

APPLIED MATERIALS MAYDAN TECHNOLOGY CENTER

Applied Materials Corporate Social Responsibility Report 2017



Message from the CEO



VISION

Our Innovations **make possible** the technology shaping the future

MISSION

To lead the world with **materials engineering** solutions that enable customers to transform possibilities into reality

As Applied Materials turned 50 this past year, we also set new records for growth and performance. In fiscal 2017, we grew revenues by more than 30 percent and operating profit at more than twice that rate.

Over the years, Applied has built the broadest and deepest portfolio of capabilities in our markets, and we continue to make significant investments in research and development to deliver incredible new innovations to our customers. Our vision is to make possible the technology shaping the future, while building a thriving workplace, making a difference in our communities and ensuring environmental sustainability.

In 2017, we manufactured and delivered a record number of systems, while creating more than 2,800 new jobs. Against this backdrop of record growth, we were able to keep our energy usage almost flat through proactive sustainability measures and held our global waste diversion rate steady by implementing new recycling programs. We also remain focused on increasing the diversity of our talent. Among our many contributions to our communities in 2017 was another record-breaking Food Drive that raised over \$2 million for food banks across the United States.

Creating the future that we envision requires an unwavering commitment to both innovation and collaboration. We invite you to learn more about our forward-looking corporate social responsibility initiatives presented in the Applied Materials CSR Report 2017.

A handwritten signature in black ink that reads 'Gary E. Dickerson'.

Gary Dickerson

President and Chief Executive Officer

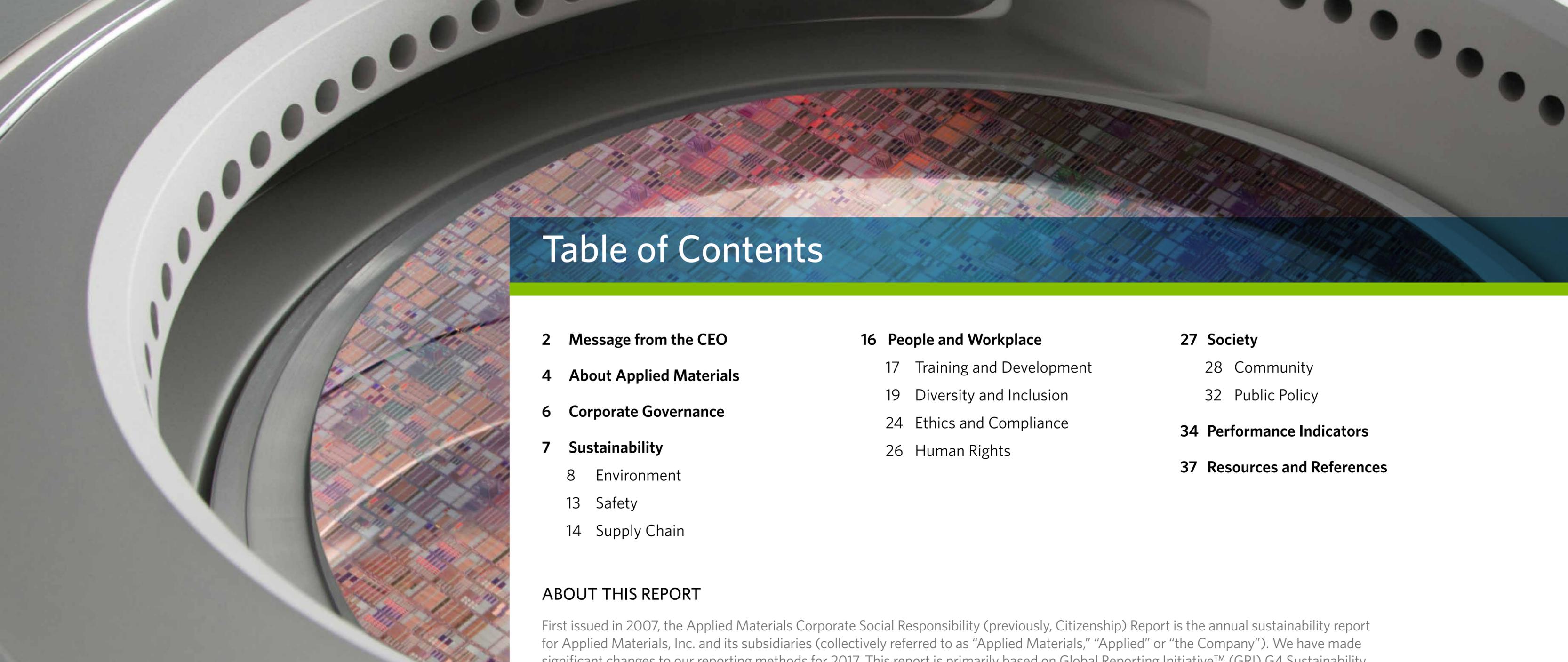


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ABOUT THIS REPORT

First issued in 2007, the Applied Materials Corporate Social Responsibility (previously, Citizenship) Report is the annual sustainability report for Applied Materials, Inc. and its subsidiaries (collectively referred to as “Applied Materials,” “Applied” or “the Company”). We have made significant changes to our reporting methods for 2017. This report is primarily based on Global Reporting Initiative™ (GRI) G4 Sustainability Reporting Guidelines at the Core level, and it is designed in all aspects to meet the needs of Applied’s stakeholders.

