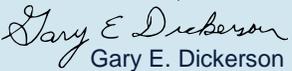


# Applied Materials Human Rights Statement of Principles

## CEO Statement for Human Rights Statement of Principles

*At Applied Materials, we work to make a positive contribution not only to our industry but to our larger communities and the world around us. We value how we treat our employees, customers and suppliers, and we consider the impact and consequences our choices and decisions will have on our communities and the environment. Together, we are committed to make possible a better future for everyone.*

  
Gary E. Dickerson

## Our Commitment to Human Rights

Applied Materials is committed to protecting human rights and conducting business in an ethical and responsible manner. Applied Materials' Human Rights Statement of Principles formalizes our commitment to respect human rights wherever we do business, and reflects common principles in key international human rights standards, including the Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, core ILO Conventions, the Organization for Economic Co-Operation and Development Guidelines for Multinational Enterprises, and the laws of the countries in which we operate.

Our commitment to human rights is detailed in various company policies and statements, including our company-wide **Standards of Business Conduct (SBC)**, the Responsible Business Alliance **(RBA) Code of Conduct**, our **Responsible Minerals Sourcing Policy**, and our position on the **California Transparency in Supply Chains Act**. These policies and statements formalize our expectations around training and accountability for our entire global workforce and our suppliers, along with our enforcement mechanisms for any non-compliance. We communicate our human rights commitments and requirements to our supply chain and business partners to ensure they uphold our expectations regarding the humane treatment of workers, including forbidding forced and bonded labor.

## Our Workforce

We require all newly hired employees to complete an SBC training course and certification within their first month of employment, and to renew that training and certification annually. The SBC includes Applied's commitment to equal employment opportunities and policies against discrimination, harassment and retaliation. Employee-engagement efforts also include ethics awareness campaigns, campus fairs, and an annual Responsibility & Integrity Week.

## Our Supply Chain

We hold our direct suppliers to the same standards to which we hold ourselves in the areas of Environment, Social & Governance (ESG). When selecting new suppliers, we assess their human rights performance alongside our traditional metrics for performance, cost, and quality.

To this end, we may require suppliers to:

- Complete annual self-assessment questionnaires to measure their conformance to the Responsible Business Alliance (RBA) Code of Conduct
- Submit Conflict Minerals Reporting Templates as part of our Conflict Minerals due diligence
- Report on their performance to environmental, health and safety (EHS) regulations
- Participate in ESG audits as a new or legacy supplier. These requirements are incorporated into our Global Supply Agreement and other legally binding contracts through our new "Supplier ESG Requirements" document, and they align with the California Transparency in Supply Chains Act.

