UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 0-12933

LAM RESEARCH CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**94-2634797**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
4650 Cushing Parkway, Fremont, California	**94538**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (510) 572-0200

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, Par Value $0.001 Per Share	LRCX	The Nasdaq Stock Market (Nasdaq Global Select Market)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of April 25, 2024, the Registrant had 130,741 thousand shares of Common Stock outstanding.

LAM RESEARCH CORPORATION

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PART I. FINANCIAL INFORMATION

ITEM 1. *Financial Statements*

LAM RESEARCH CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(unaudited)

	Three Months Ended		Nine Months Ended	
	March 31, 2024	March 26, 2023	March 31, 2024	March 26, 2023
Revenue	$ 3,793,558	$ 3,869,569	$ 11,033,879	$ 14,221,259
Cost of goods sold	1,977,820	2,197,237	5,783,087	7,835,743
Restructuring charges, net - cost of goods sold	15,202	66,720	38,099	66,720
Total cost of goods sold	1,993,022	2,263,957	5,821,186	7,902,463
Gross margin	1,800,536	1,605,612	5,212,693	6,318,796
Research and development	512,274	429,451	1,404,615	1,325,211
Selling, general, and administrative	215,904	193,500	651,770	632,922
Restructuring charges, net - operating expenses	15,246	40,408	18,955	40,408
Total operating expenses	743,424	663,359	2,075,340	1,998,541
Operating income	1,057,112	942,253	3,137,353	4,320,255
Other income (expense), net	36,073	(3,331)	68,513	(74,660)
Income before income taxes	1,093,185	938,922	3,205,866	4,245,595
Income tax expense	(127,359)	(124,914)	(398,376)	(537,201)
Net income	$ 965,826	$ 814,008	$ 2,807,490	$ 3,708,394
Net income per share:				
Basic	$ 7.38	$ 6.03	$ 21.32	$ 27.28
Diluted	$ 7.34	$ 6.01	$ 21.22	$ 27.20
Number of shares used in per share calculations:				
Basic	130,838	134,924	131,663	135,945
Diluted	131,518	135,395	132,282	136,314

See Notes to Condensed Consolidated Financial Statements

LAM RESEARCH CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)
(unaudited)

	Three Months Ended		Nine Months Ended	
	March 31, 2024	March 26, 2023	March 31, 2024	March 26, 2023
Net income	$ 965,826	$ 814,008	$ 2,807,490	$ 3,708,394
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustment	(14,215)	3,727	(20,363)	11,588
Cash flow hedges:				
Net unrealized gains (losses) during the period	8,145	(3,320)	18,414	(3,135)
Net (gains) losses reclassified into net income	(4,231)	2,546	(25,974)	(5,478)
	3,914	(774)	(7,560)	(8,613)
Available-for-sale investments:				
Net unrealized gains during the period	30	652	314	1,222
Net gains reclassified into net income	—	(105)	(10)	(158)
	30	547	304	1,064
Defined benefit plans, net change in unrealized component	177	276	537	848
Other comprehensive income (loss), net of tax	(10,094)	3,776	(27,082)	4,887
Comprehensive income	$ 955,732	$ 817,784	$ 2,780,408	$ 3,713,281

See Notes to Condensed Consolidated Financial Statements

LAM RESEARCH CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

	March 31, 2024	June 25, 2023
	(unaudited)	(1)
ASSETS		
Cash and cash equivalents	$ 5,672,232	$ 5,337,056
Investments	—	37,641
Accounts receivable, less allowance of $5,286 as of March 31, 2024, and $5,344 as of June 25, 2023	2,203,707	2,823,376
Inventories	4,322,967	4,816,190
Prepaid expenses and other current assets	289,530	214,149
Total current assets	12,488,436	13,228,412
Property and equipment, net	2,181,741	1,856,672
Goodwill	1,626,519	1,622,489
Intangible assets, net	142,479	168,454
Other assets	1,840,475	1,905,616
Total assets	$ 18,279,650	$ 18,781,643
LIABILITIES AND STOCKHOLDERS' EQUITY		
Trade accounts payable	$ 531,648	$ 470,702
Accrued expenses and other current liabilities	1,791,642	2,010,637
Deferred profit	1,601,733	1,695,221
Current portion of long-term debt and finance lease obligations	505,066	8,358
Total current liabilities	4,430,089	4,184,918
Long-term debt and finance lease obligations, less current portion	4,478,385	5,003,183
Income taxes payable	832,397	882,084
Other long-term liabilities	516,678	501,286
Total liabilities	10,257,549	10,571,471
Commitments and contingencies (refer to Note 13)		
Stockholders' equity:		
Preferred stock, at par value of $0.001 per share; authorized, 5,000 shares, none outstanding	—	—
Common stock, at par value of $0.001 per share; authorized, 400,000 shares as of March 31, 2024 and June 25, 2023; issued and outstanding, 130,736 shares as of March 31, 2024, and 133,297 shares as of June 25, 2023	131	133
Additional paid-in capital	8,082,339	7,809,002
Treasury stock, at cost; 164,423 shares as of March 31, 2024, and 161,380 shares as of June 25, 2023	(23,984,518)	(21,530,353)
Accumulated other comprehensive loss	(127,788)	(100,706)
Retained earnings	24,051,937	22,032,096
Total stockholders' equity	8,022,101	8,210,172
Total liabilities and stockholders' equity	$ 18,279,650	$ 18,781,643

(1) Derived from audited financial statements

See Notes to Condensed Consolidated Financial Statements

LAM RESEARCH CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands) (unaudited)

	Nine Months Ended	
	March 31, 2024	March 26, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 2,807,490	$ 3,708,394
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	271,342	252,828
Deferred income taxes	(137,606)	(133,101)
Equity-based compensation expense	213,966	218,105
Other, net	14,242	11,537
Changes in operating assets and liabilities	620,405	(1,550)
Net cash provided by operating activities	3,789,839	4,056,213
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures and intangible assets	(295,922)	(422,898)
Business acquisitions, net of cash acquired	—	(119,955)
Proceeds from maturities of available-for-sales securities	34,336	65,015
Proceeds from sales of available-for-sale securities	3,430	6,837
Other, net	(10,845)	(8,381)
Net cash used for investing activities	(269,001)	(479,382)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on debt, including finance lease obligations	(255,155)	(21,145)
Treasury stock purchases	(2,469,257)	(1,147,998)
Dividends paid	(757,453)	(675,572)
Reissuance of treasury stock related to employee stock purchase plan	53,081	44,996
Proceeds from issuance of common stock	12,757	7,673
Other, net	(5,672)	(635)
Net cash used for financing activities	(3,421,699)	(1,792,681)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(12,758)	(1,349)
Net change in cash, cash equivalents, and restricted cash	86,381	1,782,801
Cash, cash equivalents, and restricted cash at beginning of period (1)	5,587,372	3,773,535
Cash, cash equivalents, and restricted cash at end of period (1)	$ 5,673,753	$ 5,556,336
Schedule of non-cash transactions:		
Accrued payables for stock repurchases, including applicable excise tax	$ 36,863	$ 4,081
Accrued payables for capital expenditures	45,122	38,225
Dividends payable	261,463	233,043
Transfers of finished goods inventory to property and equipment	55,290	64,932

Reconciliation of cash, cash equivalents, and restricted cash	March 31, 2024	March 26, 2023
Cash and cash equivalents	$ 5,672,232	$ 5,305,648
Restricted cash and cash equivalents (1)	1,521	250,688
Total cash, cash equivalents, and restricted cash	$ 5,673,753	$ 5,556,336

(1) Restricted cash is reported within Other assets in the Condensed Consolidated Balance Sheets

See Notes to Condensed Consolidated Financial Statements

LAM RESEARCH CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)
(unaudited)

	Three Months Ended March 31, 2024						
	Common Stock Shares	Common Stock	Additional Paid-in Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Total
Balance at December 24, 2023	131,278	$ 131	$ 7,997,251	$ (23,004,358)	$ (117,694)	$ 23,347,148	$ 8,222,478
Issuance of common stock	409	1	8,234	—	—	—	8,235
Purchase of treasury stock	(951)	(1)	—	(980,160)	—	—	(980,161)
Equity-based compensation expense	—	—	76,854	—	—	—	76,854
Net income	—	—	—	—	—	965,826	965,826
Other comprehensive loss	—	—	—	—	(10,094)	—	(10,094)
Cash dividends declared ($2.00 per common share)	—	—	—	—	—	(261,037)	(261,037)
Balance at March 31, 2024	130,736	$ 131	$ 8,082,339	$ (23,984,518)	$ (127,788)	$ 24,051,937	$ 8,022,101

	Nine Months Ended March 31, 2024						
	Common Stock Shares	Common Stock	Additional Paid-in Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Total
Balance at June 25, 2023	133,297	$ 133	$ 7,809,002	$ (21,530,353)	$ (100,706)	$ 22,032,096	$ 8,210,172
Issuance of common stock	482	1	12,756	—	—	—	12,757
Purchase of treasury stock	(3,193)	(3)	—	(2,460,631)	—	—	(2,460,634)
Reissuance of treasury stock	150	—	46,615	6,466	—	—	53,081
Equity-based compensation expense	—	—	213,966	—	—	—	213,966
Net income	—	—	—	—	—	2,807,490	2,807,490
Other comprehensive loss	—	—	—	—	(27,082)	—	(27,082)
Cash dividends declared ($6.00 per common share)	—	—	—	—	—	(787,649)	(787,649)
Balance at March 31, 2024	130,736	$ 131	$ 8,082,339	$ (23,984,518)	$ (127,788)	$ 24,051,937	$ 8,022,101

See Notes to Condensed Consolidated Financial Statements

	Three Months Ended March 26, 2023						
	Common Stock Shares	Common Stock	Additional Paid-in Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Total
Balance at December 25, 2022	135,403	$ 135	$ 7,606,149	$ (20,071,931)	$ (108,871)	$ 20,879,153	$ 8,304,635
Issuance of common stock	454	1	(1)	—	—	—	—
Purchase of treasury stock	(1,165)	(1)	—	(555,898)	—	—	(555,899)
Equity-based compensation expense	—	—	73,911	—	—	—	73,911
Net income	—	—	—	—	—	814,008	814,008
Other comprehensive income	—	—	—	—	3,776	—	3,776
Cash dividends declared ($1.725 per common share)	—	—	—	—	—	(233,043)	(233,043)
Balance at March 26, 2023	134,692	$ 135	$ 7,680,059	$ (20,627,829)	$ (105,095)	$ 21,460,118	$ 8,407,388

	Nine Months Ended March 26, 2023						
	Common Stock Shares	Common Stock	Additional Paid-in Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Total
Balance at June 26, 2022	136,975	$ 137	$ 7,414,916	$ (19,481,429)	$ (109,982)	$ 18,454,724	$ 6,278,366
Issuance of common stock	570	1	7,672	—	—	—	7,673
Purchase of treasury stock	(2,984)	(3)	—	(1,152,030)	—	—	(1,152,033)
Reissuance of treasury stock	131	—	39,366	5,630	—	—	44,996
Equity-based compensation expense	—	—	218,105	—	—	—	218,105
Net income	—	—	—	—	—	3,708,394	3,708,394
Other comprehensive income	—	—	—	—	4,887	—	4,887
Cash dividends declared ($5.175 per common share)	—	—	—	—	—	(703,000)	(703,000)
Balance at March 26, 2023	134,692	$ 135	$ 7,680,059	$ (20,627,829)	$ (105,095)	$ 21,460,118	$ 8,407,388

See Notes to Condensed Consolidated Financial Statements

LAM RESEARCH CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024
(Unaudited)

NOTE 1 — BASIS OF PRESENTATION

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and the instructions to Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation have been included. The accompanying unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements of Lam Research Corporation ("Lam Research" or the "Company") for the fiscal year ended June 25, 2023, which are included in the Company's Annual Report on Form 10-K as of and for the year ended June 25, 2023 (the "2023 Form 10-K").

The condensed consolidated financial statements include the accounts of Lam Research and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. The Company's reporting period is a 52/53-week fiscal year. The Company's current fiscal year will end June 30, 2024 and includes 53 weeks. The quarters ended March 31, 2024 (the "March 2024 quarter") and March 26, 2023 included 14 weeks and 13 weeks, respectively.

Reclassification: Certain amounts for the June 25, 2023 Condensed Consolidated Balance Sheet and notes to the financial statements have been reclassified to conform to the current period presentation.

NOTE 2 — RECENT ACCOUNTING PRONOUNCEMENTS

Recently Adopted or Effective

The Company has not adopted any new accounting standards during the nine months ended March 31, 2024 that have a material impact on the Company's Condensed Consolidated Financial Statements.

Updates Not Yet Effective

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures," which expands disclosures about a public entity's reportable segments and requires more enhanced information about a reportable segment's expenses, interim segment profit or loss, and how a public entity's chief operating decision maker uses reported segment profit or loss information in assessing segment performance and allocating resources. The guidance is effective for financial statements issued for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is required to adopt this standard in the fiscal year 2025 for the annual reporting period ending June 29, 2025, with retrospective disclosure of prior periods presented. The Company is currently in the process of evaluating the impact of adoption on its Consolidated Financial Statements.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," which requires public entities to disclose consistent categories and greater disaggregation of information in the rate reconciliation and for income taxes paid. It also includes certain other amendments to improve the effectiveness of income tax disclosures. The guidance is effective for financial statements issued for annual periods beginning after December 15, 2024, with early adoption permitted. The Company is required to adopt this standard prospectively in fiscal year 2026 for the annual reporting period ending June 28, 2026. The Company is currently in the process of evaluating the impact of adoption on its Consolidated Financial Statements.

NOTE 3 — REVENUE

Disaggregation of Revenue

The Company operates in one reportable business segment: manufacturing and servicing of wafer processing semiconductor manufacturing equipment. The Company's material operating segments qualify for aggregation due to their customer base and similarities in economic characteristics, nature of products and services, and processes for procurement, manufacturing, and distribution.

The Company operates in seven geographic regions: United States, China, Europe, Japan, Korea, Southeast Asia, and Taiwan. For geographical reporting, revenue is attributed to the geographic location in which the customers' facilities are located. The Company serves three primary markets: memory, foundry, and logic/integrated device manufacturing.

The following table presents the Company's revenues disaggregated between systems and customer support-related revenue:

	Three Months Ended		Nine Months Ended	
	March 31, 2024	March 26, 2023	March 31, 2024	March 26, 2023
	(In thousands)			
Systems revenue	$ 2,395,817	$ 2,256,033	$ 6,751,758	$ 8,985,538
Customer support-related revenue and other	1,397,741	1,613,536	4,282,121	5,235,721
	$ 3,793,558	$ 3,869,569	$ 11,033,879	$ 14,221,259

Systems revenue includes sales of new leading-edge equipment in deposition, etch and clean markets.

Customer support-related revenue includes sales of customer service, spares, upgrades, and non-leading-edge equipment from the Company's Reliant product line.

The following table presents the Company's revenues disaggregated by geographic region:

	Three Months Ended		Nine Months Ended	
	March 31, 2024	March 26, 2023	March 31, 2024	March 26, 2023
	(In thousands)			
China	$ 1,606,693	$ 839,710	$ 4,787,399	$ 3,633,692
Korea	916,812	847,728	2,176,708	2,780,158
Japan	340,331	406,219	1,177,696	1,440,857
Taiwan	334,952	713,708	1,077,325	2,825,827
United States	227,085	594,426	728,098	1,402,641
Southeast Asia	190,328	155,935	495,060	1,225,835
Europe	177,357	311,843	591,593	912,249
	$ 3,793,558	$ 3,869,569	$ 11,033,879	$ 14,221,259

The following table presents the percentages of leading- and non-leading-edge equipment and upgrade revenue to each of the primary markets the Company serves:

	Three Months Ended		Nine Months Ended	
	March 31, 2024	March 26, 2023	March 31, 2024	March 26, 2023
Memory	44 %	32 %	44 %	46 %
Foundry	44 %	46 %	39 %	36 %
Logic/integrated device manufacturing	12 %	22 %	17 %	18 %

Deferred Revenue

Revenue of $302.5 million and $1,228.4 million included in deferred profit at June 25, 2023 was recognized during the three and nine months ended March 31, 2024, representing 16% and 67%, respectively, of the $1,837.9 million of deferred revenue as of June 25, 2023.

The following table summarizes the transaction price for contracts that have not yet been recognized as revenue as of March 31, 2024 and when the Company expects to recognize the amounts as revenue:

	Less than 1 Year	1-3 Years	More than 3 Years	Total
		(In thousands)		
Deferred revenue	$ 1,371,378	$ 333,416 (1)	$ 41,051 (1)	$ 1,745,845

(1) This amount is reported in Deferred profit on the Company's Condensed Consolidated Balance Sheets as the customers can demand the liability to be performed at any time.

NOTE 4 — EQUITY-BASED COMPENSATION PLANS

The Lam Research Corporation 2015 Stock Incentive Plan, as amended, provides for the grant of non-qualified equity-based awards of the Company's Common Stock to eligible employees and non-employee directors, including stock options, restricted stock units ("RSUs"), and market-based performance RSUs ("market-based PRSUs"). An option is a right to purchase Common Stock at a set price. An RSU award is an agreement to issue a set number of shares of Common Stock at the time of vesting. The Company's market-based PRSUs contain both a market condition and a service condition. The Company's option, RSU, and market-based PRSU awards typically vest over a period of three years. The Company also has an employee stock purchase plan that allows eligible employees to purchase its Common Stock at a discount through payroll deductions.

The Company recognized the following equity-based compensation expense (including expense related to the employee stock purchase plan) and related income tax benefit in the Condensed Consolidated Statements of Operations:

	Three Months Ended		Nine Months Ended	
	March 31, 2024	March 26, 2023	March 31, 2024	March 26, 2023
	(in thousands)			
Equity-based compensation expense	$ 76,854	$ 73,911	$ 213,966	$ 218,105
Income tax benefit recognized related to equity-based compensation expense	$ 24,626	$ 12,045	$ 43,544	$ 32,249

NOTE 5 — OTHER INCOME (EXPENSE), NET

The significant components of other income (expense), net, are as follows:

	Three Months Ended		Nine Months Ended	
	March 31, 2024	March 26, 2023	March 31, 2024	March 26, 2023
	(in thousands)			
Interest income	$ 71,752	$ 41,974	$ 185,911	$ 83,155
Interest expense	(47,153)	(47,217)	(138,797)	(139,930)
Gains on deferred compensation plan-related assets, net	26,495	5,443	49,124	3,588
Foreign exchange losses, net	(4,344)	(5,519)	(3,643)	(8,812)
Other, net	(10,677)	1,988	(24,082)	(12,661)
	$ 36,073	$ (3,331)	$ 68,513	$ (74,660)

NOTE 6 — INCOME TAX EXPENSE

The Company's provision for income taxes and effective tax rate are as follows:

	Three Months Ended		Nine Months Ended	
	March 31, 2024	March 26, 2023	March 31, 2024	March 26, 2023
	(in thousands, except percentages)			
Income tax expense	$ 127,359	$ 124,914	$ 398,376	$ 537,201
Effective tax rate	11.7 %	13.3 %	12.4 %	12.7 %

The difference between the U.S. federal statutory tax rate of 21% and the Company's effective tax rate for the three and nine months ended March 31, 2024 and March 26, 2023 was primarily due to income in lower tax jurisdictions.

On August 16, 2022, the Inflation Reduction Act (the "IRA") was signed into law. In general, the provisions of the IRA are effective beginning with the Company's fiscal year 2024, with certain exceptions. The IRA includes a new 15% corporate minimum tax. The Company has evaluated the potential impacts of the IRA and does not expect it to have a material impact on the effective tax rate. However, the Company expects future guidance from the Treasury Department and will further analyze when the guidance is issued.

The Internal Revenue Service ("IRS") is examining the Company's U.S. federal income tax returns for the fiscal years ended June 30, 2019, and June 28, 2020. To date, no significant adjustments have been proposed by the IRS. The Company is unable to make a reasonable estimate as to when cash settlements, if any, with the IRS will occur.

The Company is in various stages of examinations in connection with all of its tax audits worldwide, and it is difficult to determine when these examinations will be settled. It is reasonably possible that over the next 12-month period the Company may experience an increase or decrease in its uncertain tax positions as a result of tax examinations or lapses of statutes of limitation. The change in uncertain tax positions as a result of lapses of statutes of limitation may range up to $12.4 million.

NOTE 7 — NET INCOME PER SHARE

Basic net income per share is computed by dividing net income by the weighted-average number of common shares outstanding during the period. Diluted net income per share is computed using the treasury stock method, for dilutive stock options, and restricted stock units. The following table reconciles the inputs to the basic and diluted computations for net income per share.

	Three Months Ended		Nine Months Ended	
	March 31, 2024	March 26, 2023	March 31, 2024	March 26, 2023
	(in thousands, except per share data)			
Numerator:				
Net income	$ 965,826	$ 814,008	$ 2,807,490	$ 3,708,394
Denominator:				
Basic average shares outstanding	130,838	134,924	131,663	135,945
Effect of potential dilutive securities:				
Employee stock plans	680	471	619	369
Diluted average shares outstanding	131,518	135,395	132,282	136,314
Net income per share - basic	$ 7.38	$ 6.03	$ 21.32	$ 27.28
Net income per share - diluted	$ 7.34	$ 6.01	$ 21.22	$ 27.20

For purposes of computing diluted net income per share, weighted-average common shares do not include potentially dilutive securities that are anti-dilutive under the treasury stock method. These anti-dilutive securities, including options and RSUs, were not material for the three and nine months ended March 31, 2024 and March 26, 2023.

NOTE 8 — FINANCIAL INSTRUMENTS

The Company's investment strategies and investment and fair value policies are unchanged from those disclosed in Note 9, "Financial Instruments," to the Consolidated Financial Statements in Part II, Item 8 of its 2023 Form 10-K. As of March 31, 2024 and June 25, 2023, the fair value of mutual funds and debt and equity investments were not material. The financial statement impacts to the Condensed Consolidated Statement of Operations from debt and equity investments were not material as of and for the three and nine months ended March 31, 2024 and March 26, 2023.

The financial instruments reported within Cash and Cash Equivalents in the Company's Condensed Consolidated Balance Sheets as of March 31, 2024, and June 25, 2023 consisted of the following:

	March 31, 2024	June 25, 2023
	(in thousands)	
Money market funds (fair value measured on a recurring basis, level 1)	$ 2,277,989	$ 2,223,642
Cash	1,693,654	2,132,522
Time deposits	1,700,589	980,892
Total	$ 5,672,232	$ 5,337,056

In addition, as of June 25, 2023 the Company had time deposits of $250.0 million reported within Other assets in the Condensed Consolidated Balance Sheets.

Derivative Instruments and Hedging

The Company's hedging strategies and policies are unchanged from those disclosed in Note 9, "Financial Instruments," to the Consolidated Financial Statements in Part II, Item 8 of its 2023 Form 10-K. As of March 31, 2024 and June 25, 2023, the fair value of outstanding cash flow and balance sheet hedges were not material. The financial statement impacts to the Condensed Consolidated Statement of Operations from derivative instruments and hedging activities were not material as of and for the three and nine months ended March 31, 2024 and March 26, 2023.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk and the Company's mitigation strategies are unchanged from those disclosed in Note 9, "Financial Instruments," to the Consolidated Financial Statements in Part II, Item 8 of its 2023 Form 10-K.

NOTE 9 — INVENTORIES

Inventories are stated at the lower of cost or net realizable value using standard costs that approximate actual costs on a first-in, first-out basis. System shipments to customers in Japan, for which title does not transfer until customer acceptance, are classified as finished goods inventory and carried at cost until title transfers. Inventories consist of the following:

	March 31, 2024	June 25, 2023
	(in thousands)	
Raw materials	$ 3,020,147	$ 3,196,988
Work-in-process	290,736	325,611
Finished goods	1,012,084	1,293,591
	$ 4,322,967	$ 4,816,190

NOTE 10 — GOODWILL AND INTANGIBLE ASSETS

Goodwill

The balance of goodwill is approximately $1.6 billion as of March 31, 2024 and June 25, 2023. As of March 31, 2024 and June 25, 2023, $65.4 million of the goodwill balance is tax deductible and the remaining balance is not tax deductible due to purchase accounting and applicable foreign law.

Intangible Assets

The following table provides the Company's intangible assets, other than goodwill:

	March 31, 2024			June 25, 2023		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
			(in thousands)			
Customer relationships	$ 644,126	$ (633,260)	$ 10,866	$ 644,138	$ (631,420)	$ 12,718
Existing technology	747,386	(683,380)	64,006	717,331	(674,549)	42,782
Patents and other intangible assets	202,456	(134,849)	67,607	199,532	(116,659)	82,873
Intangible assets subject to amortization	1,593,968	(1,451,489)	142,479	1,561,001	(1,422,628)	138,373
In process research and development	—	—	—	30,081	—	30,081
Total intangible assets	$ 1,593,968	$ (1,451,489)	$ 142,479	$ 1,591,082	$ (1,422,628)	$ 168,454

The Company recognized $15.2 million and $13.8 million in intangible asset amortization expense during the three months ended March 31, 2024 and March 26, 2023, respectively. The Company recognized $42.0 million and $37.4 million in intangible asset amortization expense during the nine months ended March 31, 2024 and March 26, 2023, respectively.

The estimated future amortization expense of intangible assets as of March 31, 2024, is reflected in the table below. The table excludes $8.2 million of capitalized costs for intangible assets that have not been placed into service.

Fiscal Year	Amount
	(in thousands)
2024 (remaining 3 months)	$ 13,945
2025	40,461
2026	25,770
2027	18,454
2028	14,695
Thereafter	20,955
	$ 134,280

NOTE 11 — ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consist of the following:

	March 31, 2024	June 25, 2023
	(in thousands)	
Accrued compensation	$ 478,636	$ 481,354
Warranty reserves	231,391	256,781
Income and other taxes payable	244,828	460,630
Dividend payable	261,463	231,267
Restructuring	21,482	8,014
Other	553,842	572,591
	$ 1,791,642	$ 2,010,637

NOTE 12 — LEASES

The Company elected to exercise purchase options available under its finance leases for certain improved properties in Fremont and Livermore, California (the “California Facility Leases”) in the three months ended September 24, 2023. As a result, the Company released cash collateral in an aggregate of approximately $250.0 million of restricted cash that was reported in Other assets in the Company’s Condensed Consolidated Balance Sheet. Additionally, guarantees made to the lessor that each property would have a certain minimum residual value totaling $298.4 million as of June 25, 2023 in the aggregate were eliminated with the extinguishment of the California Facilities Leases. As a result of the purchase of the improved properties, $250.5 million of additions were made to Property and Equipment, Net in the Company’s Condensed Consolidated Balance Sheets primarily comprised of land ($40.5 million) and buildings and improvements ($210.0 million).

NOTE 13 — COMMITMENTS AND CONTINGENCIES

Guarantees

The Company has issued certain indemnifications to its lessors for taxes and general liability under some of its agreements. The Company has entered into insurance contracts that are intended to limit its exposure to such indemnifications. As of March 31, 2024, the Company had not recorded any liability on its Condensed Consolidated Financial Statements in connection with these indemnifications, as it does not believe that it is probable that any material amounts will be paid under these guarantees.

Generally, the Company indemnifies, under pre-determined conditions and limitations, its customers for infringement of third-party intellectual property rights by the Company’s products or services. The Company seeks to limit its liability for such indemnity to an amount not to exceed the sales price of the products or services subject to its indemnification obligations. The Company does not believe that it is probable that any material amounts will be paid under these guarantees.

The Company provides guarantees and standby letters of credit to certain parties as required for certain transactions initiated during the ordinary course of business. As of March 31, 2024, the maximum potential amount of future payments that the Company could be required to make under these arrangements and letters of credit was $171.0 million. The Company does not believe, based on historical experience and information currently available, that it is probable that any material amounts will be required to be paid.

In addition, the Company has entered into indemnification agreements with its directors, officers, and certain other employees, consistent with its Bylaws and Certificate of Incorporation; and under local law, the Company may be required to provide indemnification to its employees for actions within the scope of their employment. Although the Company maintains insurance contracts that cover some of the potential liability associated with these indemnification agreements, there is no guarantee that all such liabilities will be covered. The Company does not believe, based on historical experience and information currently available, that it is probable that any material amounts will be required to be paid under such indemnification agreements or statutory obligations.

Warranties

The Company provides standard warranties on its systems. The liability amount is based on actual historical warranty spending activity by type of system, customer, and geographic region, modified for any known differences such as the impact of system reliability improvements. As of March 31, 2024, warranty reserves totaling $23.2 million were reported in Other long-term liabilities, the remainder were included in Accrued expenses and other current liabilities in the Company's Condensed Consolidated Balance Sheets.

Changes in the Company's product warranty reserves were as follows:

	Three Months Ended		Nine Months Ended	
	March 31, 2024	March 26, 2023	March 31, 2024	March 26, 2023
	(in thousands)			
Balance at beginning of period	$ 260,840	$ 318,969	$ 286,663	$ 256,258
Warranties issued during the period	43,479	54,158	139,713	225,735
Settlements made during the period	(45,916)	(60,440)	(147,595)	(187,174)
Changes in liability for warranties issued during the period	(74)	(942)	(148)	999
Changes in liability for pre-existing warranties	(3,757)	1,087	(24,061)	17,014
Balance at end of period	$ 254,572	$ 312,832	$ 254,572	$ 312,832

Legal Proceedings

While the Company is not currently a party to any legal proceedings that it believes material, the Company is either a defendant or plaintiff in various actions that have arisen from time to time in the normal course of business, including intellectual property claims. The Company accrues for a liability when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Significant judgment is required in both the determination of probability and the determination as to whether a loss is reasonably estimable. Based on current information, the Company does not believe that a material loss from known matters is probable and therefore has not recorded an accrual of any material amount for litigation or other contingencies related to existing legal proceedings.

NOTE 14 — STOCK REPURCHASE PROGRAM

In May 2022, the Board of Directors authorized the Company to repurchase up to an additional $5.0 billion of Common Stock; this authorization supplements the remaining balances from any prior authorizations. These repurchases can be conducted on the open market or as private purchases and may include the use of derivative contracts with large financial institutions, in all cases subject to compliance with applicable law. This repurchase program has no termination date and may be suspended or discontinued at any time.

Repurchases under the repurchase program were as follows during the periods indicated:

Period	Total Number of Shares Repurchased	Total Cost of Repurchase [1]	Average Price Paid Per Share [1]	Amount Available Under Repurchase Program
		(in thousands, except per share data)		
Available balance as of June 25, 2023				$ 3,537,217
Quarter ended September 24, 2023	1,257	$ 829,874	$ 660.01	$ 2,707,343
Quarter ended December 24, 2023	970	$ 640,267	$ 660.04	$ 2,067,076
Quarter ended March 31, 2024	828	$ 860,084	$ 774.77 [2]	$ 1,206,992

(1) The Company's net share repurchases are subject to a 1% excise tax under the Inflation Reduction Act. Excise tax incurred reduces the amount available under the repurchase program, as applicable, and is included in the cost of shares repurchased in the Condensed Consolidated Statement of Stockholders' Equity and the calculation of the average price paid per share.

(2) Average price paid per share excludes the effect of accelerated share repurchase activities. See additional disclosure below regarding the Company's accelerated share repurchase activity during the nine months ended March 31, 2024.

In addition to the shares repurchased under the Board-authorized repurchase program shown above, during the three and nine months ended March 31, 2024, the Company acquired 123 thousand shares at a total cost of $120.1 million and 138 thousand shares at a total cost of $130.0 million, respectively, which the Company withheld through net settlements to cover minimum tax withholding obligations upon the vesting of restricted stock unit awards granted under the Company's equity compensation plans. The shares retained by the Company through these net share settlements are not a part of the Board-authorized repurchase program but instead are authorized under the Company's equity compensation plan.

Accelerated Share Repurchase Agreements

On February 1, 2024, the Company entered into accelerated share repurchase agreements (the "February 2024 ASRs") with two financial institutions to repurchase a total of $700 million of Common Stock. The Company took an initial delivery of approximately 631 thousand shares, which represented 75% of the prepayment amount divided by the Company's closing stock price on February 1, 2024. The total number of shares received under the February 2024 ASRs is based upon the average daily volume weighted average price of the Company's Common Stock during the repurchase period, less an agreed upon discount. Final settlement of the February 2024 ASRs occurred during April 2024, resulting in the receipt of approximately 140 thousand shares, which yielded a weighted-average share price of $917.38 (net of applicable excise taxes) for the transaction period.

The Company recorded the February 2024 ASRs as equity transactions; as such, at the time of receipt, shares were included in treasury stock at fair market value as of the corresponding trade date. The Company reflects shares received as a repurchase of common stock in the weighted average common shares outstanding calculation for basic and diluted earnings per share.