Except where indicated, the report reflects Applied’s global operations for fiscal year 2017, beginning October 31, 2016 and ending October 29, 2017. Applied’s global operational footprint fluctuates with business acquisitions and divestitures, as well as the occasional expansion, consolidation and relocation of its operations. Acquired businesses and operations are included from the date of acquisition. Additional details on the company’s operations and activities in specific areas are included in the Performance Indicators section at the end of this report.

50 years
of materials
innovation

About Applied Materials

Leading the Way

Established in November 1967, Applied Materials has grown from a small start-up into one of the world's most admired global companies. For over five decades, we have been putting the "silicon" in Silicon Valley through innovations that have fundamentally changed how the world works and the way people interact with each other through technology.

We are the leader in materials engineering solutions used to produce virtually every new chip and advanced display in the world. Our expertise in modifying materials at atomic levels and on an industrial scale enables the incredible breakthroughs that create future trends like artificial intelligence, big data, augmented and virtual reality, autonomous vehicles and the Internet of Things.

Among our core values is a commitment to operate with mutual trust and respect, and to make a positive contribution to our industry and the community. From our commitment to the well-being of our employees and their communities, to our sustainable and ethical business practices, we are focused on making possible a better future.

FY2017 COMPANY OVERVIEW

For fiscal year ended October 29, 2017



\$14.5 billion
revenue



\$1.8 billion R&D
investment



>11,900
patents



AMAT stock listing
on NASDAQ



Headquartered
in California's
Silicon Valley



>18,400 employees
90 locations in
17 countries



\$10.1 million
in charitable
contributions



RECOGNITION AS A RESPONSIBLE CORPORATE CITIZEN

Applied Materials is consistently recognized for our achievements by a wide range of organizations and publications. Below is a selection of the corporate responsibility awards and positive recognition we received in 2017.

- » **Barron's** — The World's Best CEOs
- » **Computerworld** — 100 Best Places to Work in IT
- » **Corporate Knights** — Global 100 Most Sustainable Corporations
- » **Corporate Responsibility Magazine** — 100 Best Corporate Citizens list
- » **Ethisphere® Institute** — World's Most Ethical Companies®
- » **Fortune** — World's Most Admired Companies®
- » **Human Rights Campaign** — Corporate Equality Index
- » **Newsweek** — Top 500 Green Companies in America





Corporate Governance

We are committed to effective corporate governance that promotes the long-term interests of our shareholders and strengthens Board of Directors and management accountability. Our Board is composed of highly-engaged directors who provide strong and independent oversight of Company strategy, risk management, and sustainability practices, among other matters.

RISK MANAGEMENT

Our management is responsible for identifying, assessing, mitigating and managing risks related to our strategies and objectives. We have implemented an ERM (Enterprise Risk Management) program, overseen by the Board's Audit Committee, that provides an enterprise-wide perspective on our risks.

Risks identified under the ERM program are reported to the Board, which has oversight responsibility, with a focus on the most significant risks facing the Company, including strategic, operational, financial, legal and compliance risks. The Board in turn delegates oversight responsibility for certain risks to specific Board Committees.