## Our Principles

- 1. Culture of Inclusion:** At Applied Materials we value great talent and diverse perspectives, knowing our differences can be our greatest strength as a global leader. We believe that culture and workplace experiences are important to attracting and retaining the best people. Ensuring respect for diverse backgrounds and perspectives is incorporated into our company's culture at every level. To this end, we are engaging senior leaders as change champions to eliminate systemic barriers to inclusion by identifying and breaking down barriers and embedding inclusion in all that we do, including all talent practices and processes.
- 2. No Discrimination, No Harassment:** Applied Materials is committed to providing a workplace that is free of discrimination, harassment and retaliation. We do not tolerate harassment based on race, color, national origin, ancestry, religion, age, sex (including pregnancy, childbirth or related medical conditions), sexual orientation, gender identity, marital status, physical disability, mental disability, medical condition, genetic information, family care leave status, union membership, veteran status, or any other basis prohibited by law. This applies to all workforce- related decisions and actions, including, but not limited to, recruitment, hiring, training, compensation, benefits, promotion and social and recreational programs.
- 3. Prevention of Human Trafficking, Child Labor and Forced Labor:** We condemn and are committed to ending forced and bonded labor in all its forms, including child labor, indentured labor, slavery, and human trafficking. Additionally, we forbid harsh or inhumane treatment, including corporal punishment or the threat of corporal punishment. All work is voluntary. Employees are able to leave work at any time and to terminate their employment without penalty if they provide reasonable notice consistent with their employee contract. We do not confiscate employee identification documents, such as passports, work permits, etc. Employees are not required to pay any fees related to their employment.
- 4. Workplace Safety:** Applied Materials places the highest priority on the safety of our workforce, suppliers, and customers. We are committed to complying with or exceeding all regulatory requirements relevant and applicable to the health and safety performance of our operations, processes and products and to protecting, maintaining and promoting the safety, health and general well-being of our workforce. We carry out this responsibility by ensuring that effective safety training is provided and protective measures are in place.
- 5. Working Hours and Wages:** Work schedules are set in accordance with local law and consistent with the RBA Code of Conduct. We promote safe workplace practices by planning schedules for employees in safety sensitive roles who work in lab operations, manufacturing operations and field service operations, to ensure they are not scheduled to work more than twelve hours in one 24-hour period; that a workweek does not exceed local law or 60 hours per week (whichever is stricter), including overtime; and that employees are provided at least one day off per seven days of work. We expect managers to get advance approval for significant schedule deviations due to an emergency or unusual situation. We pay workers in compliance with applicable wage laws, including those related to minimum wage and legally mandated benefits, and do not permit deductions from wages as a disciplinary measure. Workers are provided with timely and clear wage statements, with sufficient information to verify accurate compensation for work performed. We are committed to complying with applicable laws regarding the use of contingent workers.
- 6. Freedom of Association:** Applied Materials acknowledges freedom of association and does not discriminate against employees based on their engagement in any lawful association. We cooperate in good faith with our works councils where applicable.
- 7. Environmental Stewardship:** We believe that taking care of the environment and reducing our carbon footprint are part of our corporate responsibility to current and future generations. Applied Materials also encourages our suppliers to improve their environmental management. Going beyond compliance with applicable environmental laws and regulations, we commit to design safe, long-lasting reusable or recyclable products, to minimize our use of natural resources and to support our customers in creating sustainable products. To this end, we have instituted explicit design targets for all new Applied Materials products, covering energy and water usage, chemical consumption, and other environmental metrics.

- 8. Anti-Corruption:** We win business based on the merits and integrity of our products, services and people. We are committed to conducting business in accordance with the highest standards of business integrity and in compliance with the law everywhere we do business, including anti-corruption laws such as the United States Foreign Corrupt Practices Act (FCPA) and United Kingdom Bribery Act (UKBA). We expect that our business partners, including suppliers, share the same commitment and will have appropriate policies and procedures in place to ensure compliance.
- 9. Data Privacy and Safekeeping:** We endeavor to secure and safeguard the personal information entrusted to us by our customers and workforce using lawful and fair data handling practices. As we do our part to make possible the technology shaping the future, we encourage data protection accountability throughout our workforce through transparent privacy policies and procedures. We are constantly evolving our data governance measures to support our commitment to complying with global data privacy laws and protecting our company, workforce, and business partners' information.

## Reporting Concerns

Maintaining our reputation for integrity depends upon our employees and business partners working together to do the right thing. It is important that any potential violation of law or company policy be promptly raised to our attention so that it can be appropriately addressed. We have numerous channels available through which employees, contractors, suppliers and other business partners may report, either anonymously or by name, if they become aware of conduct inconsistent with our values or policies. Our SBC and open-door policy encourage employees to ask questions and raise concerns with their manager, Human Resources, Global Ethics & Compliance or another member of the Legal and Compliance Organization. In addition, employees and business partners have access to a 24-hour ethics helpline that is run by an independent third party.

## Non-Retaliation Policy

Our Non-Retaliation Policy protects employees who have lodged good-faith reports of possible ethical issues or policy violations, or participated in any investigation, proceeding or hearing. We do not tolerate retaliation.

## Accountability; Governance

Potential violations of our SBC and Global Anti-Corruption Policy are investigated in accordance with the company's standard procedures for the investigation of potential business misconduct. Failure to cooperate may result in disciplinary action for our employees and business partners, up to and including termination. The Board's Audit Committee is responsible for overseeing overall program design and implementation, along with reviewing and investigating matters relating to the integrity of executive officers. In our dynamic business and regulatory environment, we are committed to transparency and continual improvement in our approach to human rights and the above-referenced policies and procedures. We receive regular input from our employees, customers, directors, shareholders and other stakeholders, and will periodically update these principles.

Last updated on June 15, 2021