NOTE 15 — RESTRUCTURING CHARGES, NET

The Company records employee severance and separation costs that meet the requirements for recognition in accordance with the relevant guidance of ASC 420, Exit or Disposal Cost Obligations, or ASC 712, Compensation - Non-retirement Post-employment Benefits, as applicable. For involuntary termination benefits that are not provided under the terms of an ongoing benefit arrangement, the liability for the current fair value of expected future costs associated with a management-approved restructuring plan is recognized in the period in which the plan is communicated to the employees and the plan is not expected to change significantly. For ongoing benefit arrangements, inclusive of statutory requirements, employee termination costs are accrued when the existing situation or set of circumstances indicates that an obligation has been incurred, it is probable the benefits will be paid, and the amount can be reasonably estimated. Termination benefits associated with employees that elected to voluntarily terminate as part of the restructuring plan are recorded when the employee irrevocably accepts the offer and the amount can be reasonably estimated. If applicable, the Company records such costs into operating expense over the terminated employees' future service period beyond any minimum or legally required retention period. The majority of restructuring charges that have been incurred but not yet paid are recorded in Accrued expenses and other current liabilities in the Condensed Consolidated Balance Sheets.

In the fiscal year ended June 25, 2023, the Company initiated a restructuring plan designed to better align the Company's cost structure with its outlook for the economic environment and business opportunities. Under the plan, through March 31, 2024, the Company terminated approximately 1,760 employees, incurring expenses related to employee severance and separation costs. Employee severance and separation costs primarily relate to severance, non-cash severance, including equity award compensation expense, pension and other termination benefits. Additionally, the Company made a strategic decision to relocate certain manufacturing activities to pre-existing facilities and incurred charges to move inventory and equipment and exit selected supplier arrangements.

During the three months ended March 31, 2024, net restructuring costs of $15.2 million and $15.2 million were recorded in Restructuring charges, net - cost of goods sold, and Restructuring charges, net - operating expenses, respectively, in the Condensed Consolidated Statements of Operations. During the nine months ended March 31, 2024, net restructuring costs of $38.1 million and $19.0 million were recorded in Restructuring charges, net - cost of goods sold, and Restructuring charges, net - operating expenses, respectively in the Condensed Consolidated Statements of Operations. During the three and nine months ended March 26, 2023, net restructuring costs of $66.7 million and $40.4 million were recorded in Restructuring charges, net - cost of goods sold, and Restructuring charges, net - operating expenses, respectively in the Condensed Consolidated Statements of Operations.

The restructuring plan is expected to be substantially completed by the June 2024 quarter, and cumulative costs as of March 31, 2024 total $177.4 million.

The following table is a summary of the activity related to the restructuring plan:

	Severance and Benefits	Other	Total
		(in thousands)	
Restructuring liability as of June 25, 2023	$ 7,989	$ 246	$ 8,235
Restructuring expense	30,512	26,542	57,054
Cash payments	(18,751)	(15,722)	(34,473)
Non-cash activities	(158)	(6,936)	(7,094)
Restructuring liability as of March 31, 2024	$ 19,592	$ 4,130	$ 23,722

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

With the exception of historical facts, the statements contained in this discussion are forward-looking statements, which are subject to the safe harbor provisions created by the Private Securities Litigation Reform Act of 1995. Certain, but not all, of the forward-looking statements in this report are specifically identified as forward-looking, by use of phrases and words such as "believe," "estimated," "anticipate," "expect," "probable," "intend," "plan," "aim," "may," "should," "could," "would," "will," "continue," and other future-oriented terms. The identification of certain statements as "forward-looking" does not mean that other statements not specifically identified are not forward-looking. Forward-looking statements include, but are not limited to, statements that relate to: trends and opportunities in the global economic environment; trends and opportunities in the semiconductor industry, including in the end markets and applications for semiconductors, and in device complexity; growth or decline in the industry and the market for, and spending on, wafer fabrication equipment; the anticipated levels of, and rates of change in, margins, market share, served available market, capital expenditures, research and development expenditures, international sales, revenue (actual and/or deferred), operating expenses and earnings generally; management's plans and objectives for our current and future operations and business focus; restructuring activities; business process improvements and initiatives; volatility in our quarterly results; the makeup of our customer base; customer and end user requirements and our ability to satisfy those requirements; customer spending and demand for our products and services, and the reliability of indicators of change in customer spending and demand; the effect of variability in our customers' business plans or demand for our products and services; our competition, and our ability to defend our market share and to gain new market share; the success of joint development and collaboration relationships with customers, suppliers, or others; outsourced activities; our supply chain and the role of suppliers in our business, including the impacts of supply chain constraints and material costs; our leadership and competency, and our ability to facilitate innovation; our research and development programs; our ability to create sustainable differentiation; technology inflections in the industry and our ability to identify those inflections and to invest in research and development programs to meet them; our ability to deliver multi-product solutions; the resources invested to comply with evolving standards and the impact of such efforts; changes in state, federal and international tax laws, our estimated annual tax rate and the factors that affect our tax rates; legal and regulatory compliance; the estimates we make, and the accruals we record, in order to implement our critical accounting policies (including, but not limited to, the adequacy of prior tax payments, future tax benefits or liabilities, and the adequacy of our accruals relating to them); hedging transactions; debt or financing arrangements; our investment portfolio; our access to capital markets; uses of, payments of, and impact of interest rate fluctuations on, our debt; our intention to pay quarterly dividends and the amounts thereof, if any; our ability and intention to repurchase our shares; credit risks; controls and procedures; recognition or amortization of expenses; our ability to manage and grow our cash position; our strategic relevance with our customers; our ability to scale our operations to respond to changes in our business; the value of our patents; the materiality of potential losses arising from legal proceedings; the probability of making payments under our guarantees; and the sufficiency of our financial resources or liquidity to support future business activities (including, but not limited to, operations, investments, debt service requirements, dividends, and capital expenditures). Such statements are based on current expectations and are subject to risks, uncertainties, and changes in condition, significance, value, and effect, including without limitation those discussed below under the heading "Risk Factors" within Part II Item 1A and elsewhere in this report and other documents we file from time to time with the Securities and Exchange Commission ("SEC"), such as our annual report on Form 10-K for the year ended June 25, 2023 (our "2023 Form 10-K"), our quarterly reports on Form 10-Q for the fiscal quarters ended September 24, 2023 and December 24, 2023, and our current reports on Form 8-K. Such risks, uncertainties, and changes in condition, significance, value, and effect could cause our actual results to differ materially from those expressed in this report and in ways not readily foreseeable. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof and are based on information currently and reasonably known to us. We do not undertake any obligation to release the results of any revisions to these forward-looking statements, which may be made to reflect events or circumstances that occur after the date of this report or to reflect the occurrence or effect of anticipated or unanticipated events.

Documents To Review In Connection With Management's Discussion and Analysis Of Financial Condition and Results Of Operations

For a full understanding of our financial position and results of operations for the three and nine months ended March 31, 2024, and the related Management's Discussion and Analysis of Financial Condition and Results of Operations below, you should also read the Condensed Consolidated Financial Statements and notes presented in this Form 10-Q and the financial statements and notes in our 2023 Form 10-K.

EXECUTIVE SUMMARY

Lam Research Corporation is 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 and better performing devices that are used in a variety of electronic products, including mobile phones, personal computers, servers, wearables, automotive vehicles, and data storage devices.

Our customer base includes leading semiconductor memory, foundry, and integrated device manufacturers that make products such as non-volatile memory, dynamic random-access memory, and logic devices. Their continued success is part of our commitment to driving semiconductor breakthroughs that define the next generation. Our core technical competency is integrating hardware, process, materials, software, and process control, enabling results on the wafer.

Semiconductor manufacturing, our customers' business, involves the complete fabrication of multiple dies or integrated circuits on a wafer. This involves the repetition of a set of core processes and can require hundreds of individual steps. Fabricating these devices 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, wafer processing equipment must deliver high productivity and be cost-effective.

Demand from cloud computing, artificial intelligence, 5G, the Internet of Things, and other markets is driving the need for increasingly powerful and cost-efficient semiconductors. At the same time, there are growing technical challenges with traditional two-dimensional scaling. These trends are driving significant inflections in semiconductor manufacturing, such as the increasing importance of vertical scaling strategies like three-dimensional architecture as well as multiple patterning to enable shrinks.

We believe we are in a strong position with our leadership and expertise in deposition, etch, and clean markets to facilitate some of the most significant innovations in semiconductor device manufacturing. Our Customer Support Business Group provides products and services to maximize installed equipment performance, predictability, and operational efficiency. Several factors create opportunities for sustainable differentiation for us: (i) our focus on research and development, with several on-going programs relating to sustaining engineering, product and process development, and concept and feasibility; (ii) our ability to effectively leverage cycles of learning from our broad installed base; (iii) our collaborative focus with semi-ecosystem partners, including our close-to-customer focus; (iv) our ability to identify and invest in the breadth of our product portfolio to meet technology inflections; and (v) our focus on delivering our multi-product solutions with a goal to enhance the value of Lam's solutions to our customers.

In calendar year 2024, we anticipate higher wafer fabrication equipment spending, driven primarily by an increase in memory and non-memory market segments. In calendar year 2023, customer demand weakened due to wafer fabrication equipment spending reductions resulting primarily from weakness in the memory market. We initiated a restructuring plan in the quarter ended March 26, 2023 designed to better align the Company's cost structure with our outlook. We continue to work towards a number of business process improvements and initiatives throughout the 2024 fiscal year and expect to incur expenditures from these activities in the range of $300 million, inclusive of the restructuring activity. Risks and uncertainties such as trade restrictions and the semiconductor demand environment may continue to negatively impact our revenue and operating margin. Over the longer term, we believe that secular demand for semiconductors, combined with technology inflections in our industry, including 3D device scaling, multiple patterning, process flow, and advanced packaging chip integration, will drive sustainable growth and lead to an increase in the served available market for our products and services in the deposition, etch, and clean businesses.

The following table summarizes certain key financial information for the periods indicated below:

	Three Months Ended	
	March 31, 2024	December 24, 2023
	(in thousands, except per share data and percentages)	
Revenue	$ 3,793,558	$ 3,758,259
Gross margin	$ 1,800,536	$ 1,757,455
Gross margin as a percent of total revenue	47.5 %	46.8 %
Total operating expenses	$ 743,424	$ 700,243
Net income	$ 965,826	$ 954,266
Diluted net income per share	$ 7.34	$ 7.22

In the March 2024 quarter, revenue increased 1% compared to the three months ended December 24, 2023 (the "December 2023 quarter"), primarily driven by an increase in revenue generated in our China region. The deferred revenue balance was $1,745.8 million at the end of the March 2024 quarter, a decrease relative to the balance at the end of the December 2023 quarter of $1,928.0 million, mainly due to a decrease in advanced deposits. We aim to balance the requirements of our customers with the availability of resources, as well as performance to our operational and financial objectives. As a result, from time to time, we exercise discretion and judgment as to the timing and prioritization of manufacturing and delivery of products, which has impacted, and may in the future impact, the timing of revenue recognition with respect to such products.

The increase in gross margin as a percentage of revenue in the March 2024 quarter compared to the December 2023 quarter was primarily a result of favorable changes in product and customer mix, as well as improved factory efficiencies, partially offset by increased transformational charges and costs associated with the impairment of long-lived assets. The increase in operating expenses in the March 2024 quarter compared to the December 2023 quarter was driven by increases in employee-related costs as a result of the extra week in the March 2024 quarter and seasonality, partially offset by reduced spending on transformational activities.

Our cash and cash equivalents, investments, and restricted cash and investments balances increased slightly to $5.7 billion at the end of the March 2024 quarter compared to $5.6 billion at the end of the December 2023 quarter. This increase was primarily the result of $1,384.8 million of cash generated from operating activities, partially offset by $980.6 million of share repurchases, including net share settlement of employee stock-based compensation; $262.7 million of dividends paid to stockholders; and $103.7 million of capital expenditures. Employee headcount as of March 31, 2024 was approximately 17,200.

RESULTS OF OPERATIONS

Revenue

	Three Months Ended		Nine Months Ended	
	March 31, 2024	December 24, 2023	March 31, 2024	March 26, 2023
Revenue (in millions)	$ 3,794	$ 3,758	$ 11,034	$ 14,221
China	42 %	40 %	43 %	26 %
Korea	24 %	19 %	20 %	20 %
Japan	9 %	14 %	11 %	10 %
Taiwan	9 %	13 %	10 %	20 %
United States	6 %	5 %	7 %	9 %
Southeast Asia	5 %	4 %	4 %	9 %
Europe	5 %	5 %	5 %	6 %

The decrease in revenue for the nine months ended March 31, 2024 as compared to the same period in 2023 is primarily due to decreases in NAND as well as Foundry and Logic spending by our customers, partially offset by increases in dynamic random-access memory ("DRAM") spending during this period.

The following table presents our revenue disaggregated between systems and customer support-related revenue:

	Three Months Ended		Nine Months Ended	
	March 31, 2024	December 24, 2023	March 31, 2024	March 26, 2023
	(In thousands)			
Systems revenue	$ 2,395,817	$ 2,299,286	$ 6,751,758	$ 8,985,538
Customer support-related revenue and other	1,397,741	1,458,973	4,282,121	5,235,721
	$ 3,793,558	$ 3,758,259	$ 11,033,879	$ 14,221,259

Please refer to Note 3, “Revenue,” to the Condensed Consolidated Financial Statements of this Form 10-Q for additional information regarding the composition of the two categories into which revenue has been disaggregated.

The percentage of leading- and non-leading-edge equipment and upgrade revenue from each of the markets we serve was as follows:

	Three Months Ended		Nine Months Ended	
	March 31, 2024	December 24, 2023	March 31, 2024	March 26, 2023
Memory	44 %	48 %	44 %	46 %
Foundry	44 %	38 %	39 %	36 %
Logic/integrated device manufacturing	12 %	14 %	17 %	18 %

The decrease in the memory market segment for the March 2024 quarter compared to the December 2023 quarter is primarily attributable to DRAM spending. This is partially offset by increases in the Foundry market segment predominantly related to spending by our domestic China customers in the same period.

Gross Margin

	Three Months Ended		Nine Months Ended	
	March 31, 2024	December 24, 2023	March 31, 2024	March 26, 2023
	(in thousands, except percentages)			
Gross margin	$ 1,800,536	$ 1,757,455	$ 5,212,693	$ 6,318,796
Percent of revenue	47.5 %	46.8 %	47.2 %	44.4 %

Gross margin as a percentage of revenue was higher in the March 2024 quarter compared to the December 2023 quarter primarily as a result of favorable changes in product and customer mix, as well as improved factory efficiencies, partially offset by increased transformational charges and costs associated with the impairment of long-lived assets.

The increase in gross margin as a percentage of revenue in the nine months ended March 31, 2024 compared to the same period in the prior year was primarily due to favorable customer mix and reduced spending on material costs.

Research and Development

	Three Months Ended		Nine Months Ended	
	March 31, 2024	December 24, 2023	March 31, 2024	March 26, 2023
	(in thousands, except percentages)			
Research & development (“R&D”)	$ 512,274	$ 469,712	$ 1,404,615	$ 1,325,211
Percent of revenue	13.5 %	12.5 %	12.7 %	9.3 %

We continued to make significant R&D investments in the March 2024 quarter focused on leading-edge deposition, etch, clean and other semiconductor manufacturing processes. The increase in R&D expense in the March 2024 quarter compared to the December 2023 quarter was primarily driven by increases in employee-related costs as a result of seasonality and the extra week in the quarter, as well as increased spending on transformational activities.

R&D expense in the nine months ended March 31, 2024 increased compared to the same period in the prior year, driven by increases in employee-related costs, deferred compensation plan-related costs and depreciation, as well as higher spending on supplies.

Selling, General, and Administrative

	Three Months Ended		Nine Months Ended	
	March 31, 2024	December 24, 2023	March 31, 2024	March 26, 2023
	(in thousands, except percentages)			
Selling, general, and administrative ("SG&A")	$ 215,904	$ 228,843	$ 651,770	$ 632,922
Percent of revenue	5.7 %	6.1 %	5.9 %	4.5 %

SG&A expense during the March 2024 quarter decreased in comparison to the December 2023 quarter, primarily driven by decreases in transformational costs.

SG&A expense during the nine months ended March 31, 2024 increased compared to the same period in the prior year, driven by increases in transformational and deferred compensation-related costs, partially offset by decreases in spending for outside services and supplies.

Restructuring Charges, Net

	Three Months Ended		Nine Months Ended	
	March 31, 2024	December 24, 2023	March 31, 2024	March 26, 2023
	(in thousands, except percentages)			
Restructuring charges, net	$ 30,448	$ 16,645	$ 57,054	$ 107,128
Percent of revenue	0.8 %	0.4 %	0.5 %	0.8 %

During fiscal year 2023, we initiated a restructuring plan designed to better align our cost structure with our outlook for the economic environment and business opportunities. Under the plan we terminated approximately 1,760 employees, incurring expenses related to employee severance and separation costs. Employee severance and separation costs primarily relate to severance, non-cash severance, including equity award compensation expense, pension and other termination benefits. Additionally, we made a strategic decision to relocate certain manufacturing activities to pre-existing facilities.

Restructuring charges in the March 2024 quarter increased compared to the December 2023 quarter, due primarily to employee severance and separation costs associated with workforce reduction activities during the March 2024 quarter.

Restructuring charges decreased during the nine months ended March 31, 2024 compared to the same period in the prior year due primarily to lower employee severance and separation costs.

Please refer to Note 15, "Restructuring charges, net," to our Condensed Consolidated Financial Statements, included in Part I of this Form 10-Q for additional information.

Other Income (Expense), Net

Other income (expense), net consisted of the following:

	Three Months Ended		Nine Months Ended	
	March 31, 2024	December 24, 2023	March 31, 2024	March 26, 2023
	(in thousands)			
Interest income	$ 71,752	$ 57,595	$ 185,911	$ 83,155
Interest expense	(47,153)	(46,313)	(138,797)	(139,930)
Gains on deferred compensation plan-related assets, net	26,495	25,530	49,124	3,588
Foreign exchange losses, net	(4,344)	(568)	(3,643)	(8,812)
Other, net	(10,677)	(6,405)	(24,082)	(12,661)
	$ 36,073	$ 29,839	$ 68,513	$ (74,660)

Interest income increased for the three and nine months ended March 31, 2024 compared to the three months ended December 24, 2023, and nine months ended March 26, 2023, respectively, primarily due to higher yields and higher average balances.

Interest expense is consistent across all periods presented.

The gains on deferred compensation plan-related assets, net were driven by fluctuations in the fair market value of the underlying funds for all periods presented.

Foreign exchange fluctuations were primarily due to currency movements against portions of our unhedged balance sheet exposures for all periods presented.

The losses in other, net for the three and nine months ended March 31, 2024 increased compared to the three months ended December 24, 2023 and nine months ended March 26, 2023, respectively, primarily driven by fluctuations in the fair market value of equity investments.

Income Tax Expense

Our provision for income taxes and effective tax rate for the periods indicated were as follows:

	Three Months Ended		Nine Months Ended	
	March 31, 2024	December 24, 2023	March 31, 2024	March 26, 2023
	(in thousands, except percentages)			
Income tax expense	$ 127,359	$ 132,785	$ 398,376	$ 537,201
Effective tax rate	11.7 %	12.2 %	12.4 %	12.7 %

The decrease in the effective tax rate for the March 2024 quarter compared to the December 2023 quarter and for the nine months ended March 31, 2024 compared to the same period in the prior year was primarily due to the change in level and proportion of income in higher and lower tax jurisdictions and higher stock-based compensation excess tax benefits.

International revenues account for a significant portion of our total revenues, such that a material portion of our pre-tax income is earned and taxed outside the United States. International pre-tax income is taxable in the United States at a lower effective tax rate than the federal statutory tax rate. Please refer to Note 7, “Income Taxes,” to our Consolidated Financial Statements in Part II, Item 8 of our 2023 Form 10-K for additional information.

On August 16, 2022, the IRA was signed into law. In general, the provisions of the IRA are effective beginning with our fiscal year 2024, with certain exceptions. The IRA includes a new 15% corporate minimum tax. We have evaluated the potential impacts of the IRA and do not expect it to have a material impact on our effective tax rate. However, we expect future guidance from the Treasury Department and will further analyze when the guidance is issued.

We re-evaluate uncertain tax positions on a quarterly basis. This evaluation is based on factors including, but not limited to, changes in facts or circumstances, changes in tax law, effectively settled issues under audit, and new audit activity. Any change in recognition or measurement would result in the recognition of a tax benefit or an additional charge to the tax provision.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

A critical accounting policy is defined as one that has both a material impact on our financial condition and results of operations and requires us to make difficult, complex and/or subjective judgments, often as a result of the need to make estimates about matters that are inherently uncertain. The preparation of financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) requires management to make certain judgments, estimates and assumptions that could affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. We base our estimates and assumptions on historical experience and on various other assumptions we believe to be applicable and evaluate them on an ongoing basis to ensure they remain reasonable under current conditions. Actual results could differ significantly from those estimates, which could have a material impact on our business, results of operations, and financial condition. Our critical accounting estimates include:

- the recognition and valuation of revenue from arrangements with multiple performance obligations which impacts revenue;
- the valuation of inventory, which impacts gross margin;
- the recognition and measurement of current and deferred income taxes, including the measurement of uncertain tax positions, which impact our provision for income tax expenses; and
- the valuation and recoverability of long-lived assets, which impacts gross margin and operating expenses when we record asset impairments or accelerate their depreciation or amortization.

Refer to our “Critical Accounting Policies and Estimates” included in Part II, Item 7 of our 2023 Form 10-K for a discussion of the critical accounting estimates identified above.

Recent Accounting Pronouncements

See Note 2 - Recent Accounting Pronouncements, of our Condensed Consolidated Financial Statements, included in Part 1 of this Form 10-Q.

LIQUIDITY AND CAPITAL RESOURCES

Total gross cash, cash equivalents, investments, and restricted cash and investments balances were $5.7 billion at March 31, 2024 compared to $5.6 billion as of June 25, 2023. This slight increase was primarily driven by cash generated from operating activities totaling $3,789.8 million, partially offset by $2,469.3 million of share repurchases, including net share settlement on employee stock-based compensation; $757.5 million in dividends paid, $295.9 million in capital expenditures; and $255.2 million of repayment of debt largely associated with the purchase of certain properties under finance leases.

Net cash provided by operating activities of $3,789.8 million during the nine months ended March 31, 2024, consisted of (in thousands):

Net income	$	2,807,490
Non-cash charges:		
Depreciation and amortization		271,342
Equity-based compensation expense		213,966
Deferred income taxes		(137,606)
Changes in operating asset and liability accounts		620,405
Other		14,242
	$	3,789,839

Significant changes in operating asset and liability accounts, net of foreign exchange impact, included the following sources of cash: decreases in accounts receivable of $614.5 million and inventory of $439.4 million, and an increase in trade accounts payable of $55.9 million. These sources of cash are offset by the following uses of cash: a decrease in accrued expenses and other liabilities of $354.3 million, a decrease in deferred gross profit of $93.5 million, and an increase in prepaid expenses and other current assets of $41.6 million.

Cash Flow from Investing Activities

Net cash used for investing activities during the nine months ended March 31, 2024, was $269.0 million, primarily consisting of $295.9 million in capital expenditures, partially offset by proceeds from net maturities of available-for-sale securities of $37.8 million.

Cash Flow from Financing Activities

Net cash used for financing activities during the nine months ended March 31, 2024, was $3,421.7 million, primarily consisting of $2,469.3 million in treasury stock repurchases, including net share settlement on employee stock-based compensation, $757.5 million in dividends paid, and $255.2 million of repayment of debt, largely associated with the purchase of certain properties under finance leases.

Liquidity

Given that the semiconductor industry is highly competitive and has historically experienced rapid changes in demand, we believe that maintaining sufficient liquidity reserves is important to support sustaining levels of investment in R&D and capital infrastructure. Anticipated cash flows from operations based on our current business outlook, combined with our current levels of cash, cash equivalents, and short-term investments as of March 31, 2024, are expected to be sufficient to support our anticipated levels of operations, investments, debt service requirements, capital expenditures, capital redistributions, and dividends through at least the next twelve months. However, factors outside of our control, including uncertainty in the global economy and the semiconductor industry, as well as disruptions in credit markets, have in the past, are currently, and could in the future, impact customer demand for our products, as well as our ability to manage normal commercial relationships with our customers, suppliers, and creditors.

In the longer term, liquidity will depend to a great extent on our future revenues and our ability to appropriately manage our costs based on demand for our products and services. While we have substantial cash balances, we may require additional funding and need or choose to raise the required funds through borrowings or public or private sales of debt or equity securities. We believe that, if necessary, we will be able to access the capital markets on terms and in amounts adequate to meet our objectives. However, domestic and global macroeconomic and political conditions could cause disruptions to the capital markets and otherwise make any financing more challenging, and there can be no assurance that we will be able to obtain such financing on commercially reasonable terms or at all.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

For financial market risks related to changes in interest rates, marketable equity security prices, and foreign currency exchange rates, refer to Part II, Item 7A, “Quantitative and Qualitative Disclosures About Market Risk”, in our 2023 Form 10-K. Our exposure related to market risk has not changed materially since June 25, 2023.

ITEM 4. Controls and Procedures

Design of Disclosure Controls and Procedures and Internal Control over Financial Reporting

We maintain disclosure controls and procedures and internal control over financial reporting that are designed to comply with Rule 13a-15 of the Exchange Act. In designing and evaluating the controls and procedures associated with each, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and that the effectiveness of controls cannot be absolute because the cost to design and implement a control to identify errors or mitigate the risk of errors occurring should not outweigh the potential loss caused by the errors that would likely be detected by the control. Moreover, we believe that a control system cannot be guaranteed to be 100% effective all of the time. Accordingly, a control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system’s objectives will be met.

Disclosure Controls and Procedures

As required by Exchange Act Rule 13a-15(b), as of March 31, 2024, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rule 13a-15(e). Based upon that evaluation, our Chief Executive Officer, along with our Chief Financial Officer, concluded that our disclosure controls and procedures are effective at the reasonable assurance level.

We intend to review and evaluate the design and effectiveness of our disclosure controls and procedures on an ongoing basis and to correct any material deficiencies that we may discover. Our goal is to ensure that our senior management has timely access to material information that could affect our business.

Changes in Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Effectiveness of Controls

While we believe the present design of our disclosure controls and procedures and internal control over financial reporting is effective, future events affecting our business may cause us to modify our disclosure controls and procedures or internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings

Please refer to the subsection entitled “Legal Proceedings” within Note 13 “Commitments and Contingencies," to our Condensed Consolidated Financial Statements in this quarterly report on Form 10-Q.

ITEM 1A. Risk Factors

In addition to the other information in this Form 10-Q, the following risk factors should be carefully considered in evaluating us and our business because such factors may significantly impact our business, operating results, and financial condition. As a result of these risk factors, as well as other risks discussed in our other SEC filings, our actual results could differ materially from those projected in any forward-looking statements. No priority or significance is intended by, nor should be attached to, the order in which the risk factors appear.

INDUSTRY AND CUSTOMER RISKS

The Semiconductor Capital Equipment Industry Is Subject to Variability and Periods of Rapid Growth or Decline; We Therefore Face Risks Related to Our Strategic Resource Allocation Decisions

The semiconductor capital equipment industry has historically been characterized by rapid changes in demand. Variability in our customers’ business plans may lead to changes in demand for our equipment and services, which could negatively impact our results. The variability in our customers’ investments during any particular period is dependent on several factors, including, but not limited to, electronics demand, economic conditions (both general and in the semiconductor and electronics industries), industry supply and demand, prices for semiconductors, and our customers’ ability to develop and manufacture increasingly complex and costly semiconductor devices. The changes in demand may require our management to adjust spending and other resources allocated to operating activities.

During periods of rapid growth or decline in demand for our products and services, we face significant challenges in maintaining adequate financial and business controls, management processes, information systems, and procedures for training, assimilating, and managing our workforce, and in appropriately sizing our supply chain infrastructure and facilities, work force, and other components of our business on a timely basis. If we do not adequately meet these challenges during periods of increasing or declining demand, our gross margins and earnings may be negatively impacted.

We continuously reassess our strategic resource allocation choices in response to the changing business environment. If we do not adequately adapt to the changing business environment, we may lack the infrastructure and resources to scale up our business to meet customer expectations and compete successfully during a period of growth, or we may expand our capacity and resources too rapidly and/or beyond what is appropriate for the actual demand environment, resulting in excess fixed costs.

Especially during transitional periods, resource allocation decisions can have a significant impact on our future performance, particularly if we have not accurately anticipated industry changes. Our success will depend, to a significant extent, on the ability of our executive officers and other members of our senior management to identify and respond to these challenges effectively.

Future Declines in the Semiconductor Industry, and the Overall World Economic Conditions on Which It Is Significantly Dependent, Could Have a Material Adverse Impact on Our Results of Operations and Financial Condition

Our business depends on the capital equipment expenditures of semiconductor manufacturers, which in turn depend on the current and anticipated market demand for integrated circuits. With the consolidation of customers within the industry, the semiconductor capital equipment market may experience rapid changes in demand driven both by changes in the market generally and the plans and requirements of particular customers. The economic, regulatory, political, and business conditions occurring nationally, globally, or in any of our key sales regions, which are often unpredictable, have historically impacted customer demand for our products and services and normal commercial relationships with our customers, suppliers, and creditors. Additionally, in times of economic uncertainty, our customers’ budgets for our products, or their ability to access credit to purchase them, could be adversely affected. This would limit their ability to purchase our products and services. As a result, changing economic, regulatory, political or business conditions can cause material adverse changes to our results of operations and financial condition, including, but not limited to:

- a decline in demand for our products or services;
- an increase in reserves on accounts receivable due to our customers’ inability to pay us;
- an increase in reserves on inventory balances due to excess or obsolete inventory as a result of our inability to sell such inventory;
- valuation allowances on deferred tax assets;
- restructuring charges;
- asset impairments including the potential impairment of goodwill and other intangible assets;
- a decline in the value of our investments;

- exposure to claims from our suppliers for payment on inventory that is ordered in anticipation of customer purchases that do not come to fruition; and
- challenges maintaining reliable and uninterrupted sources of supply.

Fluctuating levels of investment by semiconductor manufacturers may materially affect our aggregate shipments, revenues, operating results, and earnings. Where appropriate, we will attempt to respond to these fluctuations with cost management programs aimed at aligning our expenditures with anticipated revenue streams, which sometimes result in restructuring charges. Even during periods of reduced revenues, we must continue to invest in R&D and maintain extensive ongoing worldwide customer service and support capabilities to remain competitive, which may temporarily harm our profitability and other financial results.

We Have a Limited Number of Key Customers

Sales to a limited number of large customers constitute a significant portion of our overall revenue, shipments, cash flows, collections, and profitability. As a result, the actions of even one customer may subject us to variability in those areas that is difficult to predict. In addition, large customers may be able to negotiate requirements that result in decreased pricing, increased costs, and/or lower margins for us and limitations on our ability to share technology with others. Similarly, significant portions of our credit risk may, at any given time, be concentrated among a limited number of customers so that the failure of even one of these key customers to pay its obligations to us could significantly impact our financial results.

We Face a Challenging and Complex Competitive Environment

We face significant competition from multiple competitors, and our competitors may be able to develop products comparable or superior to those we offer or may adapt more quickly to new technologies or evolving customer requirements. In particular, while we continue to develop product enhancements that we believe will address future customer requirements, we may fail in a timely manner to identify those future customer requirements, to devote appropriate resources to developing products to address those requirements, or to complete the development or introduction of these additional product enhancements successfully, or these product enhancements may not achieve market acceptance or be competitive. Accordingly, competition may intensify, and we may be unable to continue to compete successfully in our markets, which could have a material adverse effect on our revenues, operating results, financial condition, and/or cash flows.

With increased consolidation efforts in our industry, as well as the emergence and strengthening of new, regional competitors, we may face increasing competitive pressures. Other companies continue to develop systems and/or acquire businesses and products that are competitive to ours and may introduce new products and product capabilities that may affect our ability to sell and support our existing products. We face a greater risk if our competitors enter into strategic relationships with leading semiconductor manufacturers covering products similar to those we sell or may develop, as this could adversely affect our ability to sell products to those manufacturers.

We believe that to remain competitive we must devote significant financial resources to offer products that meet our customers' needs, to maintain customer service and support centers worldwide, and to invest in product and process R&D. Technological changes and developing technologies have required, and are expected to continue to require, new and costly investments. Certain of our competitors, including those that are created and financially backed by foreign governments, have substantially greater financial resources and more extensive engineering, manufacturing, marketing, and customer service and support resources than we do and therefore have the potential to offer customers a more comprehensive array of products and/or product capabilities and to therefore achieve additional relative success in the semiconductor equipment industry. These competitors may deeply discount or give away products similar to those that we sell, challenging or even exceeding our ability to make similar accommodations and threatening our ability to sell those products. We also face competition from our own customers, who in some instances have established affiliated entities that manufacture equipment similar to ours. In addition, we face competition from companies that exist in a more favorable legal or regulatory environment than we do, who are able to sell products for certain applications at certain customers that we are prohibited from selling to under applicable export controls, allowing the freedom of action in ways that we may be unable to match. In many cases speed to solution is necessary for customer satisfaction and our competitors may be better positioned to achieve these objectives. For these reasons, we may fail to continue to compete successfully worldwide.