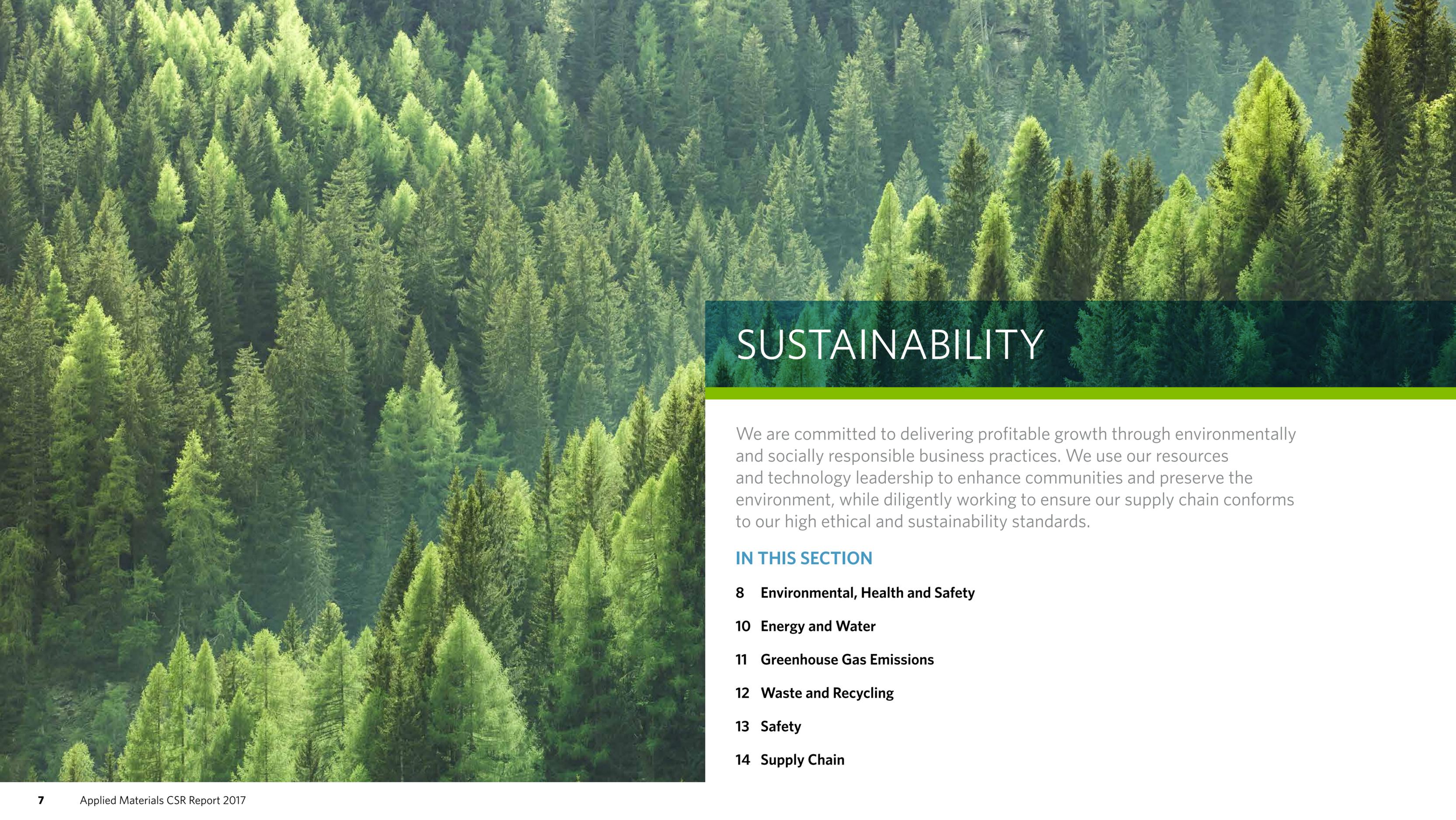
The Audit Committee oversees the ERM program, as well as risks related to financial, regulatory, compliance, cybersecurity and EHS (Environmental, Health and Safety) matters. The Audit Committee regularly reviews risk-monitoring and mitigation approaches with management, the head of internal audit and independent accountants.

The Corporate Governance and Nominating Committee oversees risks related to corporate governance matters, including director independence, Board composition and Board succession.

The Human Resources and Compensation Committee oversees risks associated with our compensation policies, plans and practices; organizational talent and culture; and management succession.



A full description of Board and corporate governance practices is available in our [2018 Proxy Statement](#)



SUSTAINABILITY

We are committed to delivering profitable growth through environmentally and socially responsible business practices. We use our resources and technology leadership to enhance communities and preserve the environment, while diligently working to ensure our supply chain conforms to our high ethical and sustainability standards.

IN THIS SECTION

8 Environmental, Health and Safety

10 Energy and Water

11 Greenhouse Gas Emissions

12 Waste and Recycling

13 Safety

14 Supply Chain



Environmental, Health and Safety

Our Environmental, Health and Safety (EHS) organization focuses on maintaining a safe and healthy workplace, while demonstrating environmental leadership and meeting regulatory compliance standards. The Head of EHS reports to the Board on a quarterly basis and provides a more in-depth environmental and sustainability update to the Audit Committee annually.

The EHS organization follows five guiding principles for sustainability, demonstrated through the way we do business at Applied.

Maximizing Energy Efficiency

Using energy responsibly throughout our operations to reduce environmental impact, through conserving energy and choosing renewable energy sources

Designing for the Environment

Designing products to minimize natural resources and energy consumption, reducing waste and maximizing efficiency

Workforce and Public Outreach

Promoting environmental awareness and engagement among our workforce and contributing to public policy development

Pollution Prevention

Reducing waste through reuse and recycling while minimizing our carbon footprint by limiting greenhouse gas emissions

Conserving Natural Resources

Minimizing our resource consumption and using recycled and reclaimed materials and water



APPLIED MATERIALS ISO 14001:2015 REGISTERED MANUFACTURING SITES

- » Austin, Texas
- » Santa Clara, California (New Product Integration)
- » Singapore
- » Rehovot, Israel
- » Kalispell, Montana
- » Tainan, Taiwan
- » Treviso, Italy
- » Alzenau, Germany
- » Heimstetten, Germany (2017)
- » Pyeongtaek, Gyeonggi-do, South Korea (2017)



International
Organization for
Standardization

APPLIED MATERIALS EHS POLICY

In accordance with our EHS principles and policies, we are committed to conducting business operations in a way that preserves the environment and protects the health and safety of our workers, customers and neighboring communities.

We make every effort to comply with or exceed all regulatory requirements, to prevent pollution and to show continuous improvement in the EHS performance of our operations, processes and products. All executives, managers and employees are expected to support and take responsibility for the implementation of our EHS policies.

