water	Environment and Safety, p.23-24
GRI 304	Biodiversity	
	Disclosure 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None known
	Disclosure 304-2 Significant impacts of activities, products, and services on biodiversity	None known

GRI Index (continued)

	Disclosure 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	None known
GRI 305	Emissions	
	Disclosure 305-1 Direct (Scope 1) GHG emissions	Environment and Safety, p.22
	Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	Environment and Safety, p.22
	Disclosure 305-3 Other indirect (Scope 3) GHG emissions	Environment and Safety, p.22
	Disclosure 305-4 GHG emissions intensity	Environment and Safety, p.22
	Disclosure 305-5 Reduction of GHG emissions	Environment and Safety, p.22
GRI 306	Effluents and Waste	
	Disclosure 306-1 Water discharge by quality and destination	Environment and Safety, p.25
	Disclosure 306-2 Waste by type and disposal method	Environment and Safety, p.24
	Disclosure 306-3 Significant spills	None
	Disclosure 306-5 Water bodies affected by water discharges and/or runoff	Minimal impact to the Tualatin River in OR, Arroyo Las Positas Creek in CA, Coyote Creek in CA, Mud Slough in CA, and the Greater Miami in OH.
GRI 307	Environmental Compliance	
	Disclosure 307-1 Non-compliance with environmental laws and regulations	None
GRI 308	Supplier Environmental Assessment	
	Disclosure 308-1 New suppliers that were screened using environmental criteria	None
	Disclosure 308-2 Negative environmental impacts in the supply chain and actions taken	None known
Social		
GRI 401	Employment	
	Disclosure 401-1 New employee hires and employee turnover	Workplace, p.11
GRI 402	Labor/Management Relations	
	Disclosure 402-1 Minimum notice periods regarding operational changes	Varies by Local Law.
	GRI 403 Occupational Health and Safety	
	Disclosure 403-1 Workers representation in formal joint management–worker health and safety committees	Employees of all levels are extensively involved in safety monitoring and initiatives.
	Disclosure 403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Environment and Safety, p.26
	Disclosure 403-3 Workers with high incidence or high risk of diseases related to their occupation	None
GRI 404	Training and Education	
	Disclosure 404-1 Average hours of training per year per employee Workplace, p.13	
	Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs Workplace, p.13-15	
	GRI 405 Diversity and Equal Opportunity	
	Disclosure 405-1 Diversity of governance bodies and employees	Workplace, p.12
	Disclosure 405-2 Ratio of basic salary and remuneration of women to men	Not reported
GRI 406	Non-discrimination	
GRI 407	Freedom of Association and Collective Bargaining	
	Disclosure 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	None
GRI 408	Child Labor	
	Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labor	About this Report, p.6

GRI Index (continued)

GRI 409	Forced or Compulsory Labor	
	Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Company Overview, p.10
GRI 411	Rights of Indigenous Peoples	
	Disclosure 411-1 Incidents of violations involving rights of indigenous peoples	None
GRI 412	Human Rights Assessment	
	Disclosure 412-1 Operations that have been subject to human rights reviews or impact assessments	Company Overview, p.10
	Disclosure 412-2 Employee training on human rights policies or procedures	Company Overview p.10
GRI 413	Local Communities	
	Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	Community, p.17
GRI 414	Supplier Social Assessment	
	Disclosure 414-1 New suppliers that were screened using social criteria	Company Overview, p.10
GRI 415	Public Policy	
	Disclosure 415-1 Political contributions	None
GRI 416	Customer Health and Safety	
	Disclosure 416-1 Assessment of the health and safety impacts of product and service categories	Environment and Safety, p.21
GRI 417	Marketing and Labeling	
	Disclosure 417-2 Incidents of non-compliance concerning product and service information and labeling	None
GRI 418	Customer Privacy	
	Disclosure 418-1 Substantiated complaints regarding concerning breaches of customer privacy and losses of customer data	None

References

[Lam Research](#)

[Products](#)

[Annual Reports](#)

[Corporate Social Responsibility](#)

[Code of Ethics](#)

[Supply Chain Policies](#)

[Lam Research Global EHS Sustainability Commitment Policy](#)

CREDITS

Many employees supported the development of Lam’s CSR program and this reporting effort. We would like to thank them for their ongoing contributions as we continue to integrate CSR into our corporate culture.

CONTACT INFORMATION

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