Once a Semiconductor Manufacturer Commits to Purchase a Competitor's Semiconductor Manufacturing Equipment, the Manufacturer Typically Continues to Purchase That Competitor's Equipment, Making It More Difficult for Us to Sell Our Equipment to That Customer

Semiconductor manufacturers must make a substantial investment to qualify and integrate wafer processing equipment into a semiconductor production line. We believe that once a semiconductor manufacturer selects a particular supplier's processing equipment, the manufacturer generally relies upon that equipment for that specific production line application for an extended period of time, especially for customers that are more focused on tool reuse. Accordingly, we expect it to be more difficult to sell our products to a given customer for a product line application if that customer initially selects a competitor's equipment for the same product line application.

We Depend on Creating New Products and Processes and Enhancing Existing Products and Processes for Our Success; Consequently, We Are Subject to Risks Associated with Rapid Technological Change

Rapid technological changes in semiconductor manufacturing processes subject us to increased pressure to develop technological advances that enable those processes. We believe that our future success depends in part upon our ability to develop and offer new products with improved capabilities and to continue to enhance our existing products. If new products or existing products have reliability, quality, design, or safety problems, our performance may be impacted by reduced orders, higher manufacturing costs, delays in acceptance of and payment for new products, and additional service and warranty expenses. We may be unable to develop and manufacture products successfully, or products that we introduce may fail in the marketplace. For more than 25 years, the primary driver of technology advancement in the semiconductor industry has been to shrink the lithography that prints the circuit design on semiconductor chips. That driver could be approaching its technological limit, leading semiconductor manufacturers to investigate more complex changes in multiple technologies in an effort to continue technology development. In addition, the emergence of “big data” and new tools such as machine learning and artificial intelligence that capitalize on the availability of large data sets is leading semiconductor manufacturers and equipment manufacturers to pursue new products and approaches that exploit those tools to advance technology development. In the face of uncertainty on which technology solutions will become successful, we will need to focus our efforts on developing the technology changes that are ultimately successful in supporting our customers’ requirements. Our failure to develop and offer the correct technology solutions in a timely manner with productive and cost-effective products could adversely affect our business in a material way. Our failure to commercialize new products in a timely manner could result in loss of market share, unanticipated costs, and inventory obsolescence, which would adversely affect our financial results.

In order to develop new products and processes and enhance existing products and processes, we expect to continue to make significant investments in R&D, to investigate the acquisition of products and technologies, to invest in or acquire businesses or technologies, and to pursue joint development relationships with customers, suppliers, or other members of the industry. Our investments and acquisitions may not be as successful as we may expect, particularly in the event that we invest in or acquire product lines and technologies that are new to us. We may find that acquisitions are not available to us, for regulatory or other reasons, and that we must therefore limit ourselves to collaboration and joint venture development activities that do not have the same benefits as acquisitions. Pursuing development through collaboration and/or joint development activities rather than through an acquisition may pose substantial challenges for management, including those related to aligning business objectives; sharing confidential information, intellectual property and data; sharing value with third parties; and realizing synergies that might have been available in an acquisition but are not available through a joint development project. We must manage product transitions and joint development relationships successfully, as the introduction of new products could adversely affect our sales of existing products and certain jointly developed technologies may be subject to restrictions on our ability to share that technology, which could limit our market for products incorporating those technologies. Future technologies, processes, or product developments may render our current product offerings obsolete, leaving us with non-competitive products, obsolete inventory, or both. Moreover, customers may adopt new technologies or processes to address the complex challenges associated with next-generation devices. This shift may result in a reduction in the size of our addressable markets or could increase the relative size of markets in which we either do not compete or have relatively low market share.

Strategic Alliances and Customer Consolidation May Have Negative Effects on Our Business

Semiconductor manufacturing companies from time to time enter into strategic alliances or consolidate with one another to expedite the development of processes and other manufacturing technologies and/or achieve economies of scale. The outcomes of such an alliance can be the definition of a particular tool set for a certain function and/or the standardization of a series of process steps that use a specific set of manufacturing equipment, while the outcomes of consolidation can lead to an overall reduction in the market for semiconductor manufacturing equipment as customers’ operations achieve economies of scale and/or increased purchasing power based on their higher volumes. In certain instances, this could work to our disadvantage if a competitor’s tools or equipment become the standard equipment for such functions or processes. Additional outcomes of such consolidation may include our customers re-evaluating their future supplier relationships to consider our competitors’ products and/or gaining additional influence over the pricing of products and the control of intellectual property or data.

Similarly, our customers may partner with, or follow the lead of, educational or research institutions that establish processes for accomplishing various tasks or manufacturing steps. If those institutions utilize a competitor’s equipment when they establish those processes, it is likely that customers will tend to use the same equipment in setting up their own manufacturing lines. Even if they select our equipment, the institutions and the customers that follow their lead could impose conditions on acceptance of that equipment, such as adherence to standards and requirements or limitations on how we license our proprietary rights, that increase our costs or require us to take on greater risk. These actions could adversely impact our market share and financial results.

BUSINESS AND OPERATIONAL RISKS

Our Revenues and Operating Results Are Variable

Our revenues and operating results may fluctuate significantly from quarter to quarter or year to year due to a number of factors, not all of which are in our control. We manage our expense levels based in part on our expectations of future revenues. Because our operating expenses are based in part on anticipated future revenues, and a certain amount of those expenses are relatively fixed, a change in the timing of recognition of revenue and/or the level of gross profit from a small number of transactions can unfavorably

affect operating results in a particular quarter or year. Factors that may cause our financial results to fluctuate unpredictably include, but are not limited to:

- legal, tax, accounting, or regulatory changes (including, but not limited to, changes in import/export regulations and tariffs, such as regulations imposed by the U.S. government restricting exports to China) or changes in the interpretation or enforcement of existing requirements;
- macroeconomic, industry and market conditions, including those caused by the Russian invasion of Ukraine, conflict in the Middle East, bank failures; and geopolitical issues;
- changes in average selling prices, customer mix, and product mix;
- foreign currency exchange rate fluctuations;
- economic conditions in the electronics and semiconductor industries in general and specifically the semiconductor equipment industry;
- the size and timing of orders from customers;
- changes in our deferred revenue balance, including as a result of factors such as volume purchase agreements, multi-year service contracts, back orders, and down payments toward purchases;
- consolidation of the customer base, which may result in the investment decisions of one customer or market having a significant effect on demand for our products or services;
- procurement shortages;
- the failure of our suppliers or outsource providers to perform their obligations in a manner consistent with our expectations;
- manufacturing difficulties;
- customer cancellations or delays in shipments, installations, customer payments, and/or customer acceptances;
- the extent that customers continue to purchase and use our products and services in their business;
- our customers' reuse of existing and installed products, to the extent that such reuse decreases their need to purchase new products or services;
- our ability to develop, introduce, and market new, enhanced, and competitive products in a timely manner;
- our competitors' introduction of new products;
- legal or technical challenges to our products and technologies;
- transportation, communication, demand, information technology, or supply disruptions based on factors outside our control, such as strikes, acts of God, wars, terrorist activities, widespread outbreak of illness, natural or man-made disasters, international conflict, or climate change;
- management of supply chain risks;
- rising inflation or interest rates; and
- changes in our estimated effective tax rate.

Our Future Success Depends Heavily on International Sales and the Management of Global Operations

Non-U.S. sales, as reflected in Part I Item 2. Results of Operations of this quarterly report on Form 10-Q, accounted for approximately 93%, 91%, and 92% of total revenue in the nine months ended March 31, 2024 and fiscal years 2023, and 2022, respectively. We expect that international sales will continue to account for a substantial majority of our total revenue in future years.

We are subject to various challenges related to international sales and the management of global operations including, but not limited to:

- domestic and international trade regulations, policies, practices, relations, disputes and issues;
- domestic and international tariffs, export controls and other barriers;
- developing customers and/or suppliers, who may have limited access to capital resources;
- global or national economic and political conditions;
- changes in currency controls;
- differences in the enforcement of intellectual property and contract rights in varying jurisdictions;
- our ability to respond to customer and foreign government demands for locally sourced systems, spare parts, and services and develop the necessary relationships with local suppliers;
- changes in and compliance with U.S. and international laws and regulations affecting foreign operations, including U.S. and international trade restrictions and sanctions, international data privacy regulations, such as the General Data Protection Regulation, anti-bribery, anti-corruption, anti-boycott, environmental, tax, and labor laws;
- fluctuations in interest and foreign currency exchange rates;
- the need for technical support resources in different locations; and
- our ability to secure and retain qualified people, and effectively manage people, in all necessary locations for the successful operation of our business.

There is inherent risk, based on the complex relationships among China, Japan, Korea, Taiwan, and the United States, that political, diplomatic and national security influences can lead to trade disputes, impacts and/or disruptions, in particular those affecting the semiconductor industry. This can adversely affect our business with China, Japan, Korea, and/or Taiwan and perhaps the entire Asia Pacific region or global economy. A significant trade dispute, impact and/or disruption in any area where we do business could have a materially adverse impact on our future revenue and profits.

Tariffs, export controls, additional taxes, trade barriers, sanctions, the termination or modification of trade agreements, trade zones, and other duty mitigation initiatives, and any reciprocal retaliatory actions, can increase our manufacturing costs, decrease margins, reduce the competitiveness of our products, disrupt our supply chain operations, or inhibit our ability to sell products or provide services, which has had and in the future could have a material adverse effect on our business, results of operations, or financial conditions. Certain of our international sales depend on our ability to obtain export licenses from the U.S. or foreign governments, and our inability to obtain such licenses, or an expansion of the number or kinds of sales for which export licenses are required, has limited and could in the future further limit the market for our products and has had and could in the future have an adverse impact on our revenues. As is discussed below under the heading “Our Sales to Customers in China, a Significant Region for Us, Have Been Impacted, and are Likely to Be Materially and Adversely Affected by Export License Requirements and Other Regulatory Changes, or Other Governmental Actions in the Course of the Trade Relationship Between the U.S. and China,” the U.S. government has recently imposed new controls, including expanded export license requirements, that significantly impact trade with China. In addition, the U.S. government has an ongoing process of assessing technologies that may be subject to new or additional export controls, and it is possible that such additional controls, if and when imposed, could further adversely impact our ability to sell our products outside the U.S. The implementation by the U.S. government of broad export controls restricting access to our technology (such as recent controls limiting exports to China) may cause customers with international operations to reconsider their use of and reliance on our products, which could adversely impact our future revenue and profits. Furthermore, there are risks that foreign governments may, among other things, take retaliatory actions; insist on the use of local suppliers; compel companies to partner with local companies to design and supply equipment on a local basis, requiring the transfer of intellectual property rights and/or local manufacturing; utilize their influence over their judicial systems to respond to intellectual property disputes or issues; and provide special incentives to government-backed local customers to buy from local competitors, even if their products are inferior to ours; all of which could adversely impact our revenues and margins.

We are exposed to potentially adverse movements in foreign currency exchange rates. The majority of our sales and expenses are denominated in U.S. dollars. However, we are exposed to foreign currency exchange rate fluctuations primarily related to revenues denominated in Japanese yen and expenses denominated in euro, Korean won, Malaysian ringgit, and Indian rupee. Further, in periods in which the U.S. dollar is strong relative to the local currencies of our international customers, this can potentially reduce demand for our products, which may compound the adverse effect of foreign exchange translation on our revenue. Currently, we hedge certain anticipated foreign currency cash flows, primarily anticipated revenues denominated in Japanese yen and expenses denominated in euro, Korean won, Malaysian ringgit, and Indian rupee. In addition, we enter into foreign currency hedge contracts to minimize the short-term impact of the foreign currency exchange rate fluctuations on certain foreign currency denominated monetary assets and liabilities, primarily third-party accounts receivables, accounts payables, and intercompany receivables and payables. We believe these are our primary exposures to currency rate fluctuation. We expect to continue to enter into hedging transactions, for the purposes outlined, for the foreseeable future. However, these hedging transactions may not achieve their desired effect because differences between the actual timing of the underlying exposures and our forecasts of those exposures may leave us either over or under hedged on any given transaction. Moreover, by hedging these foreign currency denominated revenues, expenses, monetary assets, and liabilities, we may miss favorable currency trends that would have been advantageous to us but for the hedges. Additionally, we are exposed to short-term foreign currency exchange rate fluctuations on non-U.S. dollar-denominated monetary assets and liabilities (other than those currency exposures previously discussed), and currently we do not enter into foreign currency hedge contracts against these exposures. In addition, our currency hedges do not necessarily mitigate the potential negative impact of a strong U.S. dollar on demand for our products. Therefore, we are subject to potential unfavorable foreign currency exchange rate fluctuations to the extent that we transact business (including intercompany transactions) in these currencies.

The magnitude of our overseas business also affects where our cash is generated. Certain uses of cash, such as share repurchases, payment of dividends, or the repayment of our notes, can usually only be made with onshore cash balances. Since the majority of our cash is generated outside of the United States, this may impact certain business decisions and outcomes.

Our Business Relies on Technology, Data, Intellectual Property and Other Sensitive Information That is Susceptible to Cybersecurity and Other Threats or Incidents

Our business is dependent upon the use and protection of technology, data, intellectual property and other sensitive information, which may be owned by, or licensed to, us or third parties, such as our customers and vendors. We maintain and rely upon certain critical information systems for the creation, transmission, use and storage of much of this information, and for the effective operation of our business. These information systems include, but are not limited to, telecommunications, the Internet, our corporate intranet, various computer hardware and software applications, (some of which may be integrated into the products that we sell or be required in order to provide the services that we offer), network communications, and email. These information systems may be owned and maintained by us, our outsourced providers, or third parties such as vendors, contractors, customers and Cloud providers. In addition, we 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, or third-party networks and servers, all of which rely on networks, email and/or the Internet for their function.

The technology, data, intellectual property and other sensitive information we seek to protect are subject to loss, release, misappropriation or misuse, and the information systems containing or transmitting such technology, data, intellectual property and other sensitive information are subject to disruption, breach or failure, in each case as a result of various possible causes. Such causes may include mistakes or unauthorized actions by our employees or contractors, phishing schemes and other third-party attacks, and degradation or loss of service or access to data due to viruses, malware, denial of service attacks, destructive or

inadequate code, power failures, or physical damage to computers, hard drives, communication lines, or networking equipment. Such causes may also include the use of techniques that change frequently or may be disguised or difficult to detect, or designed to remain dormant until a triggering event, or that may continue undetected for an extended period of time. In addition, to the extent artificial intelligence capabilities improve and are increasingly adopted, they may be used to identify vulnerabilities and to implement increasingly sophisticated cybersecurity attacks. Further, the use of artificial intelligence by us, our customers, suppliers, and third-party providers, among others, may also introduce unique vulnerabilities.

We have experienced cybersecurity and other threats and incidents in the past. Although past threats and incidents have not resulted in a material adverse effect, we may incur material losses related to cybersecurity and other threats or incidents in the future. If we were subject to a cybersecurity or other incident, it could have a material adverse effect on our business. Such adverse effects might include:

- loss of (or inability to access, e.g. through ransomware) confidential and/or sensitive information stored on these critical information systems or transmitted to or from those systems;
- the disruption of the proper function of our products, services and/or operations;
- the failure of our or our customers' manufacturing processes;
- errors in the output of our work or our customers' work;
- the loss or public exposure of the personal or other confidential information of our employees, customers or other parties;
- the public release of customer financial and business plans, customer orders and operational results;
- exposure to claims from our employees or third parties who are adversely impacted by such incidents;
- misappropriation or theft of our or a customer's, supplier's or other party's assets or resources, including technology, data, intellectual property or other sensitive information and costs associated therewith;
- reputational damage;
- diminution in the value of our investment in research, development and engineering; or
- our failure to meet, or violation of, regulatory or other legal obligations, such as the timely publication or filing of financial statements, tax information and other required communications.

While we have implemented ISO 27001 compliant security procedures and virus protection software, intrusion prevention systems, identity and access control, and emergency recovery processes, and we carefully select our third-party providers of information systems, to mitigate risks to the information systems that we rely on and to the technology, data, intellectual property and other sensitive information we seek to protect, those security procedures and mitigation and protection systems cannot be guaranteed to be fail-safe, and we may still suffer cybersecurity and other incidents. It has been difficult and may continue to be difficult to hire and retain employees with substantial cybersecurity acumen. In addition, there have been and may continue to be instances of our policies and procedures not being effective in enabling us to identify risks, threats and incidents in a timely manner, or at all, or to respond expediently, appropriately and effectively when incidents occur and repair any damage caused by such incidents, and such occurrences could have a material adverse effect on our business.

We May Not Achieve the Expected Benefits of Our Restructuring Plans and Business Transformation Initiatives, and These Efforts Could Have a Material Adverse Effect on Our Business, Operations, Financial Condition, Results of Operations and Competitive Position

In January 2023, we announced that we are implementing a restructuring plan consisting of a workforce reduction, and that we anticipate undertaking, and may in the future undertake, additional business restructuring, realignment and transformation initiatives. We expect to incur material costs and charges in connection with these plans and initiatives. While the restructuring plan is intended to better align our cost structure with the current economic environment and future business opportunities, and our anticipated transformation initiatives have the goal of strengthening our operations and achieving operational efficiencies, there can be no assurance that we will be successful in these plans and initiatives. Implementation of these plans and initiatives may be costly and disruptive to our business, we may not be able to complete them at the cost or within the time frame contemplated, and we may not be able to obtain the anticipated benefits within the projected timing or at all. Restructuring and transformation may adversely affect our internal programs and our ability to recruit and retain skilled and motivated personnel, may result in a loss of continuity, loss of accumulated knowledge and/or inefficiency during transitional periods, may require a significant amount of management and other employees' time and focus, and may be distracting to employees and management, which may divert attention from operating and growing our business. Additionally, reductions in our workforce may cause a reduction in our production output capabilities which could impact our ability to manufacture or ship products to customers within a mutually beneficial timeline. If we fail to achieve some or all of the expected benefits, it could have a material adverse effect on our business, operations, financial condition, results of operations and competitive position. For more information about our restructuring plan, see Note 15 to our Condensed Consolidated Financial Statements in Part I.

Disruptions to Our Supply Chain and Outsource Providers Could Impact Our Ability to Meet Demand, Increase Our Costs, and Adversely Impact Our Revenue and Operating Results

Our supply chain has played and will continue to play a key role in our product development, manufacturing operations, field installation and support. Our business depends on our timely supply of products and services to meet the demand from our customers, which depends in significant part on the timely delivery of parts, materials and services, including components and subassemblies, from our direct suppliers to us, and to our direct suppliers by other companies. In addition, outsource providers have

played and will continue to play a key role both in the manufacturing and customer-focused operations described above, and in many of our transactional and administrative functions, such as information technology, facilities management, and certain elements of our finance organization. These providers and suppliers might suffer financial setbacks, be acquired by third parties, become subject to exclusivity arrangements that preclude further business with us, or be unable to meet our requirements or expectation due to their independent business decisions or force majeure events that could interrupt or impair their continued ability to perform as we expect. We may also experience significant interruptions of our manufacturing operations, delays in our ability to deliver or install products or perform services or to recognize revenue, increased costs or customer order cancellations as a result of:

- the failure or inability to accurately forecast demand and obtain sufficient quantities of quality parts on a cost-effective basis;
- volatility in the availability and cost of parts, materials or services, including increased costs due to rising inflation or interest rates or other market conditions;
- difficulties or delays in obtaining required import or export approvals;
- shipment delays and increased costs of shipment due to transportation interruptions, capacity constraints, or fuel shortages;
- shortages of semiconductor or other components or materials as a result of increases in demand;
- information technology or infrastructure failures, including those of a third-party supplier or service provider; and
- transportation or supply disruptions based on factors outside our control, such as strikes, acts of God, wars, terrorist activities, widespread outbreak of illness, natural or man-made disasters, international conflict, or climate change.

Demand for electronic products and other factors, such as the COVID-19 pandemic, have resulted in, and may in the future result in, a shortage of parts, materials and services needed to manufacture, deliver and install our products, as well as delays in and unpredictability of shipments due to transportation interruptions. Such shortages, delays and unpredictability have adversely impacted, and may in the future impact, our suppliers' ability to meet our demand requirements. Difficulties in obtaining sufficient and timely supply of parts, materials or services, and delays in and unpredictability of shipments due to transportation interruptions, have adversely impacted, and may in the future adversely impact, our manufacturing operations and our ability to meet customer demand. In addition, difficulties in obtaining parts, materials or services necessary to deliver or install products or perform services have adversely impacted, and may in the future adversely impact, our ability to recognize revenue, our gross margins on the revenue we recognize, and our other operating results. Although we are endeavoring to pass along some of the impact of increased costs to our customers to counteract adverse impacts to our gross margins and other operating results, such measures could be unsuccessful, or could have the effect of reducing demand, which would adversely impact our revenue.

Further, increased restrictions imposed on a class of chemicals known as per- and polyfluoroalkyl substances ("PFAS"), which are widely used in a large number of products, including parts and materials that are incorporated into our products, may negatively impact our supply chain due to the potentially decreased availability, or non-availability, of PFAS-containing products. Proposed regulations under consideration could require that we transition away from the usage of PFAS-containing products, which could adversely impact our business, operations, revenue, costs, and competitive position. There is no assurance that suitable replacements for PFAS-containing parts and materials will be available at similar costs, or at all.

Although we attempt to select reputable providers and suppliers and we attempt to secure their performance on terms documented in written contracts, it is possible that one or more of these providers or suppliers could fail to perform as we expect, or fail to secure or protect intellectual property rights, and such failure could have an adverse impact on our business. In some cases, the requirements of our business mandate that we obtain certain components and sub-assemblies included in our products from a single supplier or a limited group of suppliers. Where practical, we endeavor to establish alternative sources to mitigate the risk that the failure of any single provider or supplier will adversely affect our business, but this is not feasible in all circumstances. Some key parts are subject to long lead-times or available only from a single supplier or limited group of suppliers, and some sourcing or subassembly is provided by suppliers located in countries other than the countries where we conduct our manufacturing. There is therefore a risk that a prolonged inability to obtain certain components or secure key services could impair our ability to manage operations, ship products, and generate revenues, which could adversely affect our operating results and damage our customer relationships.

We Face Risks Related to the Disruption of Our Primary Manufacturing and R&D Facilities

While we maintain business continuity plans, our manufacturing and R&D facilities are concentrated in a limited number of locations. These locations are subject to disruption for a variety of reasons, such as natural or man-made disasters, widespread outbreaks of illness, war, terrorist activities, political or governmental unrest or instability, disruptions of our information technology resources, utility interruptions, international conflict, the effects of climate change, or other events beyond our control. Such disruptions may cause delays in developing or shipping our products, in engaging with customers on new product applications, or in supporting customers, which could result in the loss of business or customer trust, adversely affecting our business and operating results.

The COVID-19 Pandemic Adversely Impacted, and May in the Future Adversely Impact, Our Business, Operations, and Financial Results

The COVID-19 pandemic and efforts by national, state and local governments worldwide to control its spread resulted in measures aimed at containing the disease such as quarantines, travel bans, shutdowns, and shelter in place or "stay at home" orders, which collectively significantly restricted the movement of people and goods and the ability of businesses to operate. While the exceptional COVID-19 related challenges have mostly subsided, these restrictions and measures, incidents of confirmed or suspected infections within our workforce or those of our suppliers or other business partners, and our efforts to act in the best interests of our employees,

customers, and suppliers, previously affected and in the future may affect our business and operations by, among other things, causing facility closures, production delays and capacity limitations; disrupting production by our supply chain; disrupting the transport of goods from our supply chain to us and from us to our customers; requiring modifications to our business processes; requiring the implementation of business continuity plans; requiring the development and qualification of alternative sources of supply; requiring the implementation of social distancing measures that impede manufacturing processes; disrupting business travel; disrupting our ability to staff our on-site manufacturing and research and development facilities; delaying capital expansion projects; and necessitating teleworking by portions of our workforce. These impacts caused and, in the future, may cause delays in product shipments and product development, increases in costs, and decreases in revenue, profitability and cash from operations, which caused and, in the future, may cause an adverse effect on our results of operations that may be material. The pandemic resulted at various times in significant disruption of global financial markets, increases in levels of unemployment, and economic uncertainty, which adversely impacted our business and may do so in the future, and may lead to significant negative impacts on customer spending, demand for our products, the ability of our customers to pay, our financial condition and the financial condition of our suppliers, and our access to external sources of financing to fund our operations and capital expenditures.

We Are Subject to Risks Relating to Product Concentration and Lack of Product Revenue Diversification

We derive a substantial percentage of our revenues from a limited number of products. Our products are priced up to the tens of millions of dollars per system. As a result, the inability to recognize revenue on even a few systems can cause a significantly adverse impact on our revenues for a given quarter, and, in the longer term, the continued market acceptance of these products is critical to our future success. Our business, operating results, financial condition, and cash flows could therefore be adversely affected by:

- a decline in demand for even a limited number of our products;
- a failure to achieve continued market acceptance of our key products;
- export restrictions or other regulatory or legislative actions that could limit our ability to sell those products to key customers or customers within certain markets;
- an improved version of products being offered by a competitor in the markets in which we participate;
- increased pressure from competitors that offer broader product lines;
- increased pressure from regional competitors;
- technological changes that we are unable to address with our products; or
- a failure to release new or enhanced versions of our products on a timely basis.

In addition, the fact that we offer limited product lines creates the risk that our customers may view us as less important to their business than our competitors that offer additional products and/or product capabilities, including new products that take advantage of “big data” or other new technologies such as machine learning and artificial intelligence. This may impact our ability to maintain or expand our business with certain customers. Such product concentration may also subject us to additional risks associated with technology changes. Our business is affected by our customers’ use of our products in certain steps in their wafer fabrication processes. Should technologies change so that the manufacture of semiconductors requires fewer steps using our products, this could have a larger impact on our business than it would on the business of our less concentrated competitors.

We May Fail to Protect Our Critical Proprietary Technology Rights, Which Could Affect Our Business

Our success depends in part on our proprietary technology and our ability to protect key components of that technology through patents, copyrights, trade secrets and other forms of protection. Protecting our key proprietary technology helps us achieve our goals of developing technological expertise and new products and systems that give us a competitive advantage; increasing market penetration and growth of our installed base; and providing comprehensive support and service to our customers. As part of our strategy to protect our technology, we currently hold a number of U.S. and foreign patents and pending patent applications, and we keep certain information, processes, and techniques confidential and/or as trade secrets. However, we may fail to apply for or obtain sufficient patent protection for our technology, other parties may challenge or attempt to invalidate or circumvent any patents the U.S. or foreign governments issue to us; these governments may fail to issue patents for pending applications; or we may lose trade secret protection over valuable information due to our or third parties’ intentional or unintentional actions or omissions or even those of our own employees. Additionally, intellectual property litigation can be expensive and time-consuming and even when patents are issued, or trade secret processes are followed, the legal systems in certain of the countries in which we do business might not enforce patents and other intellectual property rights as rigorously or effectively as the United States or may favor local entities in their intellectual property enforcement. The rights granted or anticipated under any of our patents, pending patent applications, copyrights, or trade secrets may be narrower than we expect or, in fact, provide no competitive advantages. Moreover, because we selectively file for patent protection in different jurisdictions, we may not have adequate protection in all jurisdictions based on such filing decisions. Any of these circumstances could have a material adverse impact on our business.

Our Ability to Attract, Retain, and Motivate Key Employees Is Critical to Our Success

Our ability to compete successfully depends in large part on our ability to attract, retain, and motivate key employees with the appropriate skills, experiences and competencies. This is an ongoing challenge due to intense competition for top talent, fluctuations in industry or business economic conditions, as well as increasing geographic expansion, and these factors in combination may result in cycles of hiring activity and workforce reductions. Our success in hiring depends on a variety of factors, including the attractiveness of our compensation and benefit programs, global economic or political and industry conditions, our organizational structure, global competition for talent and the availability of qualified employees, the availability of career development opportunities, the ability to

obtain necessary authorizations for workers to provide services outside their home countries, and our ability to offer a challenging and rewarding work environment. We periodically evaluate our overall compensation and benefit programs and make adjustments, as appropriate, to maintain or enhance their competitiveness. If we are not able to successfully attract, retain, and motivate key employees, we may be unable to capitalize on market opportunities and our operating results may be materially and adversely affected.

If We Choose to Acquire or Dispose of Businesses, Product Lines, and Technologies, We May Encounter Unforeseen Costs and Difficulties That Could Impair Our Financial Performance

An important element of our management strategy is to review acquisition prospects that would complement our existing products, augment our market coverage and distribution ability, enhance our technological capabilities, or accomplish other strategic objectives. As a result, we may seek to make acquisitions of complementary companies, products, or technologies, or we may reduce or dispose of certain product lines or technologies that no longer fit our long-term strategies. For regulatory or other reasons, we may not be successful in our attempts to acquire or dispose of businesses, products, or technologies, resulting in significant financial costs, reduced or lost opportunities, and diversion of management's attention. Managing an acquired business, disposing of product technologies, or reducing personnel entails numerous operational and financial risks, including difficulties in assimilating acquired operations and new personnel or separating existing business or product groups, diversion of management's attention away from other business concerns, amortization of acquired intangible assets, adverse customer reaction to our decision to cease support for a product, and potential loss of key employees or customers of acquired or disposed operations. There can be no assurance that we will be able to achieve and manage successfully any such integration of potential acquisitions, disposition of product lines or technologies, or reduction in personnel, or that our management, personnel, or systems will be adequate to support continued operations. Any such inabilities or inadequacies could have a material adverse effect on our business, operating results, financial condition, and/or cash flows.

In addition, any acquisition could result in changes such as potentially dilutive issuances of equity securities, the incurrence of debt and contingent liabilities, the amortization of related intangible assets, and goodwill impairment charges, any of which could materially adversely affect our business, financial condition, results of operations, cash flows, and/or the price of our Common Stock.

LEGAL, REGULATORY AND TAX RISKS

Our Sales to Customers in China, a Significant Region for Us, Have Been Impacted, and are Likely to Be Materially and Adversely Affected by Export License Requirements and Other Regulatory Changes, or Other Governmental Actions in the Course of the Trade Relationship Between the U.S. and China

China represents a large and fast-developing market for the semiconductor equipment industry and therefore is important to our business. Revenue in China, which includes global customers and domestic Chinese customers with manufacturing facilities in China, represented approximately 43%, 26%, and 31% of our total revenue for the nine months ended March 31, 2024 and fiscal years 2023 and 2022, respectively. The U.S. and China have historically had a complex relationship that has included actions that have impacted trade between the two countries. Recently, these actions have included an expansion of export license requirements imposed by the U.S. government, which have limited the market for our products, adversely impacted our revenues, and increased our exposure to foreign competition, and could potentially do so to an even greater extent in the future. Most recently, the U.S. government has enacted new rules aimed at restricting China's ability to manufacture advanced semiconductors, which include restrictions on exports, reexports or transfers to, or shipping, transmitting, transferring, or facilitating such movement to, or performing services at, customer facilities in China engaged in certain technology end-uses, without appropriate authorizations obtained from U.S. authorities. In addition, the U.S. Department of Commerce has enacted new rules that have expanded export license requirements for U.S. companies to sell certain items to companies and other end-users in China that are designated as military end-users or have operations that could support military end uses; has added additional Chinese companies to its restricted entity list and unverified list under suspicion of military-civil fusion, support of Russia, or other factors associated with a broadening scope of national security concerns (including Semiconductor Manufacturing International Corporation, or SMIC, and related entities, and Yangtze Memory Technologies Co., Ltd., or YMTC, and related entities); and has expanded an existing rule (referred to as the foreign direct product rule) in a manner that could cause foreign-made wafers, chipsets, and certain related items produced with many of our products to be subject to U.S. licensing requirements if Huawei Technologies Co. Ltd ("Huawei") or its affiliates are parties to a transaction involving the items. These rules have required and may require us to apply for and obtain additional export licenses to supply certain of our products to customers in China, such as SMIC, YMTC and ChangXin Memory Technologies, Inc., and there is no assurance that we will be issued licenses that we apply for on a timely basis or at all. In addition, our customers (including, but not limited to, Chinese customers) may require U.S. export licenses for the use of our products in order to manufacture products, including semiconductor wafers and integrated circuits, for those of their customers (i.e. Huawei and its affiliates) that are subject to the expanded foreign direct product rule, which may adversely impact the demand for our products. The U.S. Department of Commerce could in the future add additional Chinese companies to its restricted entity list or unverified list or take other actions that could expand licensing requirements or otherwise impact the market for our products and our revenue. The implementation, interpretation and impact on our business of these rules and other regulatory actions taken by the U.S. government is uncertain and evolving, and these rules, other regulatory actions or changes, and other actions taken by the governments of either the U.S. or China, or both, that have occurred and may occur in the future could materially and adversely affect our results of operations.