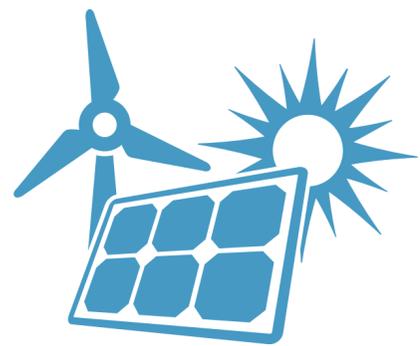
We also encourage our suppliers to improve their environmental, health and safety performance, just as we welcome suggestions that might help us analyze and improve our own EHS programs.

In 2017, we continued to make measurable progress toward our ongoing goal of minimizing the environmental impact of our operations.

- **Resource conservation efforts achieved 3.8M gallons of reclaimed water at our Austin, Texas facility**
- **Recycling and reclamation processes for non-hazardous waste maintained a 75% global diversion rate**
- **Onsite renewable energy production and green energy purchases supported 100% of our power needs at our two Santa Clara, California campuses**

UPDATED ISO CERTIFICATIONS

We continue to recertify our operations to the updated International Organization for Standardization (ISO) 14001:2015 standard for environmental management systems. In 2017, our Heimstetten, Germany and Pyeongtaek, Gyeonggi-do, South Korea manufacturing sites joined our growing list of certified facilities. Our future certification roadmap includes registration of our Gloucester, Massachusetts site.



In 2017, our onsite green-power generation initiatives produced **3.5 Gigawatt hours**—equivalent to the energy needed to power 2.4 million homes per year

Our Austin, Texas water reclamation project has recycled **3.8 million gallons** of water—equivalent to 5.8 Olympic-size swimming pools



Energy

Committed to minimizing consumption of natural resources, we remain focused on maximizing energy performance across our facilities. In 2017, while achieving a record year marked by more than 30% revenue growth, we succeeded in keeping our overall energy consumption relatively flat, compared to 2016 levels, through our continued focus on efficiency, conservation and use of renewable energy sources.

As an integral part of our clean energy initiatives, we are minimizing our carbon footprint through onsite renewable energy production that supplements our green energy purchases from local utilities. Our solar panel arrays at our facilities in Sunnyvale, California; Singapore; Xi'an, China; and Austin, Texas generated a total of 3.5 GWh (Gigawatt hours). Green energy purchases met 100% of the power demand for our two Santa Clara campuses and powered approximately 18% of our Global facilities and operations.

Water

Water remains an essential natural resource for effectively operating our facilities. We are focused on responsibly managing our water usage by implementing water use minimization and recycling practices throughout our global operations, wherever feasible. In 2017, a year when business volumes were up more than 30% we were able to hold the overall increase in water consumption to only 12%. Through the implementation of smart irrigation controls and reduced watering days, Austin has reduced its annual irrigation needs by over 80% from its peak usage in 2012.

Responsible water use includes effective waste management. All of our facilities ensure that both water usage and discharges comply with local laws and regulations. In 2017, only one of our sites, out of more than 20 operational facilities worldwide, was found in violation of waste water discharge volume or effluent constituent requirements. This involved “out of specification waste water” and was quickly rectified—with procedures put in place to ensure no repeated occurrence. Our Industrial Waste Neutralization (IWN) Program in Austin, Texas, helped us successfully recycle 3.8 million gallons of water.



To date, our Scoop commuters have reduced CO₂ emissions by over **225,000 pounds**, equivalent in effect to planting more than 37,000 trees



Greenhouse Gas Emissions

In 2017, our overall greenhouse gas (GHG) emissions increased approximately 4.7%—well below the rate of increase in our business volumes, manufacturing and employee growth. Scope 1 and 2 emissions increased approximately 1.7% compared to 2016 levels. Our Scope 3 emissions (indirect releases) increased compared to 2016 due to business-related air travel necessary to support rapid business growth in Asian markets.

Beyond our efforts to limit GHG emissions resulting from our operations, we offer programs and sponsor initiatives focused on reducing carbon emissions and air pollution in the broader community.

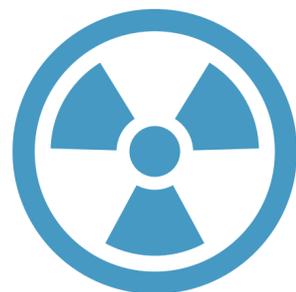
- **Carpool, ride-matching and vanpool services for our California, Texas and Massachusetts employees**
- **Public and alternative transportation incentives for our California employees**
- **Electric vehicle (EV) charging stations at our Santa Clara, Sunnyvale, Austin and Gloucester campuses**
- **Preferred parking at our Santa Clara, Sunnyvale and Austin campuses for employees who carpool and/or drive hybrid or electric vehicles**

We partner with Scoop—the largest carpooling community in the San Francisco Bay Area—to give our Silicon Valley employees the option of a subsidized roundtrip, door-to-door carpool. To date, our Scoop carpoolers have reduced CO₂ emissions by over 225,000 pounds—equivalent in effect to planting more than 37,000 trees.

In addition, our Applied Anywhere program allows eligible employees to complete all job functions remotely. In 2017, 318 U.S. employees participated in this eco-friendly initiative. We also maintain 18 telepresence rooms, and virtual meetings are utilized across the Company to connect key personnel without creating additional Scope 3 GHG emissions.



Hazardous Waste decreased **1%** - despite our record year of business



Diversion rate **75%**

Waste and Recycling

In 2017, a record business year for Applied, non-hazardous waste generated by our operations increased by approximately 48%, while hazardous waste decreased by approximately 1%. The larger quantity of non-hazardous waste, as compared to 2016, mainly resulted from an unprecedented increase in manufacturing volumes in several locations, particularly in the U.S. and Singapore.

RAMPING UP RECYCLING EFFORTS

Our offices, campuses and manufacturing facilities around the world continuously update their recycling programs to decrease non-hazardous waste generation and increase diversion rates. Current initiatives include recycling of solid materials, cafeteria items and building materials, while also moving to reusable and recyclable packaging. Recycling programs kept our 2017 waste diversion rate at 75%, consistent with our 2016 rate—even as the overall volume of material offered to recycling vendors in 2017, otherwise destined for landfill, increased by approximately two tons.

PRODUCT PACKAGING

We continue to explore methods for responsibly managing and minimizing the packaging used for materials and products shipped between locations and to customer sites. Our products require special protection because they are sensitive to environmental elements, improper handling and contact with chemicals. For this reason, we created a packaging technology team to design reusable packaging—including specially engineered boxes, crates, shipping containers and transport carriers—for many products and materials. Packaging that has exhausted its usefulness is recycled through qualified local vendors, and packaging materials now account for roughly 70% of our total recyclables.



APPLIED MATERIALS OHSAS 18001 MANUFACTURING SITES

- » Austin, Texas
- » Santa Clara, California (New Product Integration)
- » Singapore
- » Rehovot, Israel
- » Tainan, Taiwan
- » Alzenau, Germany
- » Heimstetten, Germany (2017)



Safety

We conduct business operations in a manner that protects the health and safety of our workforce, customers, suppliers and larger communities. At Applied, we go well beyond simple compliance with regulatory requirements, we invite input from interested parties and stakeholders, ensuring that any concerns are appropriately addressed.

Worldwide in 2017, Applied was subject to no fines or notices of violations involving our safety programs, product information or health and safety performance.

ENVIRONMENTAL HEALTH AND SAFETY MANAGEMENT SYSTEM

Our Environmental, Health and Safety Management System (EHSMS) is fully integrated with business processes across all Company locations. Our EHSMS also incorporates formal risk assessments and mitigation practices, and these are validated by regular internal and third-party audits of our certified manufacturing sites. Among other controls, EHSMS activities include safety self-inspections, walkthrough assessments and a formal chemical review and authorization process.

In 2017, we completed certification of our Heimstetten, Germany facility's safety management system to the Occupational Health and Safety Assessment Series (OHSAS) 18001:2007 standard. Our future certification roadmap includes registration of three additional sites: Kalispell, Montana; Gloucester, Massachusetts; and Pyeongtaek, Gyeonggi-do, South Korea. Through our EHSMS, all of our sites remain aligned with the EHS practices of our formally certified locations.

PRODUCT SAFETY AND LABELING

Our formal Product Environmental, Health and Safety (Product EHS) policies and programs ensure that our products are designed, labeled and tested for safe use. All applicable products are subject to third-party safety assessments based on applicable industry and regulatory EHS standards.

We label our products with necessary cautions based on their intended use. We also incorporate relevant international and regional product-labeling requirements, including CE Marking ("Conformité Européene," or "European Conformity" marking) that indicates compliance with EHS requirements for products sold within the European Union.



Supply Chain

We maintain an innovative, world-class supply chain by building lasting partnerships, enabling transparency and collaborating on solutions that optimize product cost, quality, delivery and reliability. We are committed to sustainable business practices throughout our global supply chain and to the responsible sourcing of materials used to make our products.

Our Global Supply Chain Organization (GSO) manages supplier relationships, develops supply chain capability and is primarily responsible for ensuring compliance with applicable laws, industry standards—such as the [RBA \(Responsible Business Alliance\) Code of Conduct](#), SEMI guidelines, and our [Standards of Business Conduct \(SBC\)](#), a global code of conduct that reflects our organizational values and our focus on ethical practices.