We Are Exposed to Various Risks from Our Regulatory Environment

We are subject to various risks related to (1) new, different, inconsistent, or even conflicting laws, rules, and regulations that may be enacted by legislative or executive bodies and/or regulatory agencies in the countries that we operate; (2) disagreements or disputes related to international trade; and (3) the interpretation and application of laws, rules, and regulations. As a public company with global operations, we are subject to the laws of multiple jurisdictions and the rules and regulations of various governing bodies, including those related to export controls, financial and other disclosures, corporate governance, privacy, anti-corruption, such as the Foreign Corrupt Practices Act and other local laws prohibiting corrupt payments to governmental officials, anti-boycott compliance, conflict minerals or other social responsibility legislation, immigration or travel regulations, antitrust regulations, and laws or regulations relating to carbon emissions, as well as other laws or regulations imposed in response to climate change concerns, among others. Each of these laws, rules, and regulations imposes costs on our business, including financial costs and potential diversion of our management's attention associated with compliance, and may present risks to our business, including potential fines, restrictions on our actions, and reputational damage if we do not fully comply.

To maintain high standards of corporate governance and public disclosure, we intend to invest appropriate resources to comply with evolving standards. Changes in or ambiguous interpretations of laws, regulations, and standards may create uncertainty regarding compliance matters. Efforts to comply with new and changing regulations have resulted in, and are likely to continue to result in, reduced operating income, and a diversion of management's time and attention from revenue-generating activities to compliance activities. If we are found by a court or regulatory agency not to be in compliance with the laws and regulations, our business, financial condition, and/or results of operations could be adversely affected.

Intellectual Property, Indemnity, and Other Claims Against Us Can Be Costly and We Could Lose Significant Rights That Are Necessary to Our Continued Business and Profitability

Third parties may assert infringement, misappropriation, unfair competition, product liability, breach of contract, or other claims against us. From time to time, other persons send us notices alleging that our products infringe or misappropriate their patent or other intellectual property rights. In addition, law enforcement authorities may seek criminal charges relating to intellectual property or other issues. We also face risks of claims arising from commercial and other relationships. In addition, our bylaws and other indemnity obligations provide that we will indemnify officers and members of our Board of Directors against losses that they may incur in legal proceedings resulting from their service to us. From time to time, in the normal course of business, we indemnify third parties with whom we enter into contractual relationships, including customers and suppliers, with respect to certain matters. We have agreed, under certain conditions, to hold these third parties harmless against specified losses, such as those arising from a breach of representations or covenants, other third-party claims that our products when used for their intended purposes infringe the intellectual property rights of such other third parties, or other claims made against certain parties. In such cases, it is our policy either to defend the claims or to negotiate licenses or other settlements on commercially reasonable terms. However, we may be unable in the future to negotiate necessary licenses or reach agreement on other settlements on commercially reasonable terms, or at all, and any litigation resulting from these claims by other parties may materially and adversely affect our business and financial results, and we may be subject to substantial damage awards and penalties. Moreover, although we have insurance to protect us from certain claims and cover certain losses to our property, such insurance may not cover us for the full amount of any losses, or at all, and may be subject to substantial exclusions and deductibles.

Our Financial Results May Be Adversely Impacted by Higher than Expected Tax Rates or Exposure to Additional Tax Liabilities

We are subject to income, transaction, and other taxes in the United States and various foreign jurisdictions, and significant judgment is required to determine worldwide tax liabilities. The amount of taxes we pay is subject to ongoing audits in various jurisdictions, and a material assessment by a governing tax authority could affect our profitability. As a global company, our effective tax rate is highly dependent upon the geographic composition of worldwide earnings and tax regulations governing each region. Changes in the split of earnings between countries with differing statutory tax rates, in the valuation allowance of deferred tax assets, in tax laws, in material audit assessments, or in expirations of agreements with tax authorities could adversely affect our effective tax rate. In particular, the carrying value of deferred tax assets, which are predominantly in the United States, is dependent upon our ability to generate future taxable income in the United States.

On August 16, 2022, the IRA was signed into law. In general, the provisions of the IRA are effective beginning with our fiscal year 2024, with certain exceptions. The IRA includes a new 15% corporate minimum tax. We have evaluated the potential impacts of the IRA and do not expect it to have a material impact on our effective tax rate. However, we expect future guidance from the Treasury Department and will further analyze when the guidance is issued.

Recommendations made by the Organization for Economic Co-operation and Development's Base Erosion and Profit Shifting 2.0 ("BEPS 2.0") project have the potential to lead to changes in the tax laws in numerous countries, including the implementation of a global minimum tax. Several countries around the world have enacted or proposed changes to their existing tax laws based on these recommendations. As each country in which we operate evaluates their alignment with the recommendations and enacts minimum tax rules, the ultimate impact of any such changes on our effective tax rate remains uncertain. When fully enacted, such changes could have a material impact on our effective tax rate. We will continue to monitor the progress of the BEPS 2.0 implementation.

In addition, the U.S. has made several corporate income tax proposals, including changes in the taxation of non-U.S. income. If enacted, such changes could have a material impact on our effective tax rate.

Increasing and Evolving Environmental Regulations May Adversely Affect Our Operating Results

We are subject to a variety of domestic and international governmental regulations related to the handling, discharge, sale, and disposal of toxic, volatile, or otherwise hazardous or potentially hazardous substances, and the regulatory environment is dynamic. Failure to comply with present or future environmental regulations (such as future regulations imposed on the use or sale of PFAS or PFAS-containing products) could result in fines being imposed on us, require us to undertake remediation activities, suspend production, and/or cease operations, or cause our customers to not accept our products. These regulations could require us to alter or discontinue our current operations in certain jurisdictions, acquire significant additional equipment, incur substantial other expenses to comply with environmental regulations, or take other actions. Compliance obligations, as well as any failure to comply with current or future regulations governing the use, handling, sale, transport, or disposal of hazardous or potentially hazardous substances (including, but not limited to, PFAS) could subject us to future costs and liabilities that may adversely affect our operating results, financial condition, and ability to operate our business.

Our Bylaws Designate the Court of Chancery of the State of Delaware as the Sole and Exclusive Judicial Forum for Certain Legal Actions Between the Company and its Stockholders, Which May Discourage Lawsuits with Respect to Such Claims

Our bylaws provide that, unless we consent otherwise, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for lawsuits asserting certain stockholder claims (including claims asserted derivatively for our benefit), such as claims against directors and officers for breach of a fiduciary duty, claims arising under any provision of the General Corporation Law of Delaware or our certificate of incorporation or our bylaws, or claims governed by the internal affairs doctrine. This is a general summary of the bylaw provision; you should refer to the language of the bylaws for details. While the forum provision does not generally apply to direct claims arising under the Securities Exchange Act of 1934 or the Securities Act of 1933, derivative lawsuits that assert legal claims arising under these statutes could fall within the provision, as recent court decisions have held.

As a Delaware corporation, Delaware law controls issues of our internal affairs, including duties that our directors, officers, employees, and others owe to the Company and its stockholders. We believe that our exclusive forum provision benefits us, and our stockholders, by permitting relatively prompt resolution of lawsuits concerning our internal affairs, promoting consistent application of Delaware law in these lawsuits, and reducing the possibility of duplicative, costly, multi-jurisdictional litigation with the potential for inconsistent outcomes. However, the forum provision limits a stockholder's ability to bring a claim in a judicial forum that it believes may be more favorable than Delaware, and this could discourage the filing of such lawsuits.

FINANCIAL, ACCOUNTING AND CAPITAL MARKETS RISKS

The Market for Our Common Stock Is Volatile, Which May Affect Our Ability to Raise Capital or Make Acquisitions or May Subject Our Business to Additional Costs

The market price for our Common Stock is volatile and has fluctuated significantly over the past years. The trading price of our Common Stock could continue to be highly volatile and fluctuate widely in response to a variety of factors, many of which are not within our control or influence. These factors include, but are not limited to, the following:

- general market, semiconductor, or semiconductor equipment industry conditions;
- economic or political events, trends, and unexpected developments occurring nationally, globally, or in any of our key sales regions;
- macroeconomic, industry and market conditions, including those caused by the Russian invasion of Ukraine, conflict in the Middle East, or bank failures; and geopolitical issues;
- variations in our quarterly operating results and financial condition, including our liquidity;
- variations in our revenues, earnings, or other business and financial metrics from forecasts by us or securities analysts or from those experienced by other companies in our industry;
- announcements of restructurings, reductions in force, departure of key employees, and/or consolidations of operations;
- margin trading, short sales, hedging and derivative transactions involving our Common Stock;
- government regulations;
- developments in, or claims relating to, patent or other proprietary rights;
- technological innovations and the introduction of new products by us or our competitors;
- commercial success or failure of our new and existing products; or
- disruptions of relationships with key customers or suppliers.

In addition, the stock market experiences significant price and volume fluctuations. Historically, we have witnessed significant volatility in the price of our Common Stock due in part to the price of and markets for semiconductors. These and other factors have adversely affected and may again adversely affect the price of our Common Stock, regardless of our actual operating performance. In the past, following volatile periods in the price of their stock, many companies became the object of securities class action litigation. If we are sued in a securities class action, we could incur substantial costs, and it could divert management's attention and resources and have an unfavorable impact on our financial performance and the price for our Common Stock.

We May Incur Impairments to Goodwill or Long-lived Assets

We review our goodwill identified in business combinations for impairment annually or whenever events or changes in circumstances indicate that the carrying amount of these assets may exceed the fair value. We review all other long-lived assets, including finite-lived intangible assets, whenever events or changes in circumstance indicate that these assets may not be recoverable. The process of evaluating the potential impairment of goodwill and other long-lived assets requires significant judgment. Negative industry or economic trends, including reduced market prices of our Common Stock, reduced estimates of future cash flows, disruptions to our business, slower growth rates, or lack of growth in our relevant business units, could lead to impairment charges against our long-lived assets, including goodwill and other intangible assets.

When evaluating goodwill, if we conclude that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, then a quantitative impairment test is performed and we may be required to record an impairment charge in that period, which could adversely affect our result of operations.

When evaluating other long-lived assets, if we conclude that the estimated undiscounted cash flows attributable to the assets are less than their carrying value, we recognize an impairment loss based on the excess of the carrying amount of the assets over their respective fair values, which could adversely affect our results of operations.

Our valuation methodology for assessing impairment requires management to make judgments and assumptions based on historical experience and to rely heavily on projections of future operating performance. We operate in a highly competitive environment and projections of future operating results and cash flows may vary significantly from actual results. Additionally, if our analysis indicates potential impairment, we may be required to record additional charges to earnings in our financial statements, which could negatively affect our results of operations.

Our Leverage and Debt Service Obligations May Adversely Affect Our Financial Condition, Results of Operations, and Earnings per Share

We have $5.0 billion in aggregate principal amount of senior unsecured notes outstanding (the “Senior Notes”). Additionally, we have funding available to us under our $1.5 billion commercial paper program and our $1.5 billion revolving credit facility, which serves as a backstop to our commercial paper program. Our revolving credit facility also includes an option to increase the amount up to an additional $600.0 million, for a potential total commitment of $2.1 billion. We may, in the future, decide to enter into additional debt arrangements.

In addition, we have entered, and in the future may enter, into derivative instrument arrangements to hedge against the variability of cash flows due to changes in the benchmark interest rate of fixed rate debt. We could be exposed to losses in the event of nonperformance by the counterparties to our derivative instruments.

Our indebtedness could have adverse consequences, including:

- risk associated with any inability to satisfy our obligations;
- a portion of our cash flows that may have to be dedicated to interest and principal payments and may not be available for operations, working capital, capital expenditures, expansion, acquisitions, or general corporate or other purposes; and
- impairment of our ability to obtain additional financing in the future.

Our ability to meet our expenses and debt obligations will depend on our future performance, which will be affected by financial, business, economic, regulatory, and other factors. Furthermore, our operations may not generate sufficient cash flows to enable us to meet our expenses and service our debt. As a result, we may need to enter into new financing arrangements to obtain the necessary funds. If we determine it is necessary to seek additional funding for any reason, we may not be able to obtain such funding or, if funding is available, obtain it on acceptable terms. If we fail to make a payment on our debt, we could be in default on such debt, and this default could cause us to be in default on our other outstanding indebtedness.

Our Credit Agreements Contain Covenant Restrictions That May Limit Our Ability to Operate Our Business

We may be unable to respond to changes in business and economic conditions, engage in transactions that might otherwise be beneficial to us, or obtain additional financing because our debt agreements contain, and any of our other future similar agreements may contain, covenant restrictions that limit our ability to, among other things:

- incur additional debt, assume obligations in connection with letters of credit, or issue guarantees;
- create liens;
- enter into transactions with our affiliates;
- sell certain assets; and
- merge or consolidate with any person.

Our ability to comply with these covenants is dependent on our future performance, which will be subject to many factors, some of which are beyond our control, including prevailing economic conditions. In addition, our failure to comply with these covenants could result in a default under the Senior Notes, or our other debt, which could permit the holders to accelerate such debt. If any of our debt

is accelerated, we may not have sufficient funds available to repay such debt, which could materially and negatively affect our financial condition and results of operation.

There Can Be No Assurance That We Will Continue to Declare Cash Dividends or Repurchase Our Shares at All or in Any Particular Amounts

Our Board of Directors has declared quarterly dividends since April 2014. Our intent to continue to pay quarterly dividends and to repurchase our shares is subject to capital availability and periodic determinations by our Board of Directors that cash dividends and share repurchases are in the best interest of our stockholders and are in compliance with all laws and agreements applicable to the declaration and payment of cash dividends or the repurchasing of shares by us. Future dividends and share repurchases may also be affected by, among other factors, our views on potential future capital requirements for investments in acquisitions and the funding of our research and development; legal risks; changes in federal, state, and international tax laws or corporate laws; contractual restrictions, such as financial or operating covenants in our debt arrangements; availability of onshore cash flow; and changes to our business model. Our dividend payments and share repurchases may change from time to time, and we cannot provide assurance that we will continue to declare dividends or repurchase shares at all or in any particular amounts. A reduction or suspension in our dividend payments or share repurchases could have a negative effect on the price of our Common Stock.

If One or More of Our Counterparty Financial Institutions Default on Their Obligations To Us or Fail, We May Incur Significant Losses

As part of our hedging activities, we enter into transactions involving derivative financial instruments, which may include forward contracts, option contracts, collars and swaps with various financial institutions. In addition, we have significant amounts of cash, cash equivalents and other investments on deposit or in accounts with banks or other financial institutions both in and out of the United States. As a result, we are exposed to the risk of default by or failure of counterparty financial institutions, which may be heightened during economic downturns and periods of uncertainty in the financial markets. If one of our counterparties were to become insolvent or file for bankruptcy, our ability to recover losses incurred as a result of default, or our assets deposited or held in accounts with such counterparty, may be limited by the counterparty's liquidity or the applicable laws governing the insolvency or bankruptcy proceedings. In the event of default or failure of one or more of our counterparties, we could incur significant losses, which could negatively impact our results of operations and financial condition.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

Repurchases of Company Shares

In May 2022, the Board of Directors authorized management to repurchase up to an additional $5.0 billion of Common Stock; this authorization supplements the remaining balance from any prior authorization. These repurchases can be conducted on the open market or as private purchases and may include the use of derivative contracts with large financial institutions, in all cases subject to compliance with applicable law. This repurchase program has no termination date and may be suspended or discontinued at any time.

Share repurchases, including those under the repurchase program, were as follows:

Period	Total Number of Shares Repurchased [1]	Average Price Paid Per Share [2, 3]	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Amount Available Under Repurchase Program [3]
		(in thousands, except per share data)		
Available balance as of June 25, 2023				$ 3,537,217
Quarter ended September 24, 2023	1,266	$ 659.88	1,257	2,707,343
Quarter ended December 24, 2023	976	$ 660.25	970	2,067,076
December 25, 2023 - January 21, 2024	156	$ 757.33	156	1,949,025
January 22, 2024 - February 18, 2024	674	$ 843.30	672	1,206,992
February 19, 2024 - March 31, 2024	121	$ 980.72	—	1,206,992
Quarter ended March 31, 2024	951	$ 853.12 [4]	828	$ 1,206,992

(1) During the three and nine months ended March 31, 2024, we acquired 123 thousand shares at a total cost of $120.1 million, and 138 thousand shares at a total cost of $130.0 million, respectively, which we withheld through net share settlements to cover minimum tax withholding obligations upon the vesting of restricted stock unit awards granted under our equity compensation plans. The shares retained by us through these net share settlements are not a part of the Board-authorized repurchase program but instead are authorized under our equity compensation plan.

(2) Average price paid per share excludes the effect of accelerated share repurchase activities. See additional disclosure below regarding our accelerated share repurchase activity during the nine months ended March 31, 2024.

(3) Our net share repurchases are subject to a 1% excise tax under the Inflation Reduction Act. Excise tax incurred reduces the amount available under repurchase programs, as applicable, and is included in the cost of shares repurchased in the Condensed Consolidated Statement of Stockholders' Equity and the calculation of the average price paid per share.
(4) Average price paid per share presented is for the quarter ended March 31, 2024.

Accelerated Share Repurchase Agreements

On February 1, 2024, we entered into accelerated share repurchase agreements (the "February 2024 ASRs") with two financial institutions to repurchase a total of $700 million of Common Stock. We took an initial delivery of approximately 631 thousand shares, which represented 75% of the prepayment amount divided by our closing stock price on February 1, 2024. The total number of shares received under the February 2024 ASRs is based upon the average daily volume weighted average price of our Common Stock during the repurchase period, less an agreed upon discount. Final settlement of the February 2024 ASRs occurred during April 2024, resulting in the receipt of approximately 140 thousand shares, which yielded a weighted-average share price of $917.38 (net of applicable excise taxes) for the transaction period.

ITEM 3. Defaults Upon Senior Securities

None.

ITEM 4. Mine Safety Disclosures

Not applicable.

ITEM 5. Other Information

Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements

During the Company's fiscal quarter ended March 31, 2024, except for the following arrangements, none of the Company's directors or officers adopted, modified, or terminated a trading arrangement for the purchase or sale of the Company's common stock that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) (a "Rule 10b5-1 Trading Arrangement") or a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K):

- On February 27, 2024, Timothy M. Archer, the President and Chief Executive Officer of the Company, adopted a Rule 10b5-1 Trading Arrangement. Mr. Archer's Rule 10b5-1 Trading Arrangement provides for: (i) the potential sale of up to 9,650 shares of the Company's common stock; and (ii) the potential exercise of 19,347 stock options expiring on December 6, 2025, and the associated sale of up to 19,347 shares of the Company's common stock resulting from such exercise. Mr. Archer's Rule 10b5-1 Trading Arrangement has a termination date of February 27, 2025.

- On February 15, 2024, Neil J. Fernandes, the Senior Vice President, Global Customer Operations, of the Company, adopted a Rule 10b5-1 Trading Arrangement. Mr. Fernandes' Rule 10b5-1 Trading Arrangement provides for a contribution of up to 4,409 shares of the Company's common stock to an exchange fund in exchange for shares of that fund. Mr. Fernandes' Rule 10b5-1 Trading Arrangement has a termination date of June 27, 2024.

- In addition, on February 23, 2024, Mr. Fernandes adopted a second Rule 10b5-1 Trading Arrangement. Mr. Fernandes' second Rule 10b5-1 Trading Arrangement provides for the potential sale of up to 2,370 shares of the Company's common stock pursuant to the terms of the Rule 10b5-1 Trading Arrangement. Trading under Mr. Fernandes' second Rule 10b5-1 Trading Arrangement is not authorized to begin until after all transactions under his earlier-commencing Rule 10b5-1 Trading Arrangement are completed or expired without execution. Mr. Fernandes' second Rule 10b5-1 Trading Arrangement has a termination date of March 14, 2025.

The Rule 10b5-1 Trading Arrangements contain pricing conditions that preclude or limit the sale of shares below predetermined minimum prices. Each of the Rule 10b5-1 Trading Arrangements will terminate on the earlier of: (a) its respective termination date indicated above; (b) execution of all trades or expiration of all the orders relating to such trades under the Rule 10b5-1 Trading Arrangement; or (c) such date as the Rule 10b5-1 Trading Arrangement is otherwise terminated according to its terms.

ITEM 6. Exhibits

Exhibit Number	Description
10.1*	Form of Restricted Stock Unit Agreement (U.S. Participants) - 2015 Stock Incentive Plan
10.2*	Form of Restricted Stock Unit Agreement (International Participants) - 2015 Stock Incentive Plan
10.3*	Form of Market-Based Performance Restricted Stock Unit Award Agreement (U.S. Participants) - 2015 Stock Incentive Plan
10.4*	Form of Market-Based Performance Restricted Stock Unit Award Agreement (International Participants) - 2015 Stock Incentive Plan
31.1	Rule 13a-14(a)/15d-14(a) Certification (Principal Executive Officer)
31.2	Rule 13a-14(a)/15d-14(a) Certification (Principal Financial Officer)
32.1	Section 1350 Certification (Principal Executive Officer)
32.2	Section 1350 Certification (Principal Financial Officer)
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Indicates management contract or compensatory plan or arrangement.

LAM RESEARCH CORPORATION

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: April 29, 2024

LAM RESEARCH CORPORATION
(Registrant)

/s/ Douglas R. Bettinger

Douglas R. Bettinger
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

LAM RESEARCH CORPORATION
2015 Stock Incentive Plan Restricted Stock Unit Award Agreement
(U.S. Participants)

Pursuant to the terms of the 2015 Stock Incentive Plan (the "Plan"), Lam Research Corporation, a Delaware corporation (the "Company"), hereby awards restricted stock units ("RSUs") to [Print Name] (the "Participant) on the terms and conditions as set forth in this Restricted Stock Unit Award Agreement, including the attached Appendix A and Exhibit A (collectively, the "Agreement") and the Plan. Capitalized terms used but not defined in this Agreement shall have the meaning specified in the Plan. This Agreement is effective as of [Date] (the "Grant Date").

NOW, THEREFORE, it is hereby agreed as follows:

1. Award of RSUs. Subject to the terms and conditions of this Agreement and the Plan (the terms of which are incorporated herein by reference) and effective as of the date set forth above, the Company hereby grants to the Participant the Number of RSUs as set forth in Exhibit A. The RSUs represent an unfunded, unsecured promise by the Company to deliver Shares subject to the terms and conditions of this Agreement.

2. Vesting.

(a) Subject to the terms and conditions of this Agreement and provided that the Participant continues to provide Service (as defined in Section 3 below) to the Company (or any Related Entity) through the applicable Vesting Date(s) as set forth in Exhibit A, the RSUs will vest and become payable in Shares pursuant to the applicable Vesting Date(s) as set forth in Exhibit A.

(b) In the event of a Corporate Transaction, the RSUs are governed by Section 11 of the Plan.

3. Effect of Termination of Service or Leave of Absence.

(a) For purposes of this Agreement, Continuous Service shall mean the performance of services for the Company (or any Related Entity) in the capacity of an Employee or Director and shall be considered terminated on the later of the last day the Participant is on payroll or the last day of Continuous Service as a director for a Director ("Service"). In the event of termination of the Participant's Service by the Participant or by the Company or a Related Entity for any reason, excluding the Participant's death or Disability before all RSUs have vested, the unvested RSUs shall be cancelled by the Company.

(b) In the event of termination of the Participant's Service due to death, all of the RSUs granted to the Participant shall vest on the date of death (the "Death Vesting Date").

(c) In the event of termination of the Participant's Service due to Disability, a portion of the RSUs granted to the Participant shall vest on the date the Disability is incurred. To determine the applicable number of Shares, the Number of RSUs (as set forth in Exhibit A) shall

be multiplied by the greater of (x) 50% or (y) the percentage of full months worked from the Grant Date until the date the Disability is incurred (the "Disability Vesting Date", and collectively, with the Vesting Date(s) set forth in Exhibit A, and the "Death Vesting Date", the "Vesting Date") over the total number of full months from the Grant Date until the last Vesting Date (as set forth in Exhibit A). Any remaining unvested portion of the RSUs shall be cancelled.

(d) Vesting of the RSUs will be suspended and vesting credit will no longer accrue as of the day of the leave of absence as set forth in Exhibit A, unless otherwise determined by the Administrator or required by contract or statute. If the Participant returns to Service immediately after the end of an approved leave of absence, vesting credit shall continue to accrue from that date of continued Service.

4. Form and Timing of Payment.

(a) Subject to Section 5 of this Agreement and provided that the Participant has satisfied the vesting requirements of Section 2 of this Agreement, on each Vesting Date, as applicable, the RSUs shall automatically be converted into unrestricted Shares. Such Shares will be issued to the Participant (as evidenced by the appropriate entry in the books of the Company or a duly authorized transfer agent of the Company) on the applicable Vesting Date (or as soon as practicable), but in any event, within the period ending on the later to occur of the date that is 2 ½ months after the end of (i) the Participant's tax year that includes the applicable Vesting Date, or (ii) the Company's tax year that includes the applicable Vesting Date.

(b) Shares issued in respect of RSUs shall be deemed to be issued in consideration of past services actually rendered by the Participant to the Company or a Related Entity or for its benefit for which the Participant has not previously been compensated or for future services to be rendered, as the case may be, which the Company deems to have a value at least equal to the aggregate par value of the Shares subject to the RSUs.

5. Tax Withholding Obligations. Regardless of any action the Company or the Participant's employer (the "Employer") takes with respect to any or all income tax (including federal, state and local taxes), social insurance, payroll tax, fringe benefits tax, or other tax-related withholding ("Tax-Related Items"), the Participant acknowledges that the ultimate liability for all Tax-Related Items legally due by the Participant is and remains the Participant's responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including, but not limited to, the grant of the RSUs, the vesting of the RSUs, or the receipt of an equivalent cash payment, the subsequent sale of any Shares acquired at vesting and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the RSUs to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result.

Prior to the issuance of Shares upon vesting of the RSUs (or any other tax or withholding event), the Participant shall pay, or make arrangements satisfactory to the Company (in the Company's sole discretion) to satisfy all withholding obligations. In those cases where a prior arrangement has not been made (or where the amount of money provided under the prior

arrangement is insufficient to satisfy the obligations for Tax-Related Items), the Company shall withhold a number of whole Shares otherwise deliverable at vesting having a Fair Market Value sufficient to satisfy the statutory minimum (or such higher amount as is allowable without adverse accounting consequences) of the Participant's estimated obligations for Tax-Related Items applicable to the RSUs; such withholding will result in the issuance to the participant of a lower number of Shares.

The Company and/or the Employer may also, in lieu of or in addition to the foregoing, at the Company's sole discretion, as authorized herein by the Participant, withhold all applicable Tax-Related Items legally payable by the Participant from the Participant's wages or other cash compensation or to withhold in one of the following ways, as determined by the Company: (i) require the Participant to deposit with the Company an amount of cash sufficient to meet the Participant's obligation for Tax-Related Items, and/or (ii) sell or arrange for the sale of Shares to be issued on the vesting of the RSUs to satisfy the withholding obligation. If the Participant's obligation for Tax-Related Items is satisfied as described in (ii) of this section, the Company will endeavor to sell only the number of Shares required to satisfy the Participant's obligations for Tax-Related Items; however, the Participant agrees that the Company may sell more Shares than necessary to cover the Tax-Related Items and that in such event, the Company will reimburse the Participant for the excess amount withheld, in cash and without interest. The Participant shall pay to the Employer any amount of Tax-Related Items that the Employer may be required to withhold as a result of the Participant's receipt of the RSUs or the vesting of the RSUs that cannot be satisfied by the means previously described. The Company may refuse to deliver Shares to the Participant if the Participant fails to comply with the Participant's obligation in connection with the Tax-Related Items as described herein. The Participant hereby consents to any action reasonably taken by the Company and/or the Employer to meet the Participant's obligation for Tax-Related Items.

Further, in consideration of the grant of the RSUs, no claim or entitlement to compensation or damages arises if, in satisfying the Participant's (and/or the Employer's) obligation for Tax-Related Items, the Company and/or the Employer withholds an amount in excess of the amount legally required to be withheld, the Participant irrevocably releases the Company and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, the Participant shall be deemed irrevocably to have waived the Participant's entitlement to pursue such claim or damages.

6. Restriction on Transferability. Prior to vesting and delivery of the Shares, neither the RSUs, nor the Shares or any beneficial interest therein, may be sold, transferred, pledged, assigned, or otherwise alienated at any time. Any attempt to do so contrary to the provisions hereof shall be null and void. Notwithstanding the above, distribution can be made pursuant to will, the laws of descent and distribution, and if provided by the Administrator and permitted by Applicable Laws, intra-family transfer instruments, or to an inter vivos trust, or as otherwise provided by the Administrator. The terms of this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Participant.

7. Requirements of Law. The issuance of Shares upon vesting of the RSUs is subject to Sections 9 and 14(b) of the Plan, which generally provide that any such issuance shall

be subject to compliance by the Company and the Participant with all applicable requirements of law relating thereto and with all applicable regulations of any stock exchange on which the Shares may be listed for trading at the time of such issuance. The inability of the Company to obtain approval from any regulatory body having authority deemed by the Company to be necessary to the lawful issuance of any Shares hereby shall relieve the Company of any liability with respect to the non-issuance of the Shares as to which such approval shall not have been obtained.

8. Rights as Stockholder. The Participant shall not have voting, dividend or any other rights as a stockholder of the Company with respect to the RSUs. Upon settlement of the Participant's RSUs into Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), the Participant will obtain full voting, dividend and other rights as a stockholder of the Company.

9. No Compensation Deferrals. Neither the Plan nor this Agreement is intended to provide for an elective deferral of compensation that would be subject to Section 409A ("Section 409A") of the Internal Revenue Code of 1986, as amended (the "Code"). If, notwithstanding the parties' intent in this regard, at the time of the Participant's termination of Service, the Participant is determined to be a "specified employee" as defined in Code Section 409A, and one or more of the payments or benefits received or to be received by the Participant pursuant to the RSUs would constitute deferred compensation subject to Code Section 409A, no such payment or benefit will be provided under the RSUs until the earliest of (A) the date which is six (6) months after the Participant's "separation from service" for any reason, other than death or "disability" (as such terms are used in Section 409A(a)(2) of the Code), (B) the date of the Participant's death or "disability" (as such term is used in Section 409A(a)(2)(C) of the Code), or (C) the effective date of a "change in the ownership or effective control" or a "change in ownership of a substantial portion of the assets" of the Company (as such terms are used in Section 409A(a)(2)(A)(v) of the Code). The provisions of this Section 9 shall only apply to the extent required to avoid the Participant's incurrence of any additional tax or interest under Code Section 409A or any regulations or U.S. Department of the Treasury ("Treasury") guidance promulgated thereunder. In addition, if any provision of the RSUs would cause the Participant to incur any additional tax or interest under Code Section 409A or any regulations or Treasury guidance promulgated thereunder, the Company reserves the right, to the extent the Company deems necessary or advisable in its sole discretion, to unilaterally amend or modify the Plan and/or this Agreement to conform it to the maximum extent practicable to the original intent of the applicable provision without violating the provisions of Code Section 409A, including without limitation to limit payment or distribution of any amount of benefit hereunder in connection with a Corporate Transaction to a transaction meeting the definitions referred to in clause (C) above, or in connection with any disability to a "disability" as referred to in (B) above; provided however that the Company makes no representation that these RSUs are not subject to Section 409A nor makes any undertaking to preclude Section 409A from applying to these RSUs. In addition, to the extent the Company determines it appropriate to accelerate any vesting conditions applicable to this award, then to the extent necessary to avoid the Participant's incurring any additional tax or interest as a result of such vesting acceleration under Code Section 409A or any regulations or Treasury guidance promulgated thereunder, and notwithstanding Section 4 above, the Company may as a condition to extending such

acceleration benefits provide for the Shares to be issued upon settlement of the RSUs to be issued on the earliest date (the "Permitted Distribution Date") that would obviate application of such additional tax or interest rather than issuing them upon the date on which such vesting is effective as would otherwise be required under Section 2 (or as soon as practicable after such Permitted Distribution Date and in no event later than that last day of the grace period following such date permitted under Code Section 409A).

10. Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation, and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator shall be final and binding upon the Participant, the Company, and all other interested persons. No Administrator shall be personally liable for any action, determination, or interpretation made in good faith with respect to the Plan or this Agreement.

11. Effect on Other Employee Benefit Plans. The value of the RSUs granted pursuant to this Agreement shall not be included as compensation, earnings, salaries, or other similar terms used when calculating the Participant's benefits under any employee benefit plan sponsored by the Company or any Related Entity, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Related Entity's employee benefit plans.

12. No Employment Rights. The award of the RSUs pursuant to this Agreement shall not give the Participant any right to continued Service with the Company or a Related Entity and shall not interfere with the ability of the Employer to terminate the Participant's Service with the Company at any time with or without cause.