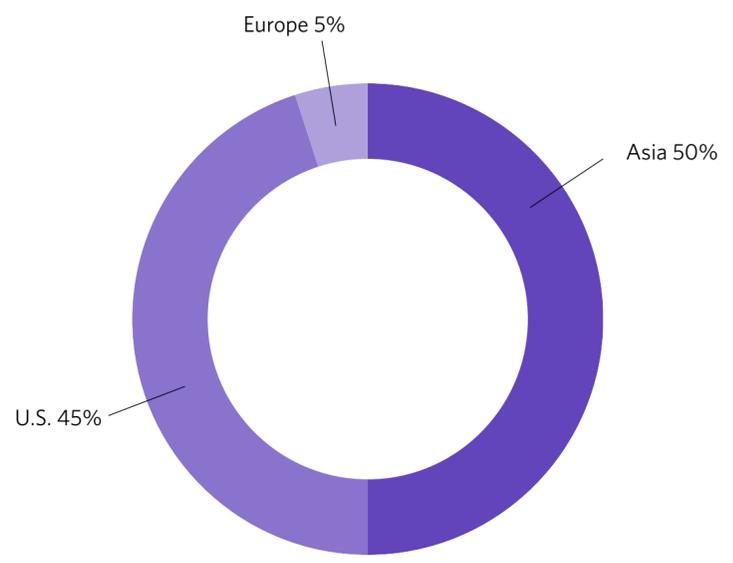
ENSURING ETHICAL CONDUCT AND LEGAL COMPLIANCE

In 2005, we adopted the RBA (formerly EICC—Electronics Industry Citizenship Coalition) Code of Conduct. This code addresses issues related to labor, health and safety, environmental responsibility, management systems and ethics in the supply chain. We are taking various steps to optimize our supply chain management. The top 80% of our suppliers must complete yearly self-assessments to measure their compliance with the RBA Code of Conduct, our SBC and related requirements. We similarly require that our suppliers observe applicable laws and regulations wherever they operate.

PROHIBITING FORCED AND BONDED LABOR

We are unequivocally opposed to slavery and human trafficking. Applied Materials prohibits the use of child labor, and the use of forced, bonded, or indentured labor practices in our operations. This prohibition is reflected in both the RBA Code of Conduct and our SBC, and also is reiterated in our Human Resources Policy.

FY2017 Supplier Spend by Region



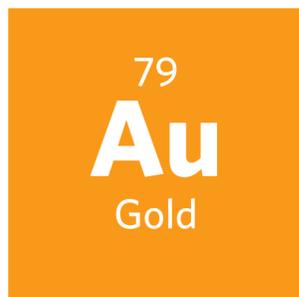
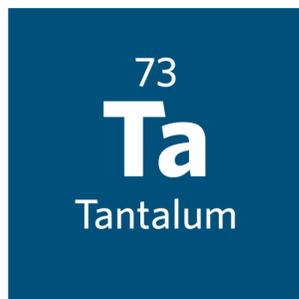
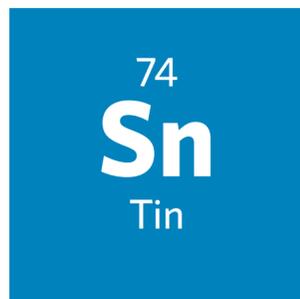
i More about our Standards of Business Conduct is available in the [Ethics and Compliance](#) section of this report.



ABOUT CONFLICT MINERALS

The most commonly mined conflict minerals include tin, tantalum, tungsten and gold. They may originate in the Democratic Republic of Congo or an adjacent country, where various armies and rebel groups have profited from mining while contributing to violence and exploitation across the regions.

These minerals are used in a wide variety of electronics products such as smartphones and computers.



SUPPLIER DIVERSITY

We value global diversity in our supply chain and are committed to selecting diverse suppliers whose products and services meet our supplier selection criteria and enable us to meet customer requirements. In 2017, we established a supplier diversity program to enhance the role diversity plays in our supplier selection process.

CONFLICT MINERALS

We are committed to the responsible sourcing of materials used in our products. The equipment and many of the spare parts we produce include components that contain tin, tantalum, tungsten or gold—commonly labeled today as “conflict minerals.” We do not directly purchase these minerals, nor do we have any direct relationship with mines or smelters that process these minerals.

Our products, due to their size and complexity, generally consist of thousands of parts sourced from a multitude of suppliers. We rely on our direct suppliers to provide information on the origin of any conflict minerals contained in parts sold to us, including conflict minerals they obtain from lower-tier suppliers and smelters.

We surveyed the direct suppliers responsible for approximately 80% of our total supply expenditures in fiscal 2017. Of these, 39% reported that the parts they provided did not contain conflict minerals. Approximately 20% of those reporting parts containing conflict minerals declared that at least some minerals originated from recycled or scrap sources.

Our approach to verifying the source and chain of custody of conflict minerals in our supply chain is designed to conform in all material respects with [OECD Guidance](#). Along with other RBA members, we have been a partner in the Responsible Minerals Initiative (RMI)—an industrywide project to understand and determine how best to mitigate the complex issue of conflict minerals—since its inception, when it was known as the Conflict-Free Sourcing Initiative.

We support refinement and expansion of RMI’s list of Conformant Smelters through measures including RMI’s Responsible Minerals Assurance Process, which uses independent third-party audits to identify smelters with systems in place to ensure they procure responsibly sourced minerals. More information on our due diligence efforts is available through our [website](#) and in our most recent [Conflict Minerals Report](#), which was filed with the U.S. Securities and Exchange Commission on May 29, 2018.



PEOPLE AND WORKPLACE

Our commitment to innovation begins with our commitment to our people. We succeed by creating an environment in which our employees can do their best work. Investing in our talent benefits employees even as it benefits both Applied and our other stakeholders. To attract, develop and retain a world-class global workforce, we constantly update our programs that promote training and education, diversity and inclusion, ethics and our universal respect for human rights.

IN THIS SECTION

- 17 Training and Development**
- 19 Diversity and Inclusion**
- 24 Ethics and Compliance**
- 26 Human Rights**



Training and Development

We foster personal and professional development for our workforce through a vast array of onsite resources and online platforms that promote career development, improve overall motivation and help employees manage every stage of their careers.

Our worldwide training organization, Applied Global University (AGU), offers a broad range of educational opportunities to all personnel. AGU courses provide over 800 business, technical and employee development opportunities in a variety of languages and formats. Competency certifications and technical training are available in areas such as engineering, career planning, safety, product development and pandemic preparedness.

While some AGU courses are taken voluntarily for personal or career development, compliance-based trainings are mandatory for our workforce based on when they start their employment or assignments. Required trainings include health and safety, our Standards of Business Conduct, ethics and IP (intellectual property) protection. These must be completed within certain time frames and renewed every two to three years. Educational materials are reviewed and updated annually to ensure accuracy, business relevance and legal compliance.

Beyond AGU, we support employees continuing their formal education by providing a tuition-assistance program and offering specialized courses through partnerships with a variety of universities and professional organizations.



IN 2017, OUR EMPLOYEES COMPLETED:

- » Total training - 1,271,932 hours
- » Pandemic preparedness training - 5,700 hours
- » Average training hours per person - 53 hours



APPLIEDX: ADVANCING PROFESSIONAL EXCELLENCE

Established in 2015, the appliedx digital learning lab advances professional education opportunities across Applied. This multimedia education platform supports technology innovation, fosters communities of practice and leverages digital technology to share knowledge with everyone.

The appliedx platform offers an array of free online courses taught by our subject matter experts, with each course broken into bite-sized modules that allow learners to easily progress at their own pace. In 2017, appliedx offered 160 courses, and over 17,000 members of our global workforce participated in this on-demand platform for enhancing critical skills, knowledge, and collaboration.



ENGINEERING AND TECHNOLOGY PROGRAMS

Our workforce has access to diverse technical programs, forums, conferences and lecture series involving products, processes and technologies.

Engineering and Technology (ET) Conference

At our 31st ET Conference, held in December 2016, engineers from around the world gathered in Las Vegas, Nevada to participate in technical presentations and workshops and establish new lines of communication to exchange ideas across the Company.

The CTO Guest Lecture Series

Our Office of the CTO (Chief Technology Officer) invites experts from across the industry, academia and government R&D institutions to host guest lectures on materials science and engineering topics, focusing on emerging technologies. Each lecture is available to attend in person at our Santa Clara campus or to view afterward online.

STRENGTHENING APPLIED'S UNIVERSITY RELATIONS

Applied and many of the world's top engineering universities have enjoyed mutually beneficial relationships for decades. We provide funding to university faculty and labs, engage in collaborative research and constantly recruit top talent from academia to strengthen our workforce. We recognize that university engagements are critical for maximizing competitiveness in today's global knowledge economy. In 2017, we worked to strengthen relationships with academia, with ten universities internationally renowned for their technology programs, furthering our collaborations and keeping our workforce connected to cutting-edge research as it happens.



CALTECH SYSTEMS ENGINEERING COURSE PARTNERSHIP

Through an educational partnership formed in 2015 with the California Institute of Technology (Caltech), we give our engineers the opportunity to earn a Caltech Systems Engineering (SE) certificate through our fully on-demand digital learning center, appliedx.

The popular 26-week course is a customized program designed around the evolving needs of our business, with students learning about current technologies and industry nomenclature. In 2017, 38 employees formed our second graduating class to become equipped with the latest systems-engineering skills and knowledge.



Diversity and Inclusion

Diversity and inclusion are foundational to Applied Materials' strategy to attract, develop and retain world-class employees. We are committed to diversity because we believe that diverse perspectives, experiences and backgrounds enhance teamwork and innovation. Our footprint spans 19 countries and reflects various cultures, backgrounds, ages, genders and ethnicities that come together to form a rich tapestry of talent.

In addition to building diversity, we actively promote a broad and inclusive culture of understanding and empowerment to ensure that we have an engaged workforce. Innovation thrives when members of our workforce feel valued and respected and know that they are included in a company culture in which they are contributing to our shared success.

Recognizing the need to accelerate our diversity and inclusion efforts globally, at every level of our organization, we have made the Head of Diversity and Inclusion a senior leadership role, reporting directly to our Chief Human Resources Officer, to implement the strategic framework for our initiatives in partnership with others.

COMMITTED TO DIVERSITY

To progress toward the increasingly diverse workforce we envision, we continue to implement supportive programs and forward-looking initiatives. Our commitment to broadening the diversity of our workplace takes many forms—including hiring initiatives, a Global Diversity and Inclusion Team, Employee Resource Groups, community engagement and targeted professional development opportunities designed to support and increase the diversity of our workforce and leadership.



The Human Rights Campaign Foundation includes Applied among its Corporate Equality Index with a high score for our corporate policies and practices pertinent to LGBTQ personnel.



YWCA Silicon Valley TRIBUTE TO WOMEN *Awards*

Since 1985, honored annually
with TWIN Award

HIRING THE FUTURE

Hiring Initiatives

We are committed to increasing the diversity of our candidate pools, both in the U.S. and around the globe, through inclusive and forward-looking hiring initiatives. We dedicate time and resources to finding and bringing on board candidates from a wide range of backgrounds. Our talent acquisition strategies include partnering with a recruiter focused on hiring women, veterans, minorities and individuals with disabilities; use of recruiting software specifically designed to identify such candidates; and onsite networking and informational events to attract college students pursuing STEM (Science, Technology, Engineering and Math) careers.