13. Nature of the Grant. In accepting the RSUs, the Participant acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement;

(b) the grant of the RSUs is exceptional, voluntary and occasional and does not create any contractual or other right to receive future awards of RSUs, or benefits in lieu of RSUs even if RSUs have been awarded in the past;

(c) all decisions with respect to future grants of RSUs, if any, will be at the sole discretion of the Company;

(d) the Participant's participation in the Plan is voluntary;

(e) the RSUs are outside the scope of the Participant's employment or service contract, if any;

(f) the RSUs and the Shares subject to the RSUs, and the income from and value of same, are not intended to replace any pension rights or compensation;

(g) the RSUs and the Shares subject to the RSUs, and the income from and value of same, are not part of normal or expected compensation or salary for any purpose, including, but not limited to, calculation of any overtime, severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, holiday pay, pension or retirement benefits or similar payments;

(h) in the event that the Participant is not an employee of the Company, the grant of the RSUs will not be interpreted to form an employment contract or relationship with the Company; and furthermore, the grant of the RSUs will not be interpreted to form an employment contract with the Employer or any Related Entity;

(i) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

(j) if the Participant receives Shares upon vesting of the RSUs, the value of such Shares may increase or decrease in value;

(k) in consideration of the grant of the RSUs, no claim or entitlement to compensation or damages arises from (i) termination of the RSUs or diminution in value of the RSUs or Shares received upon vesting of RSUs resulting from termination of the Participant's Service to the Company or the Employer (for any reason whatsoever and whether or not later found to be invalid or in breach of applicable laws in the jurisdiction where the Participant is employed or providing Service or the terms of the Participant's employment or service agreement, if any) and/or (ii) the forfeiture or termination of the RSUs, or the recoupment of any Shares, cash or other benefits acquired upon settlement of the RSUs resulting from the application of Section 23 of the Plan, and the Participant irrevocably releases the Company and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, the Participant shall be deemed irrevocably to have waived the Participant's entitlement to pursue such claim;

(l) unless otherwise provided in the Plan or by the Company in its discretion, the RSUs and the benefits evidenced by this Agreement do not create any entitlement to have the RSUs or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

(m) unless otherwise agreed with the Company, the RSUs and the Shares subject to the RSUs, and any income from and value of same, are not granted as consideration for, or in connection with, the service the Participant may provide as a director of any Related Entity.

14. Amendment of Agreement. This Agreement may be amended only by a writing which specifically states that it amends this Agreement. Notwithstanding the foregoing, this Agreement may be amended unilaterally by the Committee by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to the Participant, and provided that no such amendment adversely affects the rights of the Participant.

Without limiting the foregoing, the Committee reserves the right to change, by written notice to the Participant, the provisions of the RSUs or this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, or, to the extent permissible under the Plan (including, but not limited to, Sections 10, 11 and 13 of the Plan).

15. Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of its Stock Administrator. Any notice to be given to the Participant shall be addressed to the Participant at the address listed in the Employer's records. By a notice given pursuant to this section, either party may designate a different address for notices. Any notice shall have been deemed given when actually delivered.

16. Severability. The provisions of this Agreement are severable and if all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any section of this Agreement (or part of such a section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such section or part of a section to the fullest extent possible while remaining lawful and valid.

17. Waiver. The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of the Agreement, or of any subsequent breach by the Participant or any other participant.

18. Construction. The RSUs are being issued pursuant to the Plan and are subject to the terms of the Plan. A copy of the Plan is available upon request during normal business hours at the principal executive offices of the Company. To the extent that any provision of this Agreement violates or is inconsistent with a provision of the Plan, the Plan provision shall govern and any inconsistent provision in this Agreement shall be of no force or effect.

19. Electronic Delivery and Participation. The Company may, in its sole discretion, decide to deliver any documents related to the RSUs granted under the Plan and participation in the Plan or future RSUs that may be granted under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

20. Entire Agreement. The Plan is incorporated herein by reference. The Plan and this Agreement constitute the entire agreement of the Company and the Participant with respect to the subject matter hereof and, unless indicated otherwise herein, supersede in their entirety all prior undertakings and agreements of the Company and the Participant with respect to the subject matter hereof.

21. Company Policies. The RSUs are being issued subject to the terms of the Company's Executive Severance Policy and Executive Change in Control Policy, as in effect at

any time and from time to time (each, a "Policy"). If and to the extent that a provision of a Policy is at any time applicable to the Participant and the application of such provision would yield a different result than the application of a provision of this Agreement, the Policy provision shall prevail, and the corresponding provision of this Agreement shall not apply.

22. Imposition of Additional Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the RSUs and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

23. Confidential Information, Intellectual Property Rights Assignment, and Non-Solicitation. In consideration for and as a condition to the award of the RSUs under this Agreement, the Participant agrees to the terms and conditions set forth in Appendix A to this Agreement.

24. Miscellaneous.

(a) The Company has established the Plan voluntarily, it is discretionary in nature and the Board may terminate, amend, or modify the Plan at any time; provided, however, that no such termination, amendment, or modification of the Plan may in any way adversely affect the Participant's rights under this Agreement, without the Participant's written approval unless such termination, amendment, or modification of the Plan is necessary in order to comply with any change in Applicable Laws or regulations or any future law, regulation, ruling, or judicial decision or as otherwise permissible under the Plan (including, but not limited to, Sections 10, 11 and 13 of the Plan).

(b) All obligations of the Company under the Plan and this Agreement in a Corporate Transaction shall be governed by the Plan, other than as set forth in Section 2(b) above.

(c) By signing this Agreement, the Participant acknowledges that the Participant's personal employment or Service information regarding participation in the Plan and information necessary to determine and pay, if applicable, benefits under the Plan must be shared with other entities, including companies related to the Company and persons responsible for certain acts in the administration of the Plan. By signing this Agreement, the Participant consents to such transmission of personal data as the Company believes is appropriate to administer the Plan.

(d) To the extent not preempted by federal law, this Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to its principles of conflict of laws. For purposes of litigating any dispute that arises directly or indirectly under the Plan or this Agreement, the parties hereby submit to and consent to the jurisdiction of the State of California, and agree that such litigation shall be conducted in the courts of Alameda County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

(e) The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan. The Participant understands that the Participant should consult the Participant's own personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

25. Insider Trading Restrictions. The Participant acknowledges that the Participant may be subject to insider-trading law restrictions under the laws and regulations of applicable jurisdictions, including the United States, which may affect the Participant's ability to acquire, sell or attempt to sell or otherwise dispose of Shares or rights to Shares (e.g., RSUs) during such times as the Participant is considered to have "inside information" regarding the Company as defined in these laws or regulations. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy.

26. Acceptance of Terms and Conditions. The Participant agrees with and agrees to abide by all of the governing terms and provisions of the Plan and this Agreement unless the Participant declines the award electronically with the Company sponsored broker by the first vest date; provided, however, that in the event of termination of the Participant's Service due to Disability or death on or before the first vest date, if the Participant has not declined the award prior to such time, the Participant shall be deemed to have accepted said terms and conditions. Additionally, the Participant acknowledges having read and understood the terms and conditions of the Plan and this Agreement and has had an opportunity to obtain the advice of counsel prior to accepting this Agreement. **In addition, the transfer or sale of the shares obtained at vesting by the Participant shall be considered an additional acknowledgment of the terms and conditions contained in the Plan and Agreement.**

* * * * *

PARTICIPANT SIGNATURE	
PRINTED NAME	
DATE	

APPENDIX A

CONFIDENTIAL INFORMATION, INTELLECTUAL PROPERTY RIGHTS ASSIGNMENT, AND NON-SOLICITATION

This Appendix A, which is part of the Agreement, contains additional terms and conditions of the Agreement. Capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and/or the Agreement. In consideration of the receipt of the RSUs detailed in Exhibit A, as well as the receipt by the Participant of the confidential information of Lam Research Corporation and its subsidiaries, affiliates, successors or assigns (collectively referred to as the "Company"), which may include the Company's trade secrets, the Participant agrees to the following:

1. Definitions.

(a) "Confidential Information" means any of the Company's non-public information, technical data, trade secrets or know-how (including, but not limited to, information related to research, product plans, products, services, markets, customer lists and customers including, but not limited to customers of the Company on whom the Participant called or with whom the Participant became acquainted during the term of the Participant's employment), marketing plans, software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware and software configuration information, code listings, flow charts, personnel information (including titles, responsibilities and compensation) finances or other business information which the Participant receives or has received or discovers or has discovered during the course of employment at the Employer, either directly or indirectly in writing, orally, visually, electronically or otherwise; provided, however that Confidential Information does not include any of the forgoing items which have become publicly known and made generally available to the public through no wrongful act of the Participant or of others who were under confidentiality obligations as to the item or items involved.

(b) "Intellectual Property Rights" means all rights in and to United States (US) and non-US (i) patents, patent disclosures, and invention disclosures (whether patentable or not); (ii) trademarks, service marks, trade dress, trade names, logos, corporate names, and domain names, and other similar designations of source or origin, together with the goodwill symbolized by any of the foregoing; (iii) copyrights and works of authorship (whether copyrightable or not), including computer programs, and mask works; (iv) rights in data and databases; (v) Confidential Information; and (vi) all other intellectual property rights, in each case whether registered or unregistered, and including all registrations and applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection in any part of the world.

(c) "Work Product" means (i) all writings, technology, inventions, discoveries, processes, techniques, methods, ideas, concepts, research, proposals, materials, and all other work product of any nature whatsoever, that (A) are created, prepared, produced, authored, edited, amended, conceived, or reduced to practice by the Participant solely or jointly with others during the period of their employment by the Employer and (B) relate in any way to the business or contemplated business, products, activities, research, or development of the Company or result from any work performed by the Participant for the Company (in each case,

regardless of when or where the work product is prepared or whose equipment or other resources is used in preparing the same); and (ii) all rights and claims related to the foregoing, and all printed, physical, and electronic copies and other tangible embodiments thereof.

2. Confidential Information.

(a) The Participant hereby agrees, at all times during the term of their employment and thereafter, to hold any Confidential Information in strictest confidence and not to use or disclose it to any person, firm or corporation without written authorization of the Board of Directors of Lam Research Corporation, except for the benefit of the Company.

(b) This Appendix A does not limit the right of the Participant to discuss the Participant's employment or discuss or disclose information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that the Participant has reason to believe is unlawful, or report possible violations of law or regulation, with or to any federal, state or local government agency, or to discuss the terms and conditions of the Participant's employment with others to the extent expressly permitted by Section 7 of the National Labor Relations Act, or to the extent that such disclosure is protected under the applicable provisions of law or regulation, including but not limited to "whistleblower" statutes or other similar provisions that protect such disclosure, to the extent any such rights are not permitted by applicable law to be the subject of nondisclosure. Furthermore, a disclosure by the Participant of Confidential Information in response to a valid request by a court or governmental body or as otherwise required by law shall not be considered a breach of this Agreement or a waiver of confidentiality for other purposes; provided, however that the Participant agrees to provide prompt prior written notice of any such disclosure to the Company to allow the Company to contest such disclosure, unless such a request is from a law enforcement agency, in which case the Participant shall provide such notice to the extent reasonably practicable. Pursuant to 18 U.S.C. Section 1833(b), the Participant will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (1) is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

3. Assignment of Intellectual Property Rights.

(a) Assignment of Intellectual Property Rights. The Participant hereby assigns and agrees to assign all the Participant's right, title, and interest in and to all Work Product as well as any and all Intellectual Property Rights therein and all improvements thereto to the Employer. The Company shall have the unrestricted right (but not any obligation), in its sole and absolute discretion, to (i) use, commercialize, or otherwise exploit any Work Product or (ii) protect, file an application for patent or other registration of any other Intellectual Property Rights, and prosecute or abandon such application prior to issuance or registration. No royalty or other consideration shall be due or owing to the Participant now or in the future as a result of such activities.

(b) Limitations on Assignment. The Participant understands and acknowledges that Work Product does not include, and any provision in this Appendix A

requiring the Participant to assign (or otherwise providing for ownership by the Company or the Employer of) rights to an invention does not apply to, any invention that the Participant develops entirely on the Participant's own time without using the Company's equipment, supplies, facilities, or trade secret information, except for those inventions that either (i) relate to the Company's business, or actual or demonstrably anticipated research or development of the Company or (ii) result from any work performed by the Participant for the Company.

(c) Further Assurances; Power of Attorney. During and after employment, the Participant agrees to reasonably cooperate with the Company at the Company's expense to (i) apply for, obtain, perfect, and transfer to the Company the Work Product as well as any and all Intellectual Property Rights in the Work Product in any jurisdiction throughout the world, and (ii) maintain, protect, and enforce the same, including, without limitation, giving testimony, and executing and delivering to the Company any and all applications, oaths, declarations, affidavits, waivers, assignments, and other documents and instruments as may be requested by the Company. The Participant hereby irrevocably grants the Company power of attorney to execute and deliver any such documents on the Participant's behalf in the Participant's name and to do all other lawfully permitted acts to transfer legal ownership of the Work Product to the Company and further the transfer, prosecution, issuance, and maintenance of all Intellectual Property Rights therein, to the full extent permitted by law, if the Participant does not promptly cooperate with the Company's request (without limiting the rights the Company shall have in such circumstances by operation of law). This power of attorney is coupled with an interest and shall not be affected by the Participant's subsequent incapacity.

4. Non-Solicitation Agreement.

(a) Solicitation of Employees. The Participant hereby agrees that for a period of twelve (12) months immediately following the termination of the Participant's employment relationship with the Employer for any reason, whether voluntary or involuntary, and whether with or without cause, the Participant shall neither directly or indirectly solicit, induce, recruit or encourage any of the Company's employees to leave their employment, or take away such employees, nor attempt to solicit, induce, recruit, encourage or take away employees of the Company, either for the Participant or for any other person or entity.

(b) The Participant understand that the obligation not to use Confidential Information in order to solicit the employment of the Company's employees is not limited to the twelve month period described above.

LAM RESEARCH CORPORATION
2015 Stock Incentive Plan
Restricted Stock Unit Award Agreement
EXHIBIT A

Participant (Name & Employee Number):

Grant Date:

Number of RSUs:

Vesting Date(s):

Leave of Absence: 31st day (or 91st day if reemployment guaranteed by statute or contract)

LAM RESEARCH CORPORATION
2015 Stock Incentive Plan
Restricted Stock Unit Award Agreement
(International Participants)

Pursuant to the terms of the 2015 Stock Incentive Plan (the "Plan"), Lam Research Corporation, a Delaware corporation (the "Company"), hereby awards restricted stock units ("RSUs") to [Print Name] (the "Participant") on the terms and conditions as set forth in this Restricted Stock Unit Award Agreement, including the attached Appendix A and Exhibit A (collectively, the "Agreement") and the Plan. Capitalized terms used but not defined in this Agreement shall have the meaning specified in the Plan. This Agreement is effective as of [Date] (the "Grant Date").

NOW, THEREFORE, it is hereby agreed as follows:

1. Award of RSUs. Subject to the terms and conditions of this Agreement and the Plan (the terms of which are incorporated herein by reference) and effective as of the date set forth above, the Company hereby grants to the Participant the Number of RSUs as set forth in Exhibit A. The RSUs represent an unfunded, unsecured promise by the Company to deliver Shares subject to the terms and conditions of this Agreement.

2. Vesting.

(a) Subject to the terms and conditions of this Agreement and provided that the Participant continues to provide Service (as defined in Section 3 below) to the Company (or any Related Entity) through the applicable Vesting Date(s) as set forth in Exhibit A, the RSUs will vest and become payable in Shares pursuant to the applicable Vesting Date(s) as set forth in Exhibit A.

(b) In the event of a Corporate Transaction, the RSUs are governed by Section 11 of the Plan.

3. Effect of Termination of Service or Leave of Absence.

(a) For purposes of this Agreement, Continuous Service shall mean the performance of services for the Company (or any Related Entity) in the capacity of an Employee or Director and shall be considered terminated on the later of the last day the Participant is on payroll or the last day of Continuous Service as a director for a Director ("Service"). In the event of termination of the Participant's Service by the Participant or by the Company or a Related Entity for any reason, excluding the Participant's death or Disability before all RSUs have vested, the unvested RSUs shall be cancelled by the Company.

(b) In the event of termination of the Participant's Service due to death, all of the RSUs granted to the Participant shall vest on the date of death (the "Death Vesting Date").

(c) In the event of termination of the Participant's Service due to Disability, a portion of the RSUs granted to the Participant shall vest on the date the Disability is incurred. To

determine the applicable number of Shares, the Number of RSUs (as set forth in Exhibit A) shall be multiplied by the greater of (x) 50% or (y) the percentage of full months worked from the Grant Date until the date the Disability is incurred (the "Disability Vesting Date", and collectively, with the Vesting Date(s) set forth in Exhibit A, and the "Death Vesting Date", the "Vesting Date") over the total number of full months from the Grant Date until the last Vesting Date (as set forth in Exhibit A). Any remaining unvested portion of the RSUs shall be cancelled.

(d) Vesting of the RSUs will be suspended and vesting credit will no longer accrue as of the day of the leave of absence as set forth in Exhibit A, unless otherwise determined by the Administrator or required by contract, statute or applicable local law. If the Participant returns to Service immediately after the end of an approved leave of absence, vesting credit shall continue to accrue from that date of continued Service.

4. Form and Timing of Payment. Subject to Section 5 of this Agreement and provided that the Participant has satisfied the vesting requirements of Section 2 of this Agreement, on each Vesting Date, as applicable, the RSUs shall automatically be converted into unrestricted Shares. Such Shares will be issued to the Participant (as evidenced by the appropriate entry in the books of the Company or a duly authorized transfer agent of the Company) on the applicable Vesting Date (or as soon as practicable), but in any event, within the period ending on the later to occur of the date that is 2 ½ months after the end of (i) the Participant's tax year that includes the applicable Vesting Date, or (ii) the Company's tax year that includes the applicable Vesting Date.

5. Responsibility for Taxes. Regardless of any action the Company or the Participant's employer (the "Employer") take with respect to any or all income tax (including any U.S. federal, state, local and any non-U.S. taxes), social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items legally applicable or deemed legally applicable to the Participant ("Tax-Related Items"), the Participant acknowledges that the ultimate liability for all Tax-Related Items is and remains the Participant's responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including, but not limited to, the grant, vesting or settlement of the RSUs or the receipt of an equivalent cash payment, the subsequent sale of any Shares acquired at vesting and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the RSUs to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant has become subject to tax in more than one jurisdiction, the Participant acknowledges that the Company or the Employer (or former employer) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, the Participant shall pay or make arrangements satisfactory to the Company (in the Company's sole discretion) to satisfy all withholding (and payment on account, where applicable) obligations for Tax-Related Items. In this regard, the Company shall withhold a number of whole Shares otherwise deliverable at vesting having a Fair Market Value sufficient to satisfy the Participant's estimated obligations for Tax-Related Items. If the obligation for Tax-Related Items is satisfied by withholding in

Shares, for tax purposes, the Participant will be deemed to have been issued the full number of Shares subject to the applicable RSUs, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items.

The Company and/or the Employer may also, in lieu of or in addition to the foregoing, at the Company's sole discretion as authorized herein by the Participant, withhold all applicable Tax-Related Items in one of the following ways, as determined by the Company: (i) withhold from the Participant's wages or other cash compensation; (ii) require the Participant to deposit with the Company an amount of cash sufficient to meet the Participant's obligation for Tax-Related Items; (iii) sell or arrange for the sale of a sufficient number of Shares to be issued on the vesting of the RSUs to satisfy Tax-Related Items; and/or (iv) any other method of withholding (or payment on account, when applicable) determined by the Company and permitted by applicable law.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering statutory or other withholding rates, including (to the extent permitted under the Plan) up to the maximum rate in the Participant's jurisdiction(s). In the event the application of the withholding rate leads to over-withholding, the Participant may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares) from the Company or the Employer or, if not so refunded, the Participant may be able to seek a refund from the applicable tax authorities. In the event of under-withholding, the Participant may be required to pay additional Tax-Related Items directly to the applicable tax authorities.

The Participant shall pay to the Company and/or the Employer any amount of Tax-Related Items that the Company and/or the Employer may be required to withhold that cannot be satisfied by the means previously described. The Company may refuse to deliver Shares to the Participant if the Participant fails to comply with the Participant's obligation in connection with the Tax-Related Items as described herein. The Participant hereby consents to any action reasonably taken by the Company and/or the Employer to meet the Participant's obligation for Tax-Related Items.

6. Restriction on Transferability. Prior to vesting and delivery of the Shares, neither the RSUs, nor the Shares or any beneficial interest therein, may be sold, transferred, pledged, assigned, or otherwise alienated at any time. Any attempt to do so contrary to the provisions hereof shall be null and void. Notwithstanding the above, distribution can be made pursuant to will, the laws of descent and distribution, and if provided by the Administrator and permitted by Applicable Laws, intra-family transfer instruments, or to an inter vivos trust, or as otherwise provided by the Administrator. The terms of this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Participant.

7. Requirements of Law. The issuance of Shares upon vesting of the RSUs is subject to Sections 9 and 14(b) of the Plan, which generally provide that any such issuance shall be subject to compliance by the Company and the Participant with all applicable requirements of law relating thereto and with all applicable regulations of any stock exchange on which the Shares may be listed for trading at the time of such issuance. The inability of the Company to obtain approval from any regulatory body having authority deemed by the Company to be

necessary to the lawful issuance of any Shares hereby shall relieve the Company of any liability with respect to the non-issuance of the Shares as to which such approval shall not have been obtained.

8. Rights as Stockholder. The Participant shall not have voting, dividend or any other rights as a stockholder of the Company with respect to the RSUs. Upon settlement of the Participant's RSUs into Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), the Participant will obtain full voting, dividend and other rights as a stockholder of the Company.

9. No Compensation Deferrals. Neither the Plan nor this Agreement is intended to provide for an elective deferral of compensation that would be subject to Section 409A ("Section 409A") of the U.S. Internal Revenue Code of 1986, as amended (the "Code"). If, notwithstanding the parties' intent in this regard, at the time of the Participant's termination of Service, the Participant is determined to be a "specified employee" as defined in Code Section 409A, and one or more of the payments or benefits received or to be received by the Participant pursuant to the RSUs would constitute deferred compensation subject to Code Section 409A, no such payment or benefit will be provided under the RSUs until the earliest of (A) the date which is six (6) months after the Participant's "separation from service" for any reason, other than death or "disability" (as such terms are used in Section 409A(a)(2) of the Code), (B) the date of the Participant's death or "disability" (as such term is used in Section 409A(a)(2)(C) of the Code), or (C) the effective date of a "change in the ownership or effective control" or a "change in ownership of a substantial portion of the assets" of the Company (as such terms are used in Section 409A(a)(2)(A)(v) of the Code). The provisions of this Section 9 shall only apply to the extent required to avoid the Participant's incurrence of any additional tax or interest under Code Section 409A or any regulations or U.S. Department of the Treasury ("Treasury") guidance promulgated thereunder. In addition, if any provision of the RSUs would cause the Participant to incur any additional tax or interest under Code Section 409A or any regulations or Treasury guidance promulgated thereunder, the Company reserves the right, to the extent the Company deems necessary or advisable in its sole discretion, to unilaterally amend or modify the Plan and/or this Agreement to conform it to the maximum extent practicable to the original intent of the applicable provision without violating the provisions of Code Section 409A, including without limitation to limit payment or distribution of any amount of benefit hereunder in connection with a Corporate Transaction to a transaction meeting the definitions referred to in clause (C) above, or in connection with any disability to a "disability" as referred to in (B) above; provided however that the Company makes no representation that these RSUs are not subject to Section 409A nor makes any undertaking to preclude Section 409A from applying to these RSUs. In addition, to the extent the Company determines it appropriate to accelerate any vesting conditions applicable to this award, then to the extent necessary to avoid the Participant's incurring any additional tax or interest as a result of such vesting acceleration under Code Section 409A or any regulations or Treasury guidance promulgated thereunder, and notwithstanding Section 4 above, the Company may as a condition to extending such acceleration benefits provide for the Shares to be issued upon settlement of the RSUs to be issued on the earliest date (the "Permitted Distribution Date") that would obviate application of such additional tax or interest rather than issuing them upon the date on which such vesting is effective as would otherwise be required under Section 2 (or as soon as practicable after such

Permitted Distribution Date and in no event later than that last day of the grace period following such date permitted under Code Section 409A).

10. Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation, and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator shall be final and binding upon the Participant, the Company, and all other interested persons. No Administrator shall be personally liable for any action, determination, or interpretation made in good faith with respect to the Plan or this Agreement.

11. Effect on Other Employee Benefit Plans. The value of the RSUs granted pursuant to this Agreement shall not be included as compensation, earnings, salaries, or other similar terms used when calculating the Participant's benefits under any employee benefit plan sponsored by the Company or any Related Entity, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Related Entity's employee benefit plans.

12. No Employment Rights. The award of the RSUs pursuant to this Agreement shall not give the Participant any right to continued Service with the Company or a Related Entity and shall not interfere with the ability of the Employer to terminate the Participant's Service with the Company at any time with or without cause.

13. Nature of the Grant. In accepting the RSUs, the Participant acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement;

(b) the grant of the RSUs is exceptional, voluntary and occasional and does not create any contractual or other right to receive future awards of the RSUs, or benefits in lieu of RSUs even if RSUs have been awarded in the past;

(c) all decisions with respect to future grants of RSUs, if any, will be at the sole discretion of the Company;

(d) the Participant's participation in the Plan is voluntary;

(e) the RSUs are outside the scope of the Participant's employment or service contract, if any;

(f) the RSUs and the Shares subject to the RSUs, and the income from and value of same, are not intended to replace any pension rights or compensation;

(g) the RSUs and the Shares subject to the RSUs, and the income from and value of same, are not part of normal or expected compensation or salary for any purpose, including, but not limited to, calculation of any overtime, severance, resignation, termination,

redundancy, dismissal, end of service payments, bonuses, long-service awards, holiday pay, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or the Employer;

(h) in the event that the Participant is not an employee of the Company, the grant of the RSUs will not be interpreted to form an employment contract or relationship with the Company; and furthermore, the grant of the RSUs will not be interpreted to form an employment contract with the Employer or any Related Entity;

(i) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

(j) if the Participant receives Shares upon vesting of the RSUs, the value of such Shares may increase or decrease in value;

(k) no claim or entitlement to compensation or damages arises from (i) termination of the RSUs or diminution in value of the RSUs or Shares received upon vesting of RSUs resulting from termination of the Participant's Service to the Company or the Employer (for any reason whatsoever and whether or not later found to be invalid or in breach of applicable laws in the jurisdiction where the Participant is employed or providing Service or the terms of the Participant's employment or service agreement, if any) and/or (ii) the forfeiture or termination of the RSUs, or the recoupment of any Shares, cash or other benefits acquired upon settlement of the RSUs resulting from the application of Section 23 of the Plan;

(l) unless otherwise provided in the Plan or by the Company in its discretion, the RSUs and the benefits evidenced by this Agreement do not create any entitlement to have the RSUs or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares;

(m) unless otherwise agreed with the Company, the RSUs and the Shares subject to the RSUs, and any income from and value of same, are not granted as consideration for, or in connection with, the service the Participant may provide as a director of any Related Entity; and

(n) the Company and any Related Entity shall not be liable for any foreign exchange rate fluctuation between the United States Dollar and the Participant's local currency (if different) that may affect the value of the RSUs or of any amounts due to the Participant pursuant to the settlement of the RSUs or the subsequent sale of any Shares acquired upon settlement.

14. ***Data Privacy Notice and Consent.***

(a) ***The Company is located at 4650 Cushing Parkway, Fremont, CA 94538 U.S.A. and grants RSUs to employees of the Company and its Related Entities at its sole discretion. In order to participate in the Plan, the Participant should review the following information about the Company's data processing practices and declare the Participant's consent.***

(b) ***Data Collection and Usage****. The Company collects, processes and uses the Participant's personal data, including name, home address, email address and telephone number, date of birth, social insurance, passport or other identification number, salary, citizenship, job title, any Shares or directorships held in the Company, and details of all RSUs granted, canceled, exercised, or outstanding in the Participant's favor, which the Company receives from the Participant or the Employer. The Participant understands that in connection with the Plan, the Company will collect the Participant's personal data for purposes of allocating Shares and implementing, administering and managing the Plan. The Company's legal basis for the processing of the Participant's personal data is the Participant's consent.*

(c) ***Stock Plan Administration Service Providers****. The Company transfers employee data to Fidelity Stock Plan Service LLC ("Fidelity"), an independent service provider based in the United States which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and share the Participant's data with another company that serves in a similar manner. The Company's service provider will open an account for the Participant to receive and trade Shares. The Participant may be asked to agree on separate terms and data processing practices with the service provider, which is a condition of the Participant's ability to participate in the Plan.*

(d) ***International Data Transfers****. The Company and its service providers are based in the United States. The Participant acknowledges that if the Participant works or resides outside the United States, the Participant's country may have enacted data privacy laws that are different from the United States. The legal basis for the transfer of the Participant's data from the Participant's country to the United States, as well as the onward transfer of the Participant's personal data by the Company to Fidelity, is based solely on the Participant's consent. The Participant understands and acknowledges that this might result in certain risks to the protection of the Participant's personal data due to the lack of legal principles governing the processing of the personal data, oversight by a supervisory authority or enforceable data subject rights in the United States.*

(e) ***Data Retention****. The Company will use the Participant's personal data only as long as is necessary to implement, administer and manage the Participant's participation in the Plan or as required to comply with legal or regulatory obligations, including under tax and securities laws. When the Company no longer needs the Participant's personal data, the Company will remove it from its systems. The Company may keep data longer to satisfy legal or regulatory obligations, and the Company's legal basis would be compliance with the relevant laws or regulations.*

(f) ***Voluntariness and Consequences of Consent Denial or Withdrawal****. The Participant acknowledges that the Participant's participation in the Plan and grant of consent is purely voluntary. The Participant may deny or withdraw consent at any time. If the Participant does not consent, or if the Participant withdraws consent, the Participant cannot participate in the Plan. This would not affect the Participant's salary or career, but the Participant would forfeit the opportunities associated with the Plan.*

(g) ***Data Subject Rights. The Participant has a number of rights under data privacy laws in the Participant's country. Depending on where the Participant is based, rights may include the right to (a) request access or copies of personal data the Company's processes, (b) rectification of incorrect data, (c) deletion of data, (d) restrictions on processing, (e) portability of data, (f) lodge complaints with competent authorities in my country, and/or (g) a list with the names and addresses of any potential recipients of my personal data. To receive clarification regarding these rights or to exercise these rights, the Participant should contact the Participant's local HR department.***

(h) ***By accepting the RSUs, the Participant acknowledges that the Participant is also providing consent to the data processing practices described in this section to the extent that such consent is required by applicable law. For the avoidance of doubt, the consent provided herein shall be in addition to, and not in lieu of, any consent the Participant might have previously provided to the processing of personal data in the context of an agreement implemented under the Plan and all such previous consent shall remain unaffected by the consent provided herein.***

15. Amendment of Agreement. This Agreement may be amended only by a writing which specifically states that it amends this Agreement. Notwithstanding the foregoing, this Agreement may be amended unilaterally by the Committee by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to the Participant, and provided that no such amendment adversely affects the rights of the Participant. Without limiting the foregoing, the Committee reserves the right to change, by written notice to the Participant, the provisions of the RSUs or this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, or, to the extent permissible under the Plan (including, but not limited to, Sections 10, 11 and 13 of the Plan).

16. Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of its Stock Administrator. Any notice to be given to the Participant shall be addressed to the Participant at the address listed in the Employer's records. By a notice given pursuant to this section, either party may designate a different address for notices. Any notice shall have been deemed given when actually delivered.

17. Severability. The provisions of this Agreement are severable and if all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any section of this Agreement (or part of such a section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such section or part of a section to the fullest extent possible while remaining lawful and valid.

18. Waiver. The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of the Agreement, or of any subsequent breach by the Participant or any other participant.

19. Construction. The RSUs are being issued pursuant to the Plan and are subject to the terms of the Plan. A copy of the Plan is available upon request during normal business hours at the principal executive offices of the Company. To the extent that any provision of this Agreement violates or is inconsistent with a provision of the Plan, the Plan provision shall govern and any inconsistent provision in this Agreement shall be of no force or effect.

20. Electronic Delivery and Participation. The Company may, in its sole discretion, decide to deliver any documents related to the RSUs granted under the Plan and participation in the Plan or future RSUs that may be granted under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. Entire Agreement. The Plan is incorporated herein by reference. The Plan and this Agreement constitute the entire agreement of the Company and the Participant with respect to the subject matter hereof and, unless indicated otherwise herein, supersede in their entirety all prior undertakings and agreements of the Company and the Participant with respect to the subject matter hereof.

22. Company Policies. The RSUs are being issued subject to the terms of the Company's Executive Severance Policy and Executive Change in Control Policy, as in effect at any time and from time to time (each, a "Policy"). If and to the extent that a provision of a Policy is at any time applicable to the Participant and the application of such provision would yield a different result than the application of a provision of this Agreement, the Policy provision shall prevail, and the corresponding provision of this Agreement shall not apply.

23. Imposition of Additional Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the RSUs and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

24. Language. The Participant acknowledges that the Participant is proficient in the English language, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Participant to understand the terms of the Agreement and any other documents related to the Plan. If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the translated version is different than the English version, the English version will control, unless otherwise explicitly required by applicable law.

25. Miscellaneous.

(a) The Company has established the Plan voluntarily, it is discretionary in nature and the Board may terminate, amend, or modify the Plan at any time; provided, however, that no such termination, amendment, or modification of the Plan may in any way adversely affect the Participant's rights under this Agreement, without the Participant's written approval

unless such termination, amendment, or modification of the Plan is necessary in order to comply with any change in Applicable Laws or regulations or any future law, regulation, ruling, or judicial decision or as otherwise permissible under the Plan (including, but not limited, to Sections 10, 11 and 13 of the Plan).

(b) All obligations of the Company under the Plan and this Agreement in a Corporate Transaction shall be governed by the Plan, other than as set forth in Section 2(b) above.

(c) To the extent not preempted by United States federal law, this Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to its principles of conflict of laws. For purposes of litigating any dispute that arises directly or indirectly under the Plan or this Agreement, the parties hereby submit to and consent to the jurisdiction of the State of California, and agree that such litigation shall be conducted in the courts of Alameda County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

(d) The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan. The Participant understands that the Participant should consult the Participant's own personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

26. Insider Trading Restrictions/Market Abuse Laws. The Participant acknowledges that the Participant may be subject to insider-trading restrictions and/or market abuse laws in applicable jurisdictions, including the United States and the Participant's country of residence, which may affect the Participant's ability to acquire, sell or attempt to sell or otherwise dispose of Shares or rights to Shares (e.g., RSUs) during such times as the Participant is considered to have "inside information" regarding the Company as defined in the laws or regulations in applicable jurisdictions. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant should consult the Participant's personal legal advisor for further details regarding any insider trading restrictions and/or market-abuse laws in the Participant's country.

27. Foreign Asset/Account Reporting Requirements and Exchange Controls. The Participant's country may have certain foreign asset and/or account reporting requirements and exchange controls which may affect the Participant's ability to acquire or hold Shares under the Plan or cash received from participating in the Plan (including from any dividends received or sale proceeds arising from the sale of Shares) in a brokerage or bank account outside your country. The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in the Participant's country. The Participant also may be required to repatriate sale proceeds or other funds received as a result of participation in the Plan to the Participant's country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that it is the Participant's responsibility to be compliant with such regulations, and the Participant should consult the Participant's personal legal advisor for any details.

28. Country Specific Terms. The RSUs shall be subject to any special or additional terms and conditions for the Participant's country set forth in Appendix A to this Agreement. Moreover, if the Participant relocates to one of the countries included in Appendix A, the terms and conditions for such country set forth in Appendix A may apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix A constitutes part of this Agreement. In accepting the RSUs, the Participant acknowledges receipt of, and understands and agrees to the additional terms and conditions included in Appendix A.

29. Acceptance of Terms and Conditions. The Participant agrees with and agrees to abide by all of the governing terms and provisions of the Plan and this Agreement unless the Participant declines the award electronically with the Company sponsored broker by the first vest date; provided, however, that in the event of termination of the Participant's Service due to Disability or death on or before the first vest date, if the Participant has not declined the award prior to such time, the Participant shall be deemed to have accepted said terms and conditions. Additionally, the Participant acknowledges having read and understood the terms and conditions of the Plan and this Agreement and has had an opportunity to obtain the advice of counsel prior to accepting this Agreement. **In addition, the transfer or sale of the shares obtained at vesting by the Participant shall be considered an additional acknowledgment of the terms and conditions contained in the Plan and Agreement.**

* * * * *

PARTICIPANT SIGNATURE	
PRINTED NAME	
DATE	

APPENDIX A

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan and the Agreement.

TERMS AND CONDITIONS

This Appendix A includes additional or different terms and conditions applicable to Participants in the countries listed. These terms and conditions are in addition to, or, if so indicated, in place of, the terms and conditions set forth in the main body of the Agreement.

If the Participant is a citizen or resident of a country other than the one in which the Participant is currently residing and/or working (or if the Participant is considered as such for local law purposes), or if the Participant moves to another country after the Grant Date, the Company will, in its discretion, determine the extent to which the terms and conditions herein will be applicable to the Participant.

NOTIFICATIONS

This Appendix A also includes notifications relating to exchange controls, securities laws and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. The information is based on the exchange control, securities and other laws in effect in the respective countries as of December 2023. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant not rely on the notifications herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the RSUs are granted or vest, or when the Participant sells Shares acquired under the Plan.

In addition, the notifications are general in nature and may not apply to the Participant's particular situation and the Company is not in a position to assure the Participant of any particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's situation.

Finally, if the Participant is a citizen or resident of a country other than the one in which the Participant is currently residing and/or working (or if the Participant is considered as such for local law purposes), or if the Participant moves to another country after the Grant Date, the information contained herein may not be applicable to the Participant.

AUSTRIA

Notifications

Exchange Control Information. If the Participant holds securities (including Shares acquired under the Plan) or cash (including proceeds from the sale of Shares) outside of Austria, the Participant may be subject to reporting obligations to the Austrian National Bank as follows: (i) on a quarterly basis if the value of the Shares as of any given quarter meets or exceeds €30,000,000; and (ii) on an annual basis if the value of the Shares as of December 31 meets or exceeds €5,000,000. The quarterly reporting date is as of the last day of the respective quarter; the deadline for filing the quarterly report is the 15th day of the month following the end of the respective quarter. The deadline for filing the annual report is January 31 of the following year.

In addition, when the Shares are sold, Austrian residents may be required to comply with certain exchange control obligations if the cash proceeds from the sale are held outside Austria. If the transaction volume of all accounts abroad meets or exceeds €10,000,000, the movements and balances of all accounts must be reported monthly, as of the last day of the month, on or before the 15th day of the following month.

BELGIUM

Notifications

Tax Reporting Information. As a Belgian tax resident, the Participant is required to inform the Central Point of Contact (CPC) of the National Bank of Belgium of overseas income (which includes any Shares received in connection with participation in the Plan) by registering any foreign accounts with the CPC before filing the Participant's annual tax return with the Belgian tax authorities. If the Participant has previously reported overseas income, the Participant will receive a letter from the tax authorities about this requirement and will have two months from the receipt of such letter to report the accounts to the CPC. If the Participant has not previously reported overseas income, the Participant will not receive a letter and must proactively report the required information to the CPC.

Foreign Asset/Account Reporting Information. Belgian residents are required to report any securities (e.g., Shares acquired under the Plan) or bank accounts established outside of Belgium on their personal annual tax return. In a separate report, Belgian residents also are required to provide a central contact point of the National Bank of Belgium with the account number of those foreign bank accounts, the name of the bank with which the accounts were opened and the country in which they were opened in a separate report. This report, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium, www.nbb.be, under the *Kredietcentrales / Centrales des credits* caption. The Participant should consult with the Participant's personal advisor(s) regarding any personal foreign asset/foreign account tax obligations the Participant may have in connection with the Participant's participation in the Plan.

CHINA (PRC)

Terms and Conditions

Exchange Control Restrictions. The Participant agrees to comply with any requirements that may be imposed by the Company to facilitate compliance with exchange control requirements in the People's Republic of China ("China"), including the requirements imposed by the State Administration of Foreign Exchange ("SAFE"). There requirements may include, but are not limited to, a mandatory sale of Shares acquired upon settlement of the RSUs and the repatriation of any funds recognized under the Plan. Without limitation to the foregoing, please note:

- Mandatory Sale of Shares - The Company may require that any Shares issued upon the vesting and settlement of the RSUs be sold, either as soon as practicable after settlement or within a certain period of time following termination of Service or within such other period of time determined to be necessary or advisable by the Company for legal or administrative reasons. The Company is authorized to instruct its designated broker to assist with the mandatory sale of such Shares (on the Participant's behalf pursuant to this authorization without further consent) and the Participant expressly authorizes the Company's designated broker to complete the sale of such Shares. In this regard, the Participant agrees to sign any agreements, forms and/or consents that may be reasonably requested by the Company (or the Company's designated broker) to effectuate the sale of the Shares (including, without limitation, as to the transfers of the funds and other exchange control matters noted below) and shall otherwise cooperate with the Company with respect to such matters, provided that the Participant shall not be permitted to exercise any influence over how, when or whether the sales occur. The Participant acknowledges that the Company's designated broker is under no obligation to arrange for the sale of the Shares at any particular price. To the extent the Company does not require that the Shares be sold as soon as practicable after settlement, the Shares must be held in an account with the Company's designated broker.

- Repatriation of Funds - The Participant will be required to repatriate the funds recognized under the Plan (e.g., cash proceeds from the sale of the Shares, dividends) to China and, further, such repatriation of the funds may need to be effectuated through a special exchange control account established by the Company or one of its Related Entities in China. Therefore, any funds recognized under the Plan may need to be transferred to such special account prior to being delivered to the Participant.

  The Participant further understands that the funds recognized under the Plan will be delivered to the Participant as soon as possible, but there may be delays in distributing the funds to the Participant due to exchange control requirements in China. Funds may be paid to the Participant in U.S. dollars or local currency, at the Company's discretion. If the proceeds are paid in U.S. dollars, the Participant will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid in local currency, neither the Company nor any Related Entity is under any obligation to secure any particular exchange conversion rate and there may be delays in converting the funds to local currency due to exchange control restrictions. The Participant will bear any currency fluctuation risk between the time the funds are

recognized under the Plan and the time the funds are distributed to the Participant through the special account described above.

CZECH REPUBLIC

Notifications

Exchange Control Information. Proceeds from the sale of Shares may be held in a cash account abroad. The Participant may be required to report the opening and maintenance of foreign accounts held abroad to the Czech National Bank (the "CNB"). Even in the absence of a request from the CNB, the Participant may need to report (i) foreign direct investments with a value of CZK2,500,000 or more in the aggregate or (ii) other foreign financial assets with a value of CZK200,000,000 or more. The Participant should consult with the Participant's personal advisor(s) regarding any personal legal, regulatory or foreign exchange obligations the Participant may have in connection with the Participant's participation in the Plan.

FRANCE

Terms and Conditions

Language Consent. By accepting the RSUs, the Participant confirms having read and understood the Plan and Agreement, including all terms and conditions included therein, which were provided in the English language. The Participant accepts the terms of those documents accordingly.

Consentement à la Langue Utilisée. *En acceptant l' attribution, le Participant confirme avoir lu et compris le Plan et le Contrat, inclutant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Le Participant accepte les termes de ces documents en conséquence.*

Notifications

Non-Qualified Nature of Award. The RSU granted pursuant to the Agreement is not intended to be "French-qualified" and is ineligible for specific tax and/or social security treatment in France under Sections L. 225-197-1 to L. 225-197-5 and Sections L. 22-10-59 to L. 22-10-60 of the French Commercial Code, as amended.

Exchange Control Information. If the Participant imports or exports cash (*e.g.*, sales proceeds received under the Plan) with a value equal to or exceeding €10,000 and does not use a financial institution to do so, the Participant must submit a report to the customs and excise authorities. If the Participant maintains a foreign bank account, the Participant is required to report such account to the French tax authorities when filing the Participant's annual tax return.

Foreign Asset/Account Reporting Information. French residents must report annually any shares and bank accounts held outside France, including the accounts that were opened, used and/or closed during the tax year, to the French tax authorities, on an annual basis on a special Form N° 3916, together with the Participant's personal income tax return. The Participant should consult with the Participant's personal advisor(s) regarding any personal foreign asset/

foreign account tax obligations the Participant may have in connection with the Participant's participation in the Plan.

GERMANY

Notifications

Exchange Control Information. Cross-border payments in excess of €12,500 must be reported to the German Federal Bank (*Bundesbank*). If the Participant makes or receives a payment in excess of this amount (including if the Participant acquires Shares with a value in excess of this amount under the Plan or sells Shares via a foreign broker, bank or service provider and receives proceeds in excess of this amount) and/or if the Company withholds or sells Shares with a value in excess of this amount to cover Tax-Related Items, the Participant must report the payment and/or the value of the Shares withheld or sold to Bundesbank. Such report must be made either electronically using the "General Statistics Reporting Portal" ("*Allgemeine Meldeportal Statistik*") available via the Bundesbank's website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within such timing as is permitted or required by Bundesbank.

INDIA

Notifications

Exchange Control Information. Any funds realized in connection with the Plan (e.g., proceeds from the sale of Shares and cash dividends paid on the Shares) must be repatriated to India within a specified period of time after receipt as prescribed under Indian exchange control laws. The Participant is personally responsible for obtaining a foreign inward remittance certificate ("FIRC") from the bank where the Participant deposits the foreign currency and holding the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Employer requests proof of repatriation. The Participant is personally responsible for complying with exchange control laws in India, and neither the Company nor any Related Entity will be liable for any fines or penalties resulting from the Participant's failure to comply with applicable laws. The Participant may also be required to provide information to the Company or any Related Entity to facilitate their compliance with exchange control filing requirements in India. The Participant should consult with the Participant's personal advisor(s) regarding any personal legal, regulatory or foreign exchange obligations the Participant may have in connection with the Participant's participation in the Plan.

Foreign Asset/Account Reporting Information. The Participant is required to declare the Participant's foreign bank accounts and any foreign financial assets (including Shares acquired under the Plan held outside India) in the Participant's annual tax return. The Participant should consult with the Participant's personal advisor(s) regarding any personal foreign asset/foreign account tax obligations the Participant may have in connection with the Participant's participation in the Plan.

IRELAND

Notifications

Director Notification Requirement. If the Participant is a director, shadow director or secretary of an Irish Subsidiary or Related Entity of the Company who owns more than a 1% interest in the Company, pursuant to Section 53 of the Irish Company Act 1990, the Participant must notify the Irish Subsidiary or Related Entity of the Company in writing within five (5) business days of receiving or disposing of an interest in the Company (e.g., RSUs, Shares, etc.), or within five (5) business days of becoming aware of the event giving rise to the notification requirement, or within five (5) days of becoming a director, shadow director or secretary if such an interest exists at that time. This notification requirement also applies with respect to the interests of a spouse or minor child, whose interests will be attributed to the director, shadow director or secretary.

ISRAEL

Notifications

Securities Law Information. The Company has obtained an exemption to the prospectus filing requirement from the Israeli Securities Authority. Accordingly, the RSUs will be granted pursuant to an exemption from filing a Plan prospectus granted to the Company by the Israeli Securities Authority. Copies of the Plan and Form S-8 registration statement for the Plan filed with the U.S. Securities and Exchange Commission are available upon request from the Participant's local country general manager.

ITALY

Terms and Conditions

Plan Document Acknowledgment. By accepting the terms and conditions of the RSUs, the Participant acknowledges that the Participant has received a copy of the Plan and the Agreement and has reviewed the Plan and the Agreement, including this Appendix A and Exhibit A, in their entirety and fully understands and accepts all provisions of the Plan and the Agreement. The Participant further acknowledges that the Participant has read and specifically and expressly approves the following sections of the main body of the Agreement: Vesting (Section 2); Effect of Termination of Service or Leave of Absence (Section 3); Responsibility for Taxes (Section 5); Restriction on Transferability (Section 6); Effect on Other Employee Benefit Plans (Section 11); No Employment Rights (Section 12); Nature of the Grant (Section 13); Data Privacy Notice and Consent (Section 14); Electronic Delivery and Participation (Section 20); Company Policies (Section 22); Imposition of Additional Requirements (Section 23); Language (Section 24); Miscellaneous (Section 25); Country-Specific Terms (Section 28); and Acceptance of Terms and Conditions (Section 29).

Notifications

Foreign Asset/Account Reporting Information. Italian residents who, at any time during the fiscal year, hold foreign financial assets (including cash and Shares) which may generate income taxable in Italy are required to report these assets on their annual tax return (UNICO Form, RW Schedule) for the year during which the assets are held, or on a special form if no tax return is due. These reporting obligations also will apply to Italian residents who are the beneficial owners of foreign financial assets under Italian money laundering provisions, even if they do not directly hold the foreign asset abroad. The Participant should consult with a personal legal advisor to ensure compliance with applicable reporting requirements.

JAPAN

Notifications

Exchange Control Information. If the Participant acquires Shares valued at more than ¥100,000,000 in a single transaction, the Participant must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within 20 days of the purchase of Shares. The Participant should consult with the Participant's personal advisor(s) regarding any personal legal, regulatory or foreign exchange obligations the Participant may have in connection with the Participant's participation in the Plan.

Foreign Asset/Account Reporting Information. The Participant will be required to report details of any assets held outside Japan as of December 31st to the extent such assets have a total net fair market value exceeding ¥50,000,000. This report is due by March 15 each year. The Participant should consult with the Participant's personal advisor(s) regarding any personal foreign asset/foreign account tax obligations the Participant may have in connection with the Participant's participation in the Plan.

KOREA

Notifications

Domestic Broker Requirement for Sale of Shares. Currently, Korean residents are not permitted to sell foreign securities (such as Shares acquired under the Plan) through non-Korean brokers (such as the Fidelity) or deposit funds resulting from the sale of Shares in an account with an overseas financial institution. If the Participant wishes to sell Shares acquired under the Plan, the Participant is required to personally transfer the Shares received pursuant to the RSUs to a domestic investment broker in South Korea and to effect the sale through such broker. If applicable, the Participant is solely responsible for (a) establishing and maintaining the Participant's local brokerage account with a domestic broker in South Korea, and (b) all costs, fees and expenses associated with the establishment and maintenance of the Participant's local brokerage account with the domestic broker in South Korea. Without limitation to the foregoing, on December 29, 2023, the Financial Services Commission (the "FSC"), issued an advance notice of legislative action which may allow the Korean residents to dispose of overseas-listed securities without using Korean licensed brokers as early as March 2024, subject to the public comment process. Because regulations may change without notice, the Participant should consult with the Participant's personal advisor(s) regarding any personal legal, regulatory or foreign exchange obligations the Participant may have in connection with the Participant's participation in the Plan.

Foreign Asset/Account Reporting Information. Korean residents must declare all foreign financial accounts (e.g., non-Korean bank accounts, brokerage accounts) to the Korean tax authority and file a report with respect to such accounts in June of the following year if the monthly balance of such accounts exceeds KRW 500 million (or an equivalent amount in foreign currency) on any month-end date during a calendar year. The Participant should consult with the Participant's personal advisor(s) regarding any personal foreign asset/foreign account tax obligations the Participant may have in connection with the Participant's participation in the Plan.

MALAYSIA

Notifications

Director Notification Requirement. If the Participant is a Director of the local Subsidiary, the Participant is subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the local Subsidiary in writing when the Participant receives an interest (e.g., RSUs, Shares) in the Company or any of its Related Entities. In addition, the Participant must notify the local Subsidiary when the Participant disposes of an interest in the Company or any of its Related Entities (including when the Participant sells Shares acquired under the Plan). The Participant must also notify the local Subsidiary if there are any changes in the Participant's interest in the Company or any Related Entities. These notifications must be made within fourteen days of acquiring, disposing of, or changing any interest in the Company or any of its Related Entities.

NETHERLANDS

There are no country-specific provisions.

PORTUGAL

Terms and Conditions

Language Consent. The Participant hereby expressly declares that the Participant has full knowledge of the English language and has read, understood and fully accepted and agreed with the terms and conditions established in the Plan and Agreement.

Conhecimento da Lingua. *Por meio do presente, eu declaro expressamente que tem pleno conhecimento da língua inglesa e que li, compreendi e livremente aceitei e concordei com os termos e condições estabelecidas no Plano e no Acordo.*

Notifications

Exchange Control Information. The acquisition of Shares by a Portuguese resident should be reported to the *Banco de Portugal* for statistical purposes. If the Shares are deposited with a commercial bank or financial intermediary in Portugal, such bank or financial intermediary will submit the report to the Banco de Portugal. If the Shares are not deposited with a commercial bank, broker or financial intermediary in Portugal, the Portuguese resident will be responsible for submitting the report to the *Banco de Portugal*.

SINGAPORE

Notifications

Director Notification Obligation. Directors of a Singapore Related Entity are subject to certain notification requirements under the Singapore Companies Act. Directors must notify the Singapore Related Entity in writing of an interest (e.g., Shares, etc.) in the Company or any Related Entity within two (2) days of (i) its acquisition or disposal, (ii) any change in a previously disclosed interest (e.g., sale of Shares), or (iii) becoming a Director if such an interest exists at that time.

Securities Law Information. The grant of RSUs under the Plan is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the SFA and is not made with a view to the Shares being subsequently offered for sale to any other party. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore and hence, statutory liability under the SFA in relation to the content of prospectuses will not apply. The Participant should note that the grant of the RSU is subject to section 257 of the SFA and the Participant will not be able to make (i) any offer of such subsequent sale of the Shares subject to the RSUs in Singapore, unless such sale or offer is made (a) more than six months after the Grant Date or (b) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA (Chapter 289, 2006 Ed.) or pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA or (ii) any subsequent sale of the Shares subject to the RSUs in Singapore.

SLOVAKIA

Notifications

Exchange Control Information. It is the Participant's obligation to comply with exchange control requirements in the Slovakia Republic, including any notification requirements applicable to opening or maintaining any foreign bank or brokerage accounts.

SLOVENIA

Terms and Conditions

Language Consent. By accepting the grant of RSUs, the Participant acknowledges that the Participant is proficient in reading and understanding English and fully understands the terms of the documents related to the grant (the Agreement and the Plan), which were provided in the English language. The Participant accepts the terms of those documents accordingly.

Soglasje za Uporabo Angleškega Jezika. S sprejetjem dodelitve RSU Udeleženec (Participant) priznava in potrjuje, da je sposoben brati in razumeti angleški jezik ter v celoti razume pogoje dokumentov, povezanih z dodelitvijo (pogodba (Agreement) in Naÿrt (Plan)), ki so bili posredovani v angleškem jeziku. Udeleženec skladno s tem sprejema pogoje teh dokumentov.

SWITZERLAND

Notifications

Securities Law Information. The offer of the RSUs is not intended to be publicly offered in or from Switzerland. Neither this document nor any other materials relating to the RSUs (1) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services ("FinSA"), (2) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Company, or (3) have been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority (in particular, the Swiss Financial Market Supervisory Authority).

TAIWAN

Notifications

Securities Law Information. The grant of RSUs and participation in the Plan is available only for employees of the Company and its Subsidiaries and Affiliates. The grant of the RSUs and participation in the Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Information. The Participant may acquire and remit foreign currency (including funds for the purchase of Shares and proceeds from the sale of Shares) up to US$5,000,000 per year without prior approval.

If the transaction amount is NTD500,000 or more in a single transaction, the Participant must submit a Foreign Exchange Transaction Form. If the transaction amount is US$500,000 or more in a single transaction, the Participant must also provide supporting documentation to the satisfaction of the remitting bank.

UNITED KINGDOM

Terms and Conditions

Responsibility for Taxes. The following provision supplements Section 5 (Responsibility for Taxes) of the main body of the Agreement.

Without limitation to Section 5 of the main body of the Agreement, the Participant agrees to be liable for any Tax-Related Items and hereby covenants to pay any such Tax-Related Items, as and when requested by the Company or the Employer or by HM Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). The Participant agrees to indemnify and keep indemnified the Company and the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on the Participant's behalf.

Notwithstanding the foregoing, if the Participant is an executive officer or director (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In the event that the Participant is an executive officer or director and the income tax is not collected from or paid by the Participant within ninety (90) days of the end of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute a benefit to the Participant on which additional income tax and National Insurance contributions may be payable. The Participant acknowledges that the Participant will be responsible for reporting and paying any income tax due on this additional benefit directly to the HMRC under the self-assessment regime and for paying the Company or the Employer, as applicable, for the value of any employee National Insurance contributions due on this additional benefit.

LAM RESEARCH CORPORATION
2015 Stock Incentive Plan
Restricted Stock Unit Award Agreement
EXHIBIT A

Participant (Name & Employee Number):

Grant Date:

Number of RSUs:

Vesting Date(s):

Leave of Absence: 31st day (or 91st day if reemployment guaranteed by statute or contract), or as otherwise required under applicable laws.

LAM RESEARCH CORPORATION
2015 Stock Incentive Plan
Market-Based Performance Restricted Stock Unit Award Agreement
(U.S. Participants)

Pursuant to the terms of the 2015 Stock Incentive Plan (the "Plan") Lam Research Corporation, a Delaware corporation (the "Company"), hereby awards market-based performance restricted stock units ("mPRSUs") to [Print Name] (the "Participant") on the terms and conditions as set forth in this Market-Based Performance Restricted Stock Unit Award Agreement, including the attached Exhibit A (collectively, the "Agreement") and the Plan. Capitalized terms used but not defined in this Agreement shall have the meaning specified in the Plan. This Agreement is effective as of [Date] (the "Grant Date").

NOW, THEREFORE, it is hereby agreed as follows:

1. Award of mPRSUs. Subject to the terms and conditions of this Agreement and the Plan (the terms of which are incorporated herein by reference) and effective as of the date set forth above, the Company hereby grants to the Participant the Target Number of mPRSUs as set forth in Exhibit A. Subject to the Company's attainment of the relative performance set forth in the attached Exhibit A (the "Performance Criteria"), the Participant may vest in the mPRSUs in a designated Payout Range as set forth in Exhibit A. The mPRSUs represent an unfunded, unsecured promise by the Company to deliver Shares subject to the terms and conditions of this Agreement.

2. Vesting.

(a) Subject to the terms and conditions of this Agreement, the mPRSUs shall vest and become payable in Shares on the Performance Vesting Date set forth in the attached Exhibit A. The number of mPRSUs that vest shall be determined by the Company's performance under the Vesting Formula during the Performance Period, as set forth in the attached Exhibit A. Except as otherwise provided herein, the Participant's right to receive Shares subject to the mPRSUs is contingent upon the Participant continuing to provide Service (as defined in Section 3 below) to the Company (or any Related Entity) through the Performance Vesting Date.

(b) Notwithstanding the provisions above, in the event of a Corporate Transaction or a Change in Control[1] (defined hereinafter as "Triggering Event") prior to the Performance Vesting Date in Section 2(a), a portion of the mPRSUs shall convert into a cash award (the "Cash Award"). The number of mPRSUs that convert into a Cash Award shall be the sum of the "performance pro rata" number of Shares and the "target pro rata" number of Shares. This sum shall be multiplied by the closing price of the Company's common stock as of the closing date of the Triggering Event to determine the dollar amount of the Cash Award. The Cash Award will vest on the Performance Vesting Date, contingent upon the Participant continuing to provide Service (as defined in Section 3 below) to the Company (or any Related Entity) t

[1] As may be defined by the Company's Executive Change in Control Policy, if applicable to the Participant.

hrough the Performance Vesting Date. Any remaining portion of the mPRSUs that are not converted into a Cash Award shall be cancelled.

(i) *Performance Pro Rata*. The Target Number of mPRSUs (as set forth in the attached Exhibit A) shall be multiplied by the total number of days from the first day of the Performance Period until the earlier of the closing date of the Triggering Event or the last day of the Performance Period divided by the number of days in the Performance Period ("Elapsed Target Shares"). The Company's performance under the Vesting Formula (as set forth in the attached Exhibit A) from the first day of the Performance Period until the closing date of the Triggering Event shall be applied to the Elapsed Target Shares to determine the "performance pro rata" number of Shares.

(ii) *Target Pro Rata*. The Target Number of mPRSUs (as set forth in the attached Exhibit A) shall be multiplied by the total number of days from the day following the closing date of the Triggering Event until the last day of the Performance Period (but not less than zero) divided by the number of days in the Performance Period to determine the "target pro rata" number of Shares.

3. Effect of Termination of Service or Leave of Absence.

(a) For purposes of this Agreement, "Service" shall mean the performance of services for the Company (or any Related Entity) in the capacity of an Employee and shall be considered terminated on the last day the Participant is on payroll. In the event of termination of the Participant's Service by the Participant or by the Company or a Related Entity for any reason, excluding Participant's death or Disability before the mPRSUs have vested, the unvested mPRSUs shall be cancelled by the Company.

(b) In the event of termination of the Participant's Service due to death prior to the Performance Vesting Date, a portion of the mPRSUs granted to the Participant shall vest on the date of death. To determine the applicable number of Shares, the Company's performance under the Vesting Formula (as set forth in the attached Exhibit A) from the first day of the Performance Period until the earlier of the date of death or the last day of the Performance Period shall be applied to the original Target Number of mPRSUs (as set forth in the attached Exhibit A), to determine the number of Shares which shall vest on the date of death (the "Death Vesting Date"). Any remaining unvested portion of the mPRSUs shall be cancelled.

(c) In the event of termination of the Participant's Service due to Disability prior to the Performance Vesting Date, a portion of the mPRSUs granted to the Participant shall vest on the date the Disability is incurred. To determine the applicable number of Shares, the Target Number of mPRSUs (as set forth in the attached Exhibit A) shall be multiplied by the total number of days from the first day of the Performance Period until the earlier of the date the Disability is incurred or the last day of the Performance Period, divided by the number of days in the Performance Period to determine the "disability pro rata" target number of Shares. The Company's performance under the Vesting Formula (as set forth in the attached Exhibit A) from the first day of the Performance Period until the earlier of the date the Disability is incurred or the last day of the Performance Period shall be applied to the greater of: (i) the "disability pro rata" target number of Shares or (ii) 50% of the original Target Number of mPRSUs (as set forth in the attached Exhibit A) to determine the number of Shares which shall vest on the date the

Disability is incurred (the "Disability Vesting Date", and collectively with "Performance Vesting Date", and the "Death Vesting Date", the "Vesting Date"). Any remaining unvested portion of the mPRSUs shall be cancelled.

(d) Vesting of the mPRSUs will be suspended and vesting credit will no longer accrue as of the day of the leave of absence as set forth in Exhibit A, unless otherwise determined by the Administrator or required by contract or statute. If the Participant returns to Service immediately after the end of an approved leave of absence, vesting credit shall continue to accrue from that date of continued Service.

4. Form and Timing of Payment.

(a) Subject to Section 5 of this Agreement and provided that the Participant has satisfied the vesting requirements of Section 2 of this Agreement, on each Vesting Date, as applicable, the mPRSUs shall automatically be converted into unrestricted Shares. Such Shares will be issued to the Participant (as evidenced by the appropriate entry in the books of the Company or a duly authorized transfer agent of the Company) on the applicable Vesting Date (or as soon as practicable), but in any event, within the period ending on the later to occur of the date that is 2 ½ months after the end of (i) the Participant's tax year that includes the applicable Vesting Date, or (ii) the Company's tax year that includes the applicable Vesting Date.

(b) Shares issued in respect of mPRSUs shall be deemed to be issued in consideration of past services actually rendered by the Participant to the Company or a Related Entity or for its benefit for which the Participant has not previously been compensated or for future services to be rendered, as the case may be, which the Company deems to have a value at least equal to the aggregate par value of the Shares subject to the mPRSUs.

5. Tax Withholding Obligations. Regardless of any action the Company or the Participant's employer (the "Employer") takes with respect to any or all income tax (including federal, state and local taxes), social insurance, payroll tax, fringe benefits tax, or other tax-related withholding ("Tax-Related Items"), the Participant acknowledges that the ultimate liability for all Tax-Related Items legally due by the Participant is and remains the Participant's responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the mPRSUs, including, but not limited to, the grant of the mPRSUs, the vesting of the mPRSUs, or the receipt of an equivalent cash payment, the subsequent sale of any Shares acquired at vesting and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the mPRSUs to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result.

Prior to the issuance of Shares upon vesting of the mPRSUs (or any other tax or withholding event), the Participant shall pay, or make arrangements satisfactory to the Company (in the Company's sole discretion) to satisfy all withholding obligations. In those cases where a prior arrangement has not been made (or where the amount of money provided under the prior arrangement is insufficient to satisfy the obligations for Tax-Related Items), the Company shall

withhold a number of whole Shares otherwise deliverable at vesting having a Fair Market Value sufficient to satisfy the statutory minimum (or such higher amount as is allowable without adverse accounting consequences) of the Participant's estimated obligations for Tax-Related Items applicable to the mPRSUs; such withholding will result in the issuance to the participant of a lower number of Shares.

The Company and/or the Employer may also, in lieu of or in addition to the foregoing, at the Company's sole discretion, as authorized herein by the Participant, withhold all applicable Tax-Related Items legally payable by the Participant from the Participant's wages or other cash compensation or to withhold in one of the following ways, as determined by the Company: (i) require the Participant to deposit with the Company an amount of cash sufficient to meet the Participant's obligation for Tax-Related Items, and/or (ii) sell or arrange for the sale of Shares to be issued on the vesting of the mPRSUs to satisfy the withholding obligation. If the Participant's obligation for Tax-Related Items is satisfied as described in (ii) of this section, the Company will endeavor to sell only the number of Shares required to satisfy the Participant's obligations for Tax-Related Items; however, the Participant agrees that the Company may sell more Shares than necessary to cover the Tax-Related Items and that in such event, the Company will reimburse the Participant for the excess amount withheld, in cash and without interest. The Participant shall pay to the Employer any amount of Tax-Related Items that the Employer may be required to withhold as a result of the Participant's receipt of the mPRSUs, the vesting of the mPRSUs that cannot be satisfied by the means previously described. The Company may refuse to deliver Shares to the Participant if the Participant fails to comply with the Participant's obligation in connection with the Tax-Related Items as described herein. The Participant hereby consents to any action reasonably taken by the Company and/or the Employer to meet the Participant's obligation for Tax-Related Items.

Further, in consideration of the grant of the mPRSUs, no claim or entitlement to compensation or damages arises if, in satisfying the Participant's (and/or the Employer's) obligation for Tax-Related Items, the Company and/or the Employer withholds an amount in excess of the amount legally required to be withheld, the Participant irrevocably releases the Company and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, the Participant shall be deemed irrevocably to have waived the Participant's entitlement to pursue such claim or damages.

6. Restriction on Transferability. Prior to vesting and delivery of the Shares, neither the mPRSUs, nor the Shares or any beneficial interest therein, may be sold, transferred, pledged, assigned, or otherwise alienated at any time. Any attempt to do so contrary to the provisions hereof shall be null and void. Notwithstanding the above, distribution can be made pursuant to will, the laws of descent and distribution, and if provided by the Administrator and permitted by Applicable Laws, intra-family transfer instruments, or to an inter vivos trust, or as otherwise provided by the Administrator. The terms of this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Participant.

7. Requirements of Law. The issuance of Shares upon vesting of the mPRSUs is subject to Sections 9 and 14(b) of the Plan, which generally provide that any such issuance shall be subject to compliance by the Company and the Participant with all applicable requirements of

law relating thereto and with all applicable regulations of any stock exchange on which the Shares may be listed for trading at the time of such issuance. The inability of the Company to obtain approval from any regulatory body having authority deemed by the Company to be necessary to the lawful issuance of any Shares hereby shall relieve the Company of any liability with respect to the non-issuance of the Shares as to which such approval shall not have been obtained.

8. Rights as Stockholder. The Participant shall not have voting, dividend or any other rights as a stockholder of the Company with respect to the mPRSUs. Upon settlement of the Participant's mPRSUs into Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), the Participant will obtain full voting, dividend and other rights as a stockholder of the Company.

9. No Compensation Deferrals. Neither the Plan nor this Agreement is intended to provide for an elective deferral of compensation that would be subject to Section 409A ("Section 409A") of the Internal Revenue Code of 1986, as amended (the "Code"). If, notwithstanding the parties' intent in this regard, at the time of the Participant's termination of Service, the Participant is determined to be a "specified employee" as defined in Code Section 409A, and one or more of the payments or benefits received or to be received by the Participant pursuant to the mPRSUs would constitute deferred compensation subject to Code Section 409A, no such payment or benefit will be provided under the mPRSUs until the earliest of (A) the date which is six (6) months after the Participant's "separation from service" for any reason, other than death or "disability" (as such terms are used in Section 409A(a)(2) of the Code), (B) the date of the Participant's death or "disability" (as such term is used in Section 409A(a)(2)(C) of the Code), or (C) the effective date of a "change in the ownership or effective control" or a "change in ownership of a substantial portion of the assets" of the Company (as such terms are used in Section 409A(a)(2)(A)(v) of the Code). The provisions of this Section 9 shall only apply to the extent required to avoid the Participant's incurrence of any additional tax or interest under Code Section 409A or any regulations or U.S. Department of the Treasury ("Treasury") guidance promulgated thereunder. In addition, if any provision of the mPRSUs would cause the Participant to incur any additional tax or interest under Code Section 409A or any regulations or Treasury guidance promulgated thereunder, the Company reserves the right, to the extent the Company deems necessary or advisable in its sole discretion, to unilaterally amend or modify the Plan and/or this Agreement to conform it to the maximum extent practicable to the original intent of the applicable provision without violating the provisions of Code Section 409A, including without limitation to limit payment or distribution of any amount of benefit hereunder in connection with a Triggering Event to a transaction meeting the definitions referred to in clause (C) above, or in connection with any disability to a "disability" as referred to in (B) above; provided however that the Company makes no representation that these Performance Restricted Stock Units are not subject to Section 409A nor makes any undertaking to preclude Section 409A from applying to these mPRSUs. In addition, to the extent the Company determines it appropriate to accelerate any vesting conditions applicable to this award, then to the extent necessary to avoid the Participant's incurring any additional tax or interest as a result of such vesting acceleration under Code Section 409A or any regulations or Treasury guidance promulgated thereunder, and notwithstanding Section 4 above, the Company may as a condition to extending such acceleration benefits provide for the Shares to be issued upon settlement of the

mPRSUs to be issued on the earliest date (the "Permitted Distribution Date") that would obviate application of such additional tax or interest rather than issuing them upon the date on which such vesting is effective as would otherwise be required under Section 2 (or as soon as practicable after such Permitted Distribution Date and in no event later than that last day of the grace period following such date permitted under Code Section 409A).

10. Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation, and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator shall be final and binding upon the Participant, the Company, and all other interested persons. No Administrator shall be personally liable for any action, determination, or interpretation made in good faith with respect to the Plan or this Agreement.

11. Effect on Other Employee Benefit Plans. The value of the mPRSUs granted pursuant to this Agreement shall not be included as compensation, earnings, salaries, or other similar terms used when calculating the Participant's benefits under any employee benefit plan sponsored by the Company or any Related Entity, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Related Entity's employee benefit plans.

12. No Employment Rights. The award of the mPRSUs pursuant to this Agreement shall not give the Participant any right to continued Service with the Company or a Related Entity and shall not interfere with the ability of the Employer to terminate the Participant's Service with the Company at any time with or without cause.

13. Nature of the Grant. In accepting the mPRSUs, the Participant acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement;

(b) the grant of mPRSUs is exceptional, voluntary and occasional and does not create any contractual or other right to receive future awards of mPRSUs, or benefits in lieu of mPRSUs even if mPRSUs have been awarded in the past;

(c) all decisions with respect to future grants of mPRSUs, if any, will be at the sole discretion of the Company;

(d) the Participant's participation in the Plan is voluntary;

(e) the mPRSUs are outside the scope of the Participant's employment contract, if any;

(f) the mPRSUs and the Shares subject to the mPRSUs, and the income from and value of same, are not intended to replace any pension rights or compensation;

(g) the mPRSUs and the Shares subject to the mPRSUs, and the income from and value of same, are not part of normal or expected compensation or salary for any purpose, including, but not limited to, calculation of any overtime, severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, holiday pay, pension or retirement benefits or similar payments;

(h) in the event that the Participant is not an employee of the Company, the grant of the mPRSUs will not be interpreted to form an employment contract or relationship with the Company; and furthermore, the grant of the mPRSUs will not be interpreted to form an employment contract with the Employer or any Related Entity;

(i) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

(j) if the Participant receives Shares upon vesting of the mPRSUs, the value of such Shares may increase or decrease in value;

(k) in consideration of the grant of the mPRSUs, no claim or entitlement to compensation or damages arises from (i) termination of the mPRSUs or diminution in value of the mPRSUs or Shares received upon vesting of mPRSUs resulting from termination of the Participant's Service to the Company or the Employer (for any reason whatsoever and whether or not later found to be invalid or in breach of applicable laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any) and/or (ii) the forfeiture or termination of the mPRSUs, or the recoupment of any Shares, cash or other benefits acquired upon settlement of the mPRSUs resulting from the application of Section 23 of the Plan, and the Participant irrevocably releases the Company and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, the Participant shall be deemed irrevocably to have waived the Participant's entitlement to pursue such claim;

(l) unless otherwise provided in the Plan or by the Company in its discretion, the mPRSUs and the benefits evidenced by this Agreement do not create any entitlement to have the mPRSUs or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

(m) unless otherwise agreed with the Company, the RSUs and the Shares subject to the mPRSUs, and any income from and value of same, are not granted as consideration for, or in connection with, the service the Participant may provide as a director of any Related Entity.

14. Amendment of Agreement. This Agreement may be amended only by a writing which specifically states that it amends this Agreement. Notwithstanding the foregoing, this Agreement may be amended unilaterally by the Committee by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to the Participant, and provided that no such amendment adversely affects the rights of the Participant. Without limiting the foregoing, the Committee reserves the right to change, by written notice to

the Participant, the provisions of the mPRSUs or this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, or, to the extent permissible under the Plan (including, but not limited to, Sections 10, 11 and 13 of the Plan).

15. Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of its Stock Administrator. Any notice to be given to the Participant shall be addressed to the Participant at the address listed in the Employer's records. By a notice given pursuant to this section, either party may designate a different address for notices. Any notice shall have been deemed given when actually delivered.

16. Severability. The provisions of this Agreement are severable and if all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any section of this Agreement (or part of such a section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such section or part of a section to the fullest extent possible while remaining lawful and valid.

17. Waiver. The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of the Agreement, or of any subsequent breach by the Participant or any other participant.

18. Construction. The mPRSUs are being issued pursuant to the Plan and are subject to the terms of the Plan. A copy of the Plan is available upon request during normal business hours at the principal executive offices of the Company. To the extent that any provision of this Agreement violates or is inconsistent with a provision of the Plan, the Plan provision shall govern and any inconsistent provision in this Agreement shall be of no force or effect.

19. Electronic Delivery and Participation. The Company may, in its sole discretion, decide to deliver any documents related to the mPRSUs granted under the Plan and participation in the Plan or future mPRSUs that may be granted under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

20. Entire Agreement. The Plan is incorporated herein by reference. The Plan and this Agreement constitute the entire agreement of the Company and the Participant with respect to the subject matter hereof and, unless indicated otherwise herein, supersede in their entirety all prior undertakings and agreements of the Company and the Participant with respect to the subject matter hereof.

21. Company Policies. The mPRSUs are being issued subject to the terms of the Company's Executive Severance Policy and Executive Change in Control Policy, as in effect at

any time and from time to time (each, a "Policy"). If and to the extent that a provision of a Policy is at any time applicable to the Participant and the application of such provision would yield a different result than the application of a provision of this Agreement, the Policy provision shall prevail, and the corresponding provision of this Agreement shall not apply.

22. Recoupment/Clawback. As an additional condition of receiving the mPRSUs, pursuant to Section 23 of the Plan, the Participant agrees that the mPRSUs and any benefits or proceeds therefrom that the Participant may receive hereunder shall be subject to forfeiture and/or repayment to the Company, to the extent required to comply with any requirements imposed under applicable laws and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, including, without limitation, pursuant to Section 10D of the Exchange Act, Rule 10D-1 thereunder, and Nasdaq Stock Market Listing Rule 5608 as may be reflected in a compensation recovery or "clawback" policy adopted by the Company, as may be amended from time to time, or otherwise (and the provisions contained in a policy contemplated in this Section 22 shall be deemed incorporated into this Agreement without the Participant's additional or separate consent).

23. Imposition of Additional Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the mPRSUs and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

24. Miscellaneous.

(a) The Company has established the Plan voluntarily, it is discretionary in nature and the Board may terminate, amend, or modify the Plan at any time; provided, however, that no such termination, amendment, or modification of the Plan may in any way adversely affect the Participant's rights under this Agreement, without the Participant's written approval unless such termination, amendment, or modification of the Plan is necessary in order to comply with any change in Applicable Laws or regulations or any future law, regulation, ruling, or judicial decision or as otherwise permissible under the Plan (including, but not limited to, Sections 10, 11 and 13 of the Plan).

(b) All obligations of the Company under the Plan and this Agreement in a Triggering Event shall be governed by the Plan and this Agreement, other than as set forth in Section 3(a) above.

(c) By signing this Agreement, the Participant acknowledges that the Participant's personal employment or Service information regarding participation in the Plan and information necessary to determine and pay, if applicable, benefits under the Plan must be shared with other entities, including companies related to the Company and persons responsible for certain acts in the administration of the Plan. By signing this Agreement, the Participant consents to such transmission of personal data as the Company believes is appropriate to administer the Plan.

(d) To the extent not preempted by federal law, this Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to its principles of conflict of laws. For purposes of litigating any dispute that arises directly or indirectly under the Plan or this Agreement, the parties hereby submit to and consent to the jurisdiction of the State of California, and agree that such litigation shall be conducted in the courts of Alameda County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

(e) The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan. The Participant understands that the Participant should consult the Participant's own personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

25. Insider Trading Restrictions. The Participant acknowledges that the Participant may be subject to insider-trading law restrictions under the laws and regulations of applicable jurisdictions, including the United States, which may affect the Participant's ability to acquire, sell or attempt to sell or otherwise dispose of Shares or rights to Shares (e.g., mPRSUs) during such times as the Participant is considered to have "inside information" regarding the Company as defined in these laws or regulations. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy.

26. Acceptance of Terms and Conditions. The Participant agrees with and agrees to abide by all of the governing terms and provisions of the Plan and this Agreement unless the Participant declines the award electronically with the Company sponsored broker by the first vest date; provided, however, that in the event of termination of the Participant's Service due to Disability or death on or before the first vest date, if the Participant has not declined the award prior to such time, the Participant shall be deemed to have accepted said terms and conditions. Additionally, the Participant acknowledges having read and understood the terms and conditions of the Plan and this Agreement and has had an opportunity to obtain the advice of counsel prior to accepting this Agreement. **In addition, the transfer or sale of the shares obtained at vesting by the Participant shall be considered an additional acknowledgment of the terms and conditions contained in the Plan and Agreement.**

* * * * *

PARTICIPANT SIGNATURE	[Electronic Signature]
PRINTED NAME	[Participant Name]
DATE	[Acceptance Date]

LAM RESEARCH CORPORATION
2015 Stock Incentive Plan
Market-Based Performance Restricted Stock Unit Award Agreement
EXHIBIT A
([_____] Vesting)

Participant (Name & Employee Number):

Grant Date:

Target Number of mPRSUs:

Performance Vesting Date:

Payout Range: 0% to 150% of Target Number of mPRSUs

Performance Period: to .

Performance Criteria:

- **Index**
  PHLX Semiconductor Sector Total Return Index, a global index traded on the NASDAQ OMX PHLX with a trading symbol of "XSOX"

- **Vesting Formula**
  Target Number of mPRSUs x (100% + ((LRCX TSR % – Index TSR %) x 2)) = mPRSUs vested (subject to the maximum in the Payout Range)

  - Target Number of mPRSUs is vested if the LRCX TSR % equals the Index TSR %
  - Number of mPRSUs vested increases by 2% of target for each 1% that the LRCX TSR % exceeds the Index TSR %
  - Number of mPRSUs vested decreases by 2% of target for each 1% that the LRCX TSR % trails the Index TSR %
  - The result of the Vesting Formula is rounded down to the nearest whole number

- **LRCX TSR %**
  (LRCX 50-trading day average closing price as of the last trading day of the Performance Period – LRCX 50-trading day average closing price on the trading day immediately prior to the beginning of the Performance Period) ÷ (LRCX 50-trading day average closing price on the trading day immediately prior to the beginning of the Performance Period) x 100

- **Index TSR %**
  (Index 50-trading day average closing price as of the last trading day of the Performance Period – Index 50-trading day average closing price on the trading day immediately prior to the beginning of the Performance Period) ÷ (Index 50-trading day average closing price on the trading day immediately prior to the beginning of the Performance Period) x 100

- **Notes:**

  - The LRCX TSR % calculation assumes any dividends paid on the Company's common stock are reinvested on the ex-dividend date.
  - All Index TSR % calculations are based on the companies traded on the Index as of the applicable dates
    - E.g., The Index is used as of the applicable dates even if companies are added / removed from the Index during the Performance Period.
  - The Company's relative performance is determined using calculations based on the 50-trading day average closing price methodology for all TSR calculations.
  - In the event of a Triggering Event, the closing price of the Company's common stock as of the closing date of the Triggering Event is used to convert the sum of the "performance pro rata" and "target pro rata" number of Shares into the Cash Award.
  - If the Index is no longer traded / calculated, the Company's relative performance is determined using calculations based on the companies included in the Index at the time trading / calculation last occurred. The Compensation Committee will calculate the Index TSR % in the manner that most closely approximates the Index in its sole discretion.

Leave of Absence: 31st day (or 91st day if reemployment guaranteed by statute or contract)

LAM RESEARCH CORPORATION
2015 Stock Incentive Plan
Market-Based Performance Restricted Stock Unit Award Agreement
(International Participants)

Pursuant to the terms of the 2015 Stock Incentive Plan (the "Plan") Lam Research Corporation, a Delaware corporation (the "Company"), hereby awards market-based performance restricted stock units ("mPRSUs") to [Print Name] (the "Participant") on the terms and conditions as set forth in this Market-Based Performance Restricted Stock Unit Award Agreement, including the attached Appendix A and Exhibit A (collectively, the "Agreement") and the Plan. Capitalized terms used but not defined in this Agreement shall have the meaning specified in the Plan. This Agreement is effective as of [Date] (the "Grant Date").

NOW, THEREFORE, it is hereby agreed as follows:

1. Award of mPRSUs. Subject to the terms and conditions of this Agreement and the Plan (the terms of which are incorporated herein by reference) and effective as of the date set forth above, the Company hereby grants to the Participant the Target Number of mPRSUs as set forth in Exhibit A. Subject to the Company's attainment of the relative performance set forth in the attached Exhibit A (the "Performance Criteria"), the Participant may vest in the mPRSUs in a designated Payout Range as set forth in Exhibit A. The mPRSUs represent an unfunded, unsecured promise by the Company to deliver Shares subject to the terms and conditions of this Agreement.

2. Vesting.

(a) Subject to the terms and conditions of this Agreement, the mPRSUs shall vest and become payable in Shares on the Performance Vesting Date set forth in the attached Exhibit A. The number of mPRSUs that vest shall be determined by the Company's performance under the Vesting Formula during the Performance Period, as set forth in the attached Exhibit A. Except as otherwise provided herein, the Participant's right to receive Shares subject to the mPRSUs is contingent upon the Participant continuing to provide Service (as defined in Section 3 below) to the Company (or any Related Entity) through the Performance Vesting Date.

(b) Notwithstanding the provisions above, in the event of a Corporate Transaction or a Change in Control[1] (defined hereinafter as "Triggering Event") prior to the Performance Vesting Date in Section 2(a), a portion of the mPRSUs shall convert into a cash award (the "Cash Award"). The number of mPRSUs that convert into a Cash Award shall be the sum of the "performance pro rata" number of Shares and the "target pro rata" number of Shares. This sum shall be multiplied by the closing price of the Company's common stock as of the closing date of the Triggering Event to determine the dollar amount of the Cash Award. The Cash Award will vest on the Performance Vesting Date, contingent upon the Participant continuing to provide Service (as defined in Section 3 below) to the Company (or any Related Entity) t

[1] As may be defined by the Company's Executive Change in Control Policy, if applicable to the Participant.

hrough the Performance Vesting Date. Any remaining portion of the mPRSUs that are not converted into a Cash Award shall be cancelled.

(i) *Performance Pro Rata*. The Target Number of mPRSUs (as set forth in the attached Exhibit A) shall be multiplied by the total number of days from the first day of the Performance Period until the earlier of the closing date of the Triggering Event or the last day of the Performance Period divided by the number of days in the Performance Period ("Elapsed Target Shares"). The Company's performance under the Vesting Formula (as set forth in the attached Exhibit A) from the first day of the Performance Period until the closing date of the Triggering Event shall be applied to the Elapsed Target Shares to determine the "performance pro rata" number of Shares.

(ii) *Target Pro Rata*. The Target Number of mPRSUs (as set forth in the attached Exhibit A) shall be multiplied by the total number of days from the day following the closing date of the Triggering Event until the last day of the Performance Period (but not less than zero) divided by the number of days in the Performance Period to determine the "target pro rata" number of Shares.

3. Effect of Termination of Service or Leave of Absence.

(a) For purposes of this Agreement, "Service" shall mean the performance of services for the Company (or any Related Entity) in the capacity of an Employee and shall be considered terminated on the last day the Participant is on payroll. In the event of termination of the Participant's Service by the Participant or by the Company or a Related Entity for any reason, excluding Participant's death or Disability before the mPRSUs have vested, the unvested mPRSUs shall be cancelled by the Company.

(b) In the event of termination of the Participant's Service due to death prior to the Performance Vesting Date, a portion of the mPRSUs granted to the Participant shall vest on the date of death. To determine the applicable number of Shares, the Company's performance under the Vesting Formula (as set forth in the attached Exhibit A) from the first day of the Performance Period until the earlier of the date of death or the last day of the Performance Period shall be applied to the original Target Number of mPRSUs (as set forth in the attached Exhibit A), to determine the number of Shares which shall vest on the date of death (the "Death Vesting Date"). Any remaining unvested portion of the mPRSUs shall be cancelled.

(c) In the event of termination of the Participant's Service due to Disability prior to the Performance Vesting Date, a portion of the mPRSUs granted to the Participant shall vest on the date the Disability is incurred. To determine the applicable number of Shares, the Target Number of mPRSUs (as set forth in the attached Exhibit A) shall be multiplied by the total number of days from the first day of the Performance Period until the earlier of the date the Disability is incurred or the last day of the Performance Period, divided by the number of days in the Performance Period to determine the "disability pro rata" target number of Shares. The Company's performance under the Vesting Formula (as set forth in the attached Exhibit A) from the first day of the Performance Period until the earlier of the date the Disability is incurred or the last day of the Performance Period shall be applied to the greater of: (i) the "disability pro rata" target number of Shares or (ii) 50% of the original Target Number of mPRSUs (as set forth in the attached Exhibit A) to determine the number of Shares which shall vest on the date the Disability is incurred (the "Disability Vesting Date", and collectively with "Performance Vesting

Date", and the "Death Vesting Date", the "Vesting Date"). Any remaining unvested portion of the mPRSUs shall be cancelled.

(d) Vesting of the mPRSUs will be suspended and vesting credit will no longer accrue as of the day of the leave of absence as set forth in Exhibit A, unless otherwise determined by the Administrator or required by contract, statute or applicable local law. If the Participant returns to Service immediately after the end of an approved leave of absence, vesting credit shall continue to accrue from that date of continued Service.

4. Form and Timing of Payment. Subject to Section 5 of this Agreement and provided that the Participant has satisfied the vesting requirements of Section 2 of this Agreement, on each Vesting Date, as applicable, the mPRSUs shall automatically be converted into unrestricted Shares. Such Shares will be issued to the Participant (as evidenced by the appropriate entry in the books of the Company or a duly authorized transfer agent of the Company) on the applicable Vesting Date (or as soon as practicable), but in any event, within the period ending on the later to occur of the date that is 2 ½ months after the end of (i) the Participant's tax year that includes the applicable Vesting Date, or (ii) the Company's tax year that includes the applicable Vesting Date.

5. Responsibility for Taxes. Regardless of any action the Company or the Participant's employer (the "Employer") takes with respect to any or all income tax (including U.S. federal, state, local and non-U.S. taxes), social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items legally applicable or deemed legally applicable to the Participant ("Tax-Related Items"), the Participant acknowledges that the ultimate liability for all Tax-Related Items is and remains the Participant's responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the mPRSUs, including, but not limited to, the grant of the mPRSUs, the vesting of the mPRSUs, or the receipt of an equivalent cash payment, the subsequent sale of any Shares acquired at vesting and the receipt of any dividends; and (ii) do not commit and are under no obligation to structure the terms of the grant or any aspect of the mPRSUs to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant has become subject to tax in more than one jurisdiction, the Participant acknowledges that the Company or the Employer (or former employer) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, the Participant shall pay or make arrangements satisfactory to the Company (in the Company's sole discretion) to satisfy all withholding (and payment on account, where applicable) obligations for Tax-Related Items. In this regard, the Company shall withhold a number of whole Shares otherwise deliverable at vesting having a Fair Market Value sufficient to satisfy the Participant's estimated obligations for Tax-Related Items. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Participant will be deemed to have been issued the full number of Shares subject to the applicable mPRSUs, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items.

The Company and/or the Employer may also, in lieu of or in addition to the foregoing, at the Company's sole discretion as authorized herein by the Participant, withhold all applicable Tax-Related Items in one of the following ways, as determined by the Company: (i) withhold from the Participant's wages or other cash compensation; (ii) require the Participant to deposit with the Company an amount of cash sufficient to meet the Participant's obligation for Tax-Related Items; (iii) sell or arrange for the sale of a sufficient number of Shares to be issued on the vesting of the mPRSUs to satisfy all Tax-Related Items; and/or (iv) any other method of withholding (or payment on account, when applicable) determined by the Company and permitted by applicable law.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering statutory or other withholding rates, including (to the extent permitted under the Plan) up to the maximum rate in the Participant's jurisdiction(s). In the event the application of the withholding rate leads to over-withholding, the Participant may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares) from the Company or the Employer or, if not so refunded, the Participant may be able to seek a refund from the applicable tax authorities. In the event of under-withholding, the Participant may be required to pay additional Tax-Related Items directly to the applicable tax authorities.

The Participant shall pay to the Company and/or the Employer any amount of Tax-Related Items that the Company and/or the Employer may be required to withhold that cannot be satisfied by the means previously described. The Company may refuse to deliver Shares to the Participant if the Participant fails to comply with the Participant's obligation in connection with the Tax-Related Items as described herein. The Participant hereby consents to any action reasonably taken by the Company and/or the Employer to meet the Participant's obligation for Tax-Related Items.

6. Restriction on Transferability. Prior to vesting and delivery of the Shares, neither the mPRSUs, nor the Shares or any beneficial interest therein, may be sold, transferred, pledged, assigned, or otherwise alienated at any time. Any attempt to do so contrary to the provisions hereof shall be null and void. Notwithstanding the above, distribution can be made pursuant to will, the laws of descent and distribution, and if provided by the Administrator and permitted by Applicable Laws, intra-family transfer instruments, or to an inter vivos trust, or as otherwise provided by the Administrator. The terms of this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Participant.

7. Requirements of Law. The issuance of Shares upon vesting of the mPRSUs is subject to Sections 9 and 14(b) of the Plan, which generally provide that any such issuance shall be subject to compliance by the Company and the Participant with all applicable requirements of law relating thereto and with all applicable regulations of any stock exchange on which the Shares may be listed for trading at the time of such issuance. The inability of the Company to obtain approval from any regulatory body having authority deemed by the Company to be necessary to the lawful issuance of any Shares hereby shall relieve the Company of any liability with respect to the non-issuance of the Shares as to which such approval shall not have been obtained.

8. Rights as Stockholder. The Participant shall not have voting, dividend or any other rights as a stockholder of the Company with respect to the mPRSUs. Upon settlement of the Participant's mPRSUs into Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), the Participant will obtain full voting, dividend and other rights as a stockholder of the Company.

9. No Compensation Deferrals. Neither the Plan nor this Agreement is intended to provide for an elective deferral of compensation that would be subject to Section 409A ("Section 409A") of the U.S. Internal Revenue Code of 1986, as amended (the "Code"). If, notwithstanding the parties' intent in this regard, at the time of the Participant's termination of Service, the Participant is determined to be a "specified employee" as defined in Code Section 409A, and one or more of the payments or benefits received or to be received by the Participant pursuant to the mPRSUs would constitute deferred compensation subject to Code Section 409A, no such payment or benefit will be provided under the mPRSUs until the earliest of (A) the date which is six (6) months after the Participant's "separation from service" for any reason, other than death or "disability" (as such terms are used in Section 409A(a)(2) of the Code), (B) the date of the Participant's death or "disability" (as such term is used in Section 409A(a)(2)(C) of the Code), or (C) the effective date of a "change in the ownership or effective control" or a "change in ownership of a substantial portion of the assets" of the Company (as such terms are used in Section 409A(a)(2)(A)(v) of the Code). The provisions of this Section 9 shall only apply to the extent required to avoid the Participant's incurrence of any additional tax or interest under Code Section 409A or any regulations or U.S. Department of the Treasury ("Treasury") guidance promulgated thereunder. In addition, if any provision of the mPRSUs would cause the Participant to incur any additional tax or interest under Code Section 409A or any regulations or Treasury guidance promulgated thereunder, the Company reserves the right, to the extent the Company deems necessary or advisable in its sole discretion, to unilaterally amend or modify the Plan and/or this Agreement to conform it to the maximum extent practicable to the original intent of the applicable provision without violating the provisions of Code Section 409A, including without limitation to limit payment or distribution of any amount of benefit hereunder in connection with a Triggering Event to a transaction meeting the definitions referred to in clause (C) above, or in connection with any disability to a "disability" as referred to in (B) above; provided however that the Company makes no representation that these Performance Restricted Stock Units are not subject to Section 409A nor makes any undertaking to preclude Section 409A from applying to these mPRSUs. In addition, to the extent the Company determines it appropriate to accelerate any vesting conditions applicable to this award, then to the extent necessary to avoid the Participant's incurring any additional tax or interest as a result of such vesting acceleration under Code Section 409A or any regulations or Treasury guidance promulgated thereunder, and notwithstanding Section 4 above, the Company may as a condition to extending such acceleration benefits provide for the Shares to be issued upon settlement of the mPRSUs to be issued on the earliest date (the "Permitted Distribution Date") that would obviate application of such additional tax or interest rather than issuing them upon the date on which such vesting is effective as would otherwise be required under Section 2 (or as soon as practicable after such Permitted Distribution Date and in no event later than that last day of the grace period following such date permitted under Code Section 409A).

10. Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation, and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator shall be final and binding upon the Participant, the Company, and all other interested persons. No Administrator shall be personally liable for any action, determination, or interpretation made in good faith with respect to the Plan or this Agreement.

11. Effect on Other Employee Benefit Plans. The value of the mPRSUs granted pursuant to this Agreement shall not be included as compensation, earnings, salaries, or other similar terms used when calculating the Participant's benefits under any employee benefit plan sponsored by the Company or any Related Entity, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Related Entity's employee benefit plans.

12. No Employment Rights. The award of the mPRSUs pursuant to this Agreement shall not give the Participant any right to continued Service with the Company or a Related Entity and shall not interfere with the ability of the Employer to terminate the Participant's Service with the Company at any time with or without cause.

13. Nature of the Grant. In accepting the mPRSUs, the Participant acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement;

(b) the grant of mPRSUs is exceptional, voluntary and occasional and does not create any contractual or other right to receive future awards of mPRSUs, or benefits in lieu of mPRSUs even if mPRSUs have been awarded in the past;

(c) all decisions with respect to future grants of mPRSUs, if any, will be at the sole discretion of the Company;

(d) the Participant's participation in the Plan is voluntary;

(e) the mPRSUs are outside the scope of the Participant's employment contract, if any;

(f) the mPRSUs and the Shares subject to the mPRSUs, and the income from and value of same, are not intended to replace any pension rights or compensation;

(g) the mPRSUs and the Shares subject to the mPRSUs, and the income from and value of same are not part of normal or expected compensation or salary for any purpose, including, but not limited to, calculation of any overtime, severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, holiday pay, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or the Employer;

(h) in the event that the Participant is not an employee of the Company, the grant of the mPRSUs will not be interpreted to form an employment contract or relationship with the Company; and furthermore, the grant of the mPRSUs will not be interpreted to form an employment contract with the Employer or any Related Entity;

(i) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

(j) if the Participant receives Shares upon vesting of the mPRSUs, the value of such Shares may increase or decrease in value;

(k) no claim or entitlement to compensation or damages arises from (i) termination of the mPRSUs or diminution in value of the mPRSUs or Shares received upon vesting of mPRSUs resulting from termination of the Participant's Service to the Company or the Employer (for any reason whatsoever and whether or not later found to be invalid or in breach of applicable laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any) and/or (ii) the forfeiture or termination of the mPRSUs, or the recoupment of any Shares, cash or other benefits acquired upon settlement of the mPRSUs resulting from the application of Section 23 of the Plan;

(l) unless otherwise provided in the Plan or by the Company in its discretion, the mPRSUs and the benefits evidenced by this Agreement do not create any entitlement to have the mPRSUs or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares;

(m) unless otherwise agreed with the Company, the mPRSUs and the Shares subject to the mPRSUs, and any income from and value of same, are not granted as consideration for, or in connection with, the service the Participant may provide as a director of any Related Entity; and

(n) the Company and any Related Entity shall not be liable for any foreign exchange rate fluctuation between the United States Dollar and the Participant's local currency (if different) that may affect the value of the mPRSUs or of any amounts due to the Participant pursuant to the settlement of the mPRSUs or the subsequent sale of any Shares acquired upon settlement.

14. ***Data Privacy Notice and Consent.***

(a) ***The Company is located at 4650 Cushing Parkway, Fremont, CA 94538 U.S.A. and grants mPRSUs to employees of the Company and its Related Entities at its sole discretion. In order to participate in the Plan, the Participant should review the following information about the Company's data processing practices and declare the Participant's consent.***

(b) ***Data Collection and Usage. The Company collects, processes and uses the Participant's personal data, including name, home address, email address and telephone number, date of birth, social insurance, passport or other identification number, salary,***

citizenship, job title, any Shares or directorships held in the Company, and details of all mPRSUs granted, canceled, exercised, or outstanding in the Participant's favor, which the Company receives from the Participant or the Employer. The Participant understands that in connection with the Plan, the Company will collect the Participant's personal data for purposes of allocating Shares and implementing, administering and managing the Plan. The Company's legal basis for the processing of the Participant's personal data is the Participant's consent.

(c) ***Stock Plan Administration Service Providers. The Company transfers employee data to Fidelity Stock Plan Service LLC ("Fidelity"), an independent service provider based in the United States which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and share the Participant's data with another company that serves in a similar manner. The Company's service provider will open an account for the Participant to receive and trade Shares. The Participant may be asked to agree on separate terms and data processing practices with the service provider, which is a condition of the Participant's ability to participate in the Plan.***

(d) ***International Data Transfers. The Company and its service providers are based in the United States. The Participant acknowledges that if the Participant works or resides outside the United States, the Participant's country may have enacted data privacy laws that are different from the United States. The legal basis for the transfer of the Participant's data from the Participant's country to the United States, as well as the onward transfer of the Participant's personal data by the Company to Fidelity, is based solely on the Participant's consent. The Participant understands and acknowledges that this might result in certain risks to the protection of the Participant's personal data due to the lack of legal principles governing the processing of the personal data, oversight by a supervisory authority or enforceable data subject rights in the United States.***

(e) ***Data Retention. The Company will use the Participant's personal data only as long as is necessary to implement, administer and manage the Participant's participation in the Plan or as required to comply with legal or regulatory obligations, including under tax and securities laws. When the Company no longer needs the Participant's personal data, the Company will remove it from its systems. The Company may keep data longer to satisfy legal or regulatory obligations, and the Company's legal basis would be compliance with the relevant laws or regulations.***

(f) ***Voluntariness and Consequences of Consent Denial or Withdrawal. The Participant acknowledges that the Participant's participation in the Plan and grant of consent is purely voluntary. The Participant may deny or withdraw consent at any time. If the Participant does not consent, or if the Participant withdraws consent, the Participant cannot participate in the Plan. This would not affect the Participant's salary or career, but the Participant would forfeit the opportunities associated with the Plan.***

(g) ***Data Subject Rights. The Participant has a number of rights under data privacy laws in the Participant's country. Depending on where the Participant is based, rights may include the right to (a) request access or copies of personal data the Company's***

processes, (b) rectification of incorrect data, (c) deletion of data, (d) restrictions on processing, (e) portability of data, (f) lodge complaints with competent authorities in my country, and/or (g) a list with the names and addresses of any potential recipients of my personal data. To receive clarification regarding these rights or to exercise these rights, the Participant should contact the Participant's local HR department.

(h) ***By accepting the mPRSUs, the Participant acknowledges that the Participant is also providing consent to the data processing practices described in this section to the extent that such consent is required by applicable law. For the avoidance of doubt, the consent provided herein shall be in addition to, and not in lieu of, any consent the Participant might have previously provided to the processing of personal data in the context of an agreement implemented under the Plan and all such previous consent shall remain unaffected by the consent provided herein.***

15. Amendment of Agreement. This Agreement may be amended only by a writing which specifically states that it amends this Agreement. Notwithstanding the foregoing, this Agreement may be amended unilaterally by the Committee by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to the Participant, and provided that no such amendment adversely affects the rights of the Participant. Without limiting the foregoing, the Committee reserves the right to change, by written notice to the Participant, the provisions of the mPRSUs or this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, or, to the extent permissible under the Plan (including, but not limited to, Sections 10, 11 and 13 of the Plan).

16. Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of its Stock Administrator. Any notice to be given to the Participant shall be addressed to the Participant at the address listed in the Employer's records. By a notice given pursuant to this section, either party may designate a different address for notices. Any notice shall have been deemed given when actually delivered.

17. Severability. The provisions of this Agreement are severable and if all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any section of this Agreement (or part of such a section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such section or part of a section to the fullest extent possible while remaining lawful and valid.

18. Waiver. The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of the Agreement, or of any subsequent breach by the Participant or any other participant.

19. Construction. The mPRSUs are being issued pursuant to the Plan and are subject to the terms of the Plan. A copy of the Plan is available upon request during normal business

hours at the principal executive offices of the Company. To the extent that any provision of this Agreement violates or is inconsistent with a provision of the Plan, the Plan provision shall govern and any inconsistent provision in this Agreement shall be of no force or effect.

20. Electronic Delivery and Participation. The Company may, in its sole discretion, decide to deliver any documents related to the mPRSUs granted under the Plan and participation in the Plan or future mPRSUs that may be granted under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. Entire Agreement. The Plan is incorporated herein by reference. The Plan and this Agreement constitute the entire agreement of the Company and the Participant with respect to the subject matter hereof and, unless indicated otherwise herein, supersede in their entirety all prior undertakings and agreements of the Company and the Participant with respect to the subject matter hereof.

22. Company Policies. The mPRSUs are being issued subject to the terms of the Company's Executive Severance Policy and Executive Change in Control Policy, as in effect at any time and from time to time (each, a "Policy"). If and to the extent that a provision of a Policy is at any time applicable to the Participant and the application of such provision would yield a different result than the application of a provision of this Agreement, the Policy provision shall prevail, and the corresponding provision of this Agreement shall not apply.

23. Recoupment/Clawback. As an additional condition of receiving the mPRSUs, pursuant to Section 23 of the Plan, the Participant agrees that the mPRSUs and any benefits or proceeds therefrom that the Participant may receive hereunder shall be subject to forfeiture and/or repayment to the Company, to the extent required to comply with any requirements imposed under applicable laws and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, including, without limitation, pursuant to Section 10D of the Exchange Act, Rule 10D-1 thereunder, and Nasdaq Stock Market Listing Rule 5608 as may be reflected in a compensation recovery or "clawback" policy adopted by the Company, as may be amended from time to time, or otherwise (and the provisions contained in a policy contemplated in this Section 23 shall be deemed incorporated into this Agreement without the Participant's additional or separate consent).

24. Imposition of Additional Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the mPRSUs and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

25. Language. The Participant acknowledges that the Participant is proficient in the English language, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Participant to understand the terms of the Agreement and any other documents related to the Plan. If the Participant has received this Agreement or any other document related

to the Plan translated into a language other than English and if the translated version is different than the English version, the English version will control, unless otherwise explicitly required by applicable law.

26. Miscellaneous.

(a) The Company has established the Plan voluntarily, it is discretionary in nature and the Board may terminate, amend, or modify the Plan at any time; provided, however, that no such termination, amendment, or modification of the Plan may in any way adversely affect the Participant's rights under this Agreement, without the Participant's written approval unless such termination, amendment, or modification of the Plan is necessary in order to comply with any change in Applicable Laws or regulations or any future law, regulation, ruling, or judicial decision or as otherwise permissible under the Plan (including, but not limited to, Sections 10, 11 and 13 of the Plan).

(b) All obligations of the Company under the Plan and this Agreement in a Triggering Event shall be governed by the Plan and this Agreement, other than as set forth in Section 3(a) above.

(c) To the extent not preempted by United States federal law, this Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to its principles of conflict of laws. For purposes of litigating any dispute that arises directly or indirectly under the Plan or this Agreement, the parties hereby submit to and consent to the jurisdiction of the State of California, and agree that such litigation shall be conducted in the courts of Alameda County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

(d) The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan. The Participant understands that the Participant should consult the Participant's own personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

27. Insider Trading Restrictions/Market Abuse Laws. The Participant acknowledges that the Participant may be subject to insider-trading restrictions and/or market abuse laws in applicable jurisdictions, including the United States and the Participant's country of residence, which may affect the Participant's ability to acquire, sell or attempt to sell or otherwise dispose of Shares or rights to Shares (e.g., mPRSUs) during such times as the Participant is considered to have "inside information" regarding the Company as defined in the laws or regulations in applicable jurisdictions. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant should consult the Participant's personal legal advisor for further details regarding any insider trading restrictions and/or market-abuse laws in the Participant's country.

28. Foreign Asset/Account Reporting Requirements and Exchange Controls. The Participant's country may have certain foreign asset and/or account reporting requirements and

exchange controls which may affect the Participant's ability to acquire or hold Shares under the Plan or cash received from participating in the Plan (including from any dividends received or sale proceeds arising from the sale of Shares) in a brokerage or bank account outside your country. The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in the Participant's country. The Participant also may be required to repatriate sale proceeds or other funds received as a result of participation in the Plan to the Participant's country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that it is the Participant's responsibility to be compliant with such regulations, and the Participant should consult the Participant's personal legal advisor for any details.

29. Country Specific Terms. The mPRSUs shall be subject to any special or additional terms and conditions for the Participant's country set forth in the Appendix A to this Agreement. Moreover, if the Participant relocates to one of the countries included in Appendix A, the terms and conditions for such country set forth in Appendix A may apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix A constitutes part of this Agreement. In accepting the mPRSUs, the Participant acknowledges receipt of, and understands and agrees to the additional terms and conditions included in Appendix A. In addition, Appendix A also contains information and notices of exchange control and certain other issues of which the Participant should be aware.

30. Acceptance of Terms and Conditions. The Participant agrees with and agrees to abide by all of the governing terms and provisions of the Plan and this Agreement unless the Participant declines the award electronically with the Company sponsored broker by the first vest date; provided, however, that in the event of termination of the Participant's Service due to Disability or death on or before the first vest date, if the Participant has not declined the award prior to such time, the Participant shall be deemed to have accepted said terms and conditions. Additionally, the Participant acknowledges having read and understood the terms and conditions of the Plan and this Agreement and has had an opportunity to obtain the advice of counsel prior to accepting this Agreement. **In addition, the transfer or sale of the shares obtained at vesting by the Participant shall be considered an additional acknowledgment of the terms and conditions contained in the Plan and Agreement.**

* * * * *

PARTICIPANT SIGNATURE	[Electronic Signature]
PRINTED NAME	[Participant Name]
DATE	[Acceptance Date]

APPENDIX A

Capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and/or the Agreement.

TERMS AND CONDITIONS

This Appendix A includes additional or different terms and conditions applicable to Participants in the countries listed below. These terms and conditions are in addition to, or, if so indicated, in place of, the terms and conditions set forth in the main body of the Agreement.

If the Participant is a citizen or resident of a country other than the one in which the Participant is currently residing and/or working (or if the Participant is considered as such for local law purposes), or if the Participant moves to another country after the Grant Date, the Company will, in its discretion, determine the extent to which the terms and conditions herein will be applicable to the Participant.

NOTIFICATIONS

This Appendix A also includes notifications regarding exchange control, securities law and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of January 2024. Such laws are often complex and change frequently. The Company therefore strongly recommends that the Participant not rely on the notifications herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date when the Participant vests in the mPRSUs and/or sells any Shares acquired pursuant to the mPRSUs.

In addition, the notifications are general in nature and may not apply to the Participant's particular situation and the Company is not in a position to assure the Participant of any particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's situation.

Finally, if the Participant is a citizen or resident of a country other than the one in which the Participant is currently residing and/or working (or if the Participant is considered as such for local law purposes), or if the Participant moves to another country after the Grant Date, the information contained herein may not be applicable to the Participant.

AUSTRIA

Notifications

Exchange Control Information. If the Participant holds securities (including Shares acquired under the Plan) or cash (including proceeds from the sale of Shares) outside of Austria, the Participant may be subject to reporting obligations to the Austrian National Bank as follows: (i) on a quarterly basis if the value of the Shares as of any given quarter meets or exceeds €30,000,000; and (ii) on an annual basis if the value of the Shares as of December 31 meets or exceeds €5,000,000. The quarterly reporting date is as of the last day of the respective quarter; the deadline for filing the quarterly report is the 15th day of the month following the end of the respective quarter. The deadline for filing the annual report is January 31 of the following year.

In addition, when the Shares are sold, Austrian residents may be required to comply with certain exchange control obligations if the cash proceeds from the sale are held outside Austria. If the transaction volume of all accounts abroad meets or exceeds €10,000,000, the movements and balances of all accounts must be reported monthly, as of the last day of the month, on or before the 15th day of the following month.

BELGIUM

Notifications

Tax Reporting Information. As a Belgian tax resident, the Participant is required to inform the Central Point of Contact (CPC) of the National Bank of Belgium of overseas income (which includes any Shares received in connection with participation in the Plan) by registering any foreign accounts with the CPC before filing the Participant's annual tax return with the Belgian tax authorities. If the Participant has previously reported overseas income, the Participant will receive a letter from the tax authorities about this requirement and will have two months from the receipt of such letter to report the accounts to the CPC. If the Participant has not previously reported overseas income, the Participant will not receive a letter and must proactively report the required information to the CPC.

Foreign Asset/Account Reporting Information. Belgian residents are required to report any securities (e.g., Shares acquired under the Plan) or bank accounts established outside of Belgium on their personal annual tax return. In a separate report, Belgian residents also are required to provide a central contact point of the National Bank of Belgium with the account number of those foreign bank accounts, the name of the bank with which the accounts were opened and the country in which they were opened in a separate report. This report, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium, www.nbb.be, under the *Kredietcentrales / Centrales des credits* caption. The Participant should consult with the Participant's personal advisor(s) regarding any personal foreign asset/foreign account tax obligations the Participant may have in connection with the Participant's participation in the Plan.

CHINA (PRC)

Terms and Conditions

Exchange Control Restrictions. The Participant agrees to comply with any requirements that may be imposed by the Company to facilitate compliance with exchange control requirements in the People's Republic of China ("China"), including the requirements imposed by the State Administration of Foreign Exchange ("SAFE"). There requirements may include, but are not limited to, a mandatory sale of Shares acquired upon settlement of the mPRSUs and the repatriation of any funds recognized under the Plan. Without limitation to the foregoing, please note:

- Mandatory Sale of Shares - The Company may require that any Shares issued upon the vesting and settlement of the mPRSUs be sold, either as soon as practicable after settlement or within a certain period of time following termination of Service or within such other period of time determined to be necessary or advisable by the Company for legal or administrative reasons. The Company is authorized to instruct its designated broker to assist with the mandatory sale of such Shares (on the Participant's behalf pursuant to this authorization without further consent) and the Participant expressly authorizes the Company's designated broker to complete the sale of such Shares. In this regard, the Participant agrees to sign any agreements, forms and/or consents that may be reasonably requested by the Company (or the Company's designated broker) to effectuate the sale of the Shares (including, without limitation, as to the transfers of the funds and other exchange control matters noted below) and shall otherwise cooperate with the Company with respect to such matters, provided that the Participant shall not be permitted to exercise any influence over how, when or whether the sales occur. The Participant acknowledges that the Company's designated broker is under no obligation to arrange for the sale of the Shares at any particular price. To the extent the Company does not require that the Shares be sold as soon as practicable after settlement, the Shares must be held in an account with the Company's designated broker.
- Repatriation of Funds - The Participant will be required to repatriate the funds recognized under the Plan (e.g., cash proceeds from the sale of the Shares, dividends) to China and, further, such repatriation of the funds may need to be effectuated through a special exchange control account established by the Company or one of its Related Entities in China. Therefore, any funds recognized under the Plan may need to be transferred to such special account prior to being delivered to the Participant.

The Participant further understands that the funds recognized under the Plan will be delivered to the Participant as soon as possible, but there may be delays in distributing the funds to the Participant due to exchange control requirements in China. Funds may be paid to the Participant in U.S. dollars or local currency, at the Company's discretion. If the proceeds are paid in U.S. dollars, the Participant will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid in local currency, neither the Company nor any Related Entity is under any obligation to secure any particular exchange conversion rate and there may be delays in converting the funds to local currency due to exchange control restrictions. The Participant will bear any currency fluctuation risk between the

time the funds are recognized under the Plan and the time the funds are distributed to the Participant through the special account described above.

CZECH REPUBLIC

Notifications

Exchange Control Information. Proceeds from the sale of Shares may be held in a cash account abroad. The Participant may be required to report the opening and maintenance of foreign accounts held abroad to the Czech National Bank (the "CNB"). Even in the absence of a request from the CNB, the Participant may need to report (i) foreign direct investments with a value of CZK2,500,000 or more in the aggregate or (ii) other foreign financial assets with a value of CZK200,000,000 or more. The Participant should consult with the Participant's personal advisor(s) regarding any personal legal, regulatory or foreign exchange obligations the Participant may have in connection with the Participant's participation in the Plan.

FRANCE

Terms and Conditions

Language Consent. By accepting the mPRSUs, the Participant confirms having read and understood the Plan and Agreement, including all terms and conditions included therein, which were provided in the English language. The Participant accepts the terms of those documents accordingly.

Consentement à la Langue Utilisée. *En acceptant l' attribution, le Participant confirme avoir lu et compris le Plan et le Contrat, inclutant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Le Participant accepte les termes de ces documents en conséquence.*

Notifications

Non-Qualified Nature of Award. The mPRSU granted pursuant to the Agreement is not intended to be "French-qualified" and is ineligible for specific tax and/or social security treatment in France under Sections L. 225-197-1 to L. 225-197-5 and Sections L. 22-10-59 to L. 22-10-60 of the French Commercial Code, as amended.
Exchange Control Information. If the Participant imports or exports cash (e.g., sales proceeds received under the Plan) with a value equal to or exceeding €10,000 and does not use a financial institution to do so, the Participant must submit a report to the customs and excise authorities. If the Participant maintains a foreign bank account, the Participant is required to report such account to the French tax authorities when filing the Participant's annual tax return.

Foreign Asset/Account Reporting Information. French residents must report annually any shares and bank accounts held outside France, including the accounts that were opened, used and/or closed during the tax year, to the French tax authorities, on an annual basis on a special Form N° 3916, together with the Participant's personal income tax return. The Participant should consult with the Participant's personal advisor(s) regarding any personal foreign asset/foreign account tax obligations the Participant may have in connection with the Participant's participation in the Plan.

GERMANY

Notifications

Exchange Control Information. Cross-border payments in excess of €12,500 must be reported to the German Federal Bank (*Bundesbank*). If the Participant makes or receives a payment in excess of this amount (including if the Participant acquires Shares with a value in excess of this amount under the Plan or sells Shares via a foreign broker, bank or service provider and receives proceeds in excess of this amount) and/or if the Company withholds or sells Shares with a value in excess of this amount to cover Tax-Related Items, the Participant must report the payment and/or the value of the Shares withheld or sold to Bundesbank. Such report must be made either electronically using the "General Statistics Reporting Portal" ("*Allgemeine Meldeportal Statistik*") available via the Bundesbank's website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within such timing as is permitted or required by Bundesbank.

INDIA

Notifications

Exchange Control Information. Any funds realized in connection with the Plan (e.g., proceeds from the sale of Shares and cash dividends paid on the Shares) must be repatriated to India within a specified period of time after receipt as prescribed under Indian exchange control laws. The Participant is personally responsible for obtaining a foreign inward remittance certificate ("FIRC") from the bank where the Participant deposits the foreign currency and holding the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Employer requests proof of repatriation. The Participant is personally responsible for complying with exchange control laws in India, and neither the Company nor any Related Entity will be liable for any fines or penalties resulting from the Participant's failure to comply with applicable laws. The Participant may also be required to provide information to the Company or any Related Entity to facilitate their compliance with exchange control filing requirements in India. The Participant should consult with the Participant's personal advisor(s) regarding any personal legal, regulatory or foreign exchange obligations the Participant may have in connection with the Participant's participation in the Plan.

Foreign Asset/Account Reporting Information. The Participant is required to declare the Participant's foreign bank accounts and any foreign financial assets (including Shares acquired under the Plan held outside India) in the Participant's annual tax return. The Participant should consult with the Participant's personal advisor(s) regarding any personal foreign asset/foreign account tax obligations the Participant may have in connection with the Participant's participation in the Plan.

IRELAND

Notifications

Director Notification Requirement. If the Participant is a director, shadow director or secretary of an Irish Subsidiary or Related Entity of the Company who owns more than a 1% interest in the Company, pursuant to Section 53 of the Irish Company Act 1990, he or she must notify the Irish Subsidiary or Related Entity of the Company in writing within five (5) business days of receiving or disposing of an interest in the Company (e.g., mPRSUs, Shares, etc.), or within five (5) business days of becoming aware of the event giving rise to the notification requirement, or within five (5) days of becoming a director, shadow director or secretary if such an interest exists at that time. This notification requirement also applies with respect to the interests of a spouse or minor child, whose interests will be attributed to the director, shadow director or secretary.

ISRAEL

Notifications

Securities Law Information. The Company has obtained an exemption to the prospectus filing requirement from the Israeli Securities Authority. Accordingly, the mPRSUs will be granted pursuant to an exemption from filing a Plan prospectus granted to the Company by the Israeli Securities Authority. Copies of the Plan and Form S-8 registration statement for the Plan filed with the U.S. Securities and Exchange Commission are available upon request from the Participant's local country general manager.

ITALY

Terms and Conditions

Plan Document Acknowledgment. By accepting the terms and conditions of the mPRSUs, the Participant acknowledges that the Participant has received a copy of the Plan and the Agreement and has reviewed the Plan and the Agreement, including this Appendix A and Exhibit A, in their entirety and fully understands and accepts all provisions of the Plan and the Agreement. The Participant further acknowledges that the Participant has read and specifically and expressly approves the following sections of the main body of the Agreement: Vesting (Section 2); Effect of Termination of Service or Leave of Absence (Section 3); Responsibility for Taxes (Section 5); Restriction on Transferability (Section 6); Effect on Other Employee Benefit Plans (Section 11); No Employment Rights (Section 12); Nature of the Grant (Section 13); Data Privacy Notice and Consent (Section 14); Electronic Delivery and Participation (Section 20); Company Policies (Section 22); Recoupment/Clawback (Section 23); Imposition of Additional Requirements (Section 24); Language (Section 25); Miscellaneous (Section 26); Country-Specific Terms (Section 29); and Acceptance of Terms and Conditions (Section 30).

Notifications

Foreign Asset/Account Reporting Information. Italian residents who, at any time during the fiscal year, hold foreign financial assets (including cash and Shares) which may generate income taxable in Italy are required to report these assets on their annual tax return (UNICO Form, RW Schedule) for the year during which the assets are held, or on a special form if no tax return is due. These reporting obligations also will apply to Italian residents who are the beneficial owners of foreign financial assets under Italian money laundering provisions, even if they do not directly hold the foreign asset abroad. The Participant should consult with a personal legal advisor to ensure compliance with applicable reporting requirements.

JAPAN

Notifications

Exchange Control Information. If the Participant acquires Shares valued at more than ¥100,000,000 in a single transaction, the Participant must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within 20 days of the purchase of Shares. The Participant should consult with the Participant's personal advisor(s) regarding any personal legal, regulatory or foreign exchange obligations the Participant may have in connection with the Participant's participation in the Plan.

Foreign Asset/Account Reporting Information. The Participant will be required to report details of any assets held outside Japan as of December 31st to the extent such assets have a total net fair market value exceeding ¥50,000,000. This report is due by March 15 each year. The Participant should consult with the Participant's personal advisor(s) regarding any personal foreign asset/foreign account tax obligations the Participant may have in connection with the Participant's participation in the Plan.

KOREA

Notifications

Domestic Broker Requirement for Sale of Shares. Currently, Korean residents are not permitted to sell foreign securities (such as Shares acquired under the Plan) through non-Korean brokers (such as the Fidelity) or deposit funds resulting from the sale of Shares in an account with an overseas financial institution. If the Participant wishes to sell Shares acquired under the Plan, the Participant is required to personally transfer the Shares received pursuant to the mPRSUs to a domestic investment broker in South Korea and to effect the sale through such broker. If applicable, the Participant is solely responsible for (a) establishing and maintaining the Participant's local brokerage account with a domestic broker in South Korea, and (b) all costs, fees and expenses associated with the establishment and maintenance of the Participant's local brokerage account with the domestic broker in South Korea. Without limitation to the foregoing, on December 29, 2023, the Financial Services Commission (the "FSC"), issued an advance notice of legislative action which may allow the Korean residents to dispose of overseas-listed securities without using Korean licensed brokers as early as March 2024, subject to the public comment process. Because regulations may change without notice, the Participant should consult with the Participant's personal advisor(s) regarding any personal legal, regulatory or foreign

exchange obligations the Participant may have in connection with the Participant's participation in the Plan.

Foreign Asset/Account Reporting Information. Korean residents must declare all foreign financial accounts (e.g., non-Korean bank accounts, brokerage accounts) to the Korean tax authority and file a report with respect to such accounts in June of the following year if the monthly balance of such accounts exceeds KRW 500 million (or an equivalent amount in foreign currency) on any month-end date during a calendar year. The Participant should consult with the Participant's personal advisor(s) regarding any personal foreign asset/foreign account tax obligations the Participant may have in connection with the Participant's participation in the Plan.

MALAYSIA

Notifications

Director Notification Requirement. If the Participant is a Director of the local Subsidiary, the Participant is subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the local Subsidiary in writing when the Participant receives an interest (e.g., mPRSUs, Shares) in the Company or any of its Related Entities. In addition, the Participant must notify the local Subsidiary when the Participant disposes of an interest in the Company or any of its Related Entities (including when the Participant sells Shares acquired under the Plan). The Participant must also notify the local Subsidiary if there are any changes in the Participant's interest in the Company or any Related Entities. These notifications must be made within fourteen days of acquiring, disposing of, or changing any interest in the Company or any of its Related Entities.

NETHERLANDS

There are no country-specific provisions.

PORTUGAL

Terms and Conditions

Language Consent. The Participant hereby expressly declares that the Participant has full knowledge of the English language and has read, understood and fully accepted and agreed with the terms and conditions established in the Plan and Agreement.

Conhecimento da Lingua. *Por meio do presente, eu declaro expressamente que tem pleno conhecimento da língua inglesa e que li, compreendi e livremente aceitei e concordei com os termos e condições estabelecidas no Plano e no Acordo.*

Notifications

Exchange Control Information. The acquisition of Shares by a Portuguese resident should be reported to the *Banco de Portugal* for statistical purposes. If the Shares are deposited with a commercial bank or financial intermediary in Portugal, such bank or financial intermediary will

submit the report to the Banco de Portugal. If the Shares are not deposited with a commercial bank, broker or financial intermediary in Portugal, the Portuguese resident will be responsible for submitting the report to the *Banco de Portugal*.

SINGAPORE

Notifications

Director Notification Obligation. Directors of a Singapore Related Entity are subject to certain notification requirements under the Singapore Companies Act. Directors must notify the Singapore Related Entity in writing of an interest (e.g., Shares, etc.) in the Company or any Related Entity within two (2) days of (i) its acquisition or disposal, (ii) any change in a previously disclosed interest (e.g., sale of Shares), or (iii) becoming a Director if such an interest exists at that time.

Securities Law Information. The grant of mPRSUs under the Plan is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the SFA and is not made with a view to the Shares being subsequently offered for sale to any other party. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore, and hence, statutory liability under the SFA in relation to the content of prospectuses will not apply. The Participant should note that the grant of the mPRSU is subject to section 257 of the SFA and the Participant will not be able to make (i) any offer of such subsequent sale of the Shares subject to the mPRSUs in Singapore, unless such sale or offer is made (a) more than six months after the Grant Date or (b) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA (Chapter 289, 2006 Ed.) or pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA or (ii) any subsequent sale of the Shares subject to the mPRSUs in Singapore.

SLOVAKIA

Notifications

Exchange Control Information. It is the Participant's obligation to comply with exchange control requirements in the Slovakia Republic, including any notification requirements applicable to opening or maintaining any foreign bank or brokerage accounts.

SLOVENIA

Terms and Conditions

Language Consent. By accepting the grant of mPRSUs, the Participant acknowledges that the Participant is proficient in reading and understanding English and fully understands the terms of the documents related to the grant (the Agreement and the Plan), which were provided in the English language. The Participant accepts the terms of those documents accordingly.

Soglasje za Uporabo Angleškega Jezika. S sprejetjem dodelitve mPRSU Udeleženec (Participant) priznava in potrjuje, da je sposoben brati in razumeti angleški jezik ter v celoti

razume pogoje dokumentov, povezanih z dodelitvijo (pogodba (Agreement) in Naÿrt (Plan)), ki so bili posredovani v angleškem jeziku. Udeleženec skladno s tem sprejema pogoje teh dokumentov.

SWITZERLAND

Notifications

Securities Law Information. The offer of the mPRSUs is not intended to be publicly offered in or from Switzerland. Neither this document nor any other materials relating to the mPRSUs (1) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services ("FinSA"), (2) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Company, or (3) have been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority (in particular, the Swiss Financial Market Supervisory Authority).

TAIWAN

Notifications

Securities Law Information. The grant of mPRSUs and participation in the Plan is available only for employees of the Company and its Subsidiaries and Affiliates. The grant of the mPRSUs and participation in the Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Information. The Participant may acquire and remit foreign currency (including funds for the purchase of Shares and proceeds from the sale of Shares) up to US$5,000,000 per year without prior approval.

If the transaction amount is NTD500,000 or more in a single transaction, the Participant must submit a Foreign Exchange Transaction Form. If the transaction amount is US$500,000 or more in a single transaction, the Participant must also provide supporting documentation to the satisfaction of the remitting bank.

UNITED KINGDOM

Terms and Conditions

Responsibility for Taxes. The following provision supplements Section 5 (Responsibility for Taxes) of the main body of the Agreement.

Without limitation to Section 5 of the main body of the Agreement, the Participant agrees to be liable for any Tax-Related Items and hereby covenants to pay any such Tax-Related Items, as and when requested by the Company or the Employer or by HM Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). The Participant agrees to indemnify and keep indemnified the Company and the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on the Participant's behalf.

Notwithstanding the foregoing, if the Participant is an executive officer or director (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In the event that the Participant is an executive officer or director and the income tax is not collected from or paid by the Participant within ninety (90) days of the end of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute a benefit to the Participant on which additional income tax and National Insurance contributions may be payable. The Participant acknowledges that the Participant will be responsible for reporting and paying any income tax due on this additional benefit directly to the HMRC under the self-assessment regime and for paying the Company or the Employer, as applicable, for the value of any employee National Insurance contributions due on this additional benefit.

LAM RESEARCH CORPORATION
2015 Stock Incentive Plan
Market-Based Performance Restricted Stock Unit Award Agreement
EXHIBIT A
([_____] Vesting)

Participant (Name & Employee Number):

Grant Date:

Target Number of mPRSUs:

Performance Vesting Date:

Payout Range: 0% to 150% of Target Number of mPRSUs

Performance Period: to .

Performance Criteria:

- **Index**
  PHLX Semiconductor Sector Total Return Index, a global index traded on the NASDAQ OMX PHLX with a trading symbol of "XSOX"

- **Vesting Formula**
  Target Number of mPRSUs x (100% + ((LRCX TSR % – Index TSR %) x 2)) = mPRSUs vested (subject to the maximum in the Payout Range)

  - Target Number of mPRSUs is vested if the LRCX TSR % equals the Index TSR %
  - Number of mPRSUs vested increases by 2% of target for each 1% that the LRCX TSR % exceeds the Index TSR %
  - Number of mPRSUs vested decreases by 2% of target for each 1% that the LRCX TSR % trails the Index TSR %
  - The result of the Vesting Formula is rounded down to the nearest whole number

- **LRCX TSR %**
  (LRCX 50-trading day average closing price as of the last trading day of the Performance Period – LRCX 50-trading day average closing price on the trading day immediately prior to the beginning of the Performance Period) ÷ (LRCX 50-trading day average closing price on the trading day immediately prior to the beginning of the Performance Period) x 100

- **Index TSR %**
  (Index 50-trading day average closing price as of the last trading day of the Performance Period – Index 50-trading day average closing price on the trading day immediately prior to the beginning of the Performance Period) ÷ (Index 50-trading day average closing price on the trading day immediately prior to the beginning of the Performance Period) x 100

- **Notes:**

  - The LRCX TSR % calculation assumes any dividends paid on the Company's common stock are reinvested on the ex-dividend date.
  - All Index TSR % calculations are based on the companies traded on the Index as of the applicable dates
    - E.g., The Index is used as of the applicable dates even if companies are added / removed from the Index during the Performance Period.
  - The Company's relative performance is determined using calculations based on the 50-trading day average closing price methodology for all TSR calculations.
  - In the event of a Triggering Event, the closing price of the Company's common stock as of the closing date of the Triggering Event is used to convert the sum of the "performance pro rata" and "target pro rata" number of Shares into the Cash Award.
  - If the Index is no longer traded / calculated, the Company's relative performance is determined using calculations based on the companies included in the Index at the time trading / calculation last occurred. The Compensation Committee will calculate the Index TSR % in the manner that most closely approximates the Index in its sole discretion.

Leave of Absence: 31st day (or 91st day if reemployment guaranteed by statute or contract), or as otherwise required under applicable laws.

Exhibit 31.1

RULE 13a-14(a)/15d-14(a) CERTIFICATION (PRINCIPAL EXECUTIVE OFFICER)

I, Timothy M. Archer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Lam Research Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

April 29, 2024

/s/ Timothy M. Archer

Timothy M. Archer
President and Chief Executive Officer

Exhibit 31.2

RULE 13a-14(a)/15d-14(a) CERTIFICATION (PRINCIPAL FINANCIAL OFFICER)

I, Douglas R. Bettinger, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Lam Research Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

April 29, 2024

/s/ Douglas R. Bettinger

Douglas R. Bettinger
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

SECTION 1350 CERTIFICATION (PRINCIPAL EXECUTIVE OFFICER)

In connection with the Quarterly Report of Lam Research Corporation (the "Company") on Form 10-Q for the fiscal period ending March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Timothy M. Archer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

April 29, 2024

/s/ Timothy M. Archer
Timothy M. Archer
President and Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liability of that section. Such certification will not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

Exhibit 32.2

SECTION 1350 CERTIFICATION (PRINCIPAL FINANCIAL OFFICER)

In connection with the Quarterly Report of Lam Research Corporation (the "Company") on Form 10-Q for the fiscal period ending March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Douglas R. Bettinger, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

April 29, 2024

/s/ Douglas R. Bettinger
Douglas R. Bettinger
Executive Vice President and Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liability of that section. Such certification will not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.