Women in Leadership

Our Women in Engineering Talent Development Program offers resources to support the career growth of female engineers—including opportunities to participate in conferences, professional skill development workshops, roundtables focused on career development and mentoring programs. We also sponsor employee attendance at conferences focused on women’s leadership development, including the IEEE Women in Engineering International Leadership Conference, Watermark Conference for Women, Texas Conference for Women, and Massachusetts Conference for Women.

Over the years, our female employees have been regularly recognized for their leadership in the community and their industry contributions. Since 1985, at least one Applied employee or executive each year has been honored with the prestigious Silicon Valley YWCA TWIN (Tribute to Women in Industry) Award. This award honors an exclusive group of women who have demonstrated innovation, creativity and excellence in the workplace and beyond.

Community Engagement

We have a long history of supporting nonprofit organizations and educational institutions focused on providing women and young people of diverse backgrounds with educational opportunities. Notable organizations and programs we support include Mexican American Engineers and Scientists, Society of Women Engineers, Youth Science Institute and City Year. We have also supported the Breakthrough Collaborative partnership in Santa Clara and Austin for the past 16 years, helping local students become the first in their families to attend college.



Internship and New College Graduate Programs

Our North America internship program brought nearly 100 students to our Santa Clara campus during summer 2017 to work in both engineering and corporate roles. Our interns not only learn about various career paths available, but also gain exposure to our diverse and inclusive workplace. Similar internship programs in our other locations around the world—including our Summer Student Program in Taiwan—help us to find talented future employees from diverse backgrounds.

New College Graduate (NCG) programs are essential to attracting and retaining new talent. Our U.S. outreach efforts include sponsoring, hosting and participating in a wide range of activities, such as Math Engineering and Science Achievement (MESA) Student Leadership Conference, National Society of Black Engineers Regional Conference, the Society of Women Engineers Evening with Industry event and the University of California, Berkeley Engineering Department Networking and Professional Etiquette event.

Outside of the U.S., our recruiting strategy is also delivering results. The team in China conducted interviews at top universities, recruiting over 80 graduates to join the New Star Program—our first large-scale NCG campaign in the country since 2000. Applied has a long history of investment and talent development in China, and the reinvigorated program is already enhancing our operations in a vitally important region.

A CULTURE OF INCLUSION

In addition to promoting a diverse workforce, we want employees to know that they are respected, valued and heard. Our Diversity and Inclusion strategy focuses on promoting a supportive, welcoming culture of open dialogue and collaboration.

Beyond adopting inclusive hiring practices, we review our benefits programs to ensure we are creating a welcoming workplace—which includes extending benefits to same-sex domestic partners. In 2017, we implemented a paid parental and family leave program, including a paternity leave benefit that recognizes and supports each employee's need and desire to play an active role within the family.





EMPLOYEE RESOURCE GROUPS

Our Employee Resource Groups (ERGs) create an open forum for exchanging ideas and strengthening bonds across and within our diverse communities at Applied. ERGs help foster diversity and inclusion through information-sharing and provide support, educational opportunities and career development resources. These groups promote cultural awareness and volunteerism while helping us stay connected to, recruit from and nurture talent within local communities worldwide. Each ERG has an executive sponsor acting as a mentor and ensuring open communication between these important groups and senior management.

Our first ERG—Leadership Encouraging Achievement through Diversity (LEAD), a Black Employee Network (BEN)—was established in 2001 at our Austin, Texas campus. Today, we fund eight ERGs with 16 divisions spread across our worldwide locations.

- » **Applied Pride (LGBTQ and Friends)**
- » **Asians in Motion (AIM)**
- » **Hispanics in Partnership (HiP)**
- » **Leadership Encouraging Achievement through Diversity/Black Employee Network (LEAD/BEN)**
- » **Veterans Employee Team (VET)**
- » **Women's Professional Development Network (WPDN)**
- » **Young Professionals Network (YPN)**
- » **GreenTeam Austin**

Applied Pride

In March 2017 we re-launched our decade-old LGBT and Friends employee resources group as Applied Pride. Applied Pride promotes an environment in which employees of all sexual orientations, gender identities, and/or expressions are fully engaged and maximizing their potential. The group also seeks to create a stronger support network within our Company for individuals identifying as LGBTQ (lesbian, gay, bisexual, transgender, queer), in part, by creating a welcoming environment and offering outreach activities for those already friendly to, or wishing to learn more about, the larger LGBTQ community.



DIVERSITY EVENTS

Since 2010, we have held events that promote a culture of diversity and inclusion. In recent years, these have become large-scale diversity events that involve our Board of Directors, CEO and executive staff. These activities emphasize several key themes:

- **Being bold and speaking up**
- **Appreciating differences to stimulate learning and develop the best solutions**
- **Creating an inclusive and collaborative environment that is empowering and engaging**

In 2017, CEO Gary Dickerson kicked off our Austin location's seventh annual Diversity Day celebration. The event, held over two days in May, included key executives, guest speakers and interactive workshops. Speakers and workshops alike encouraged employees to reflect on our global diversity as a major strength that enables both our shared success and social progress. In October, Santa Clara employees engaged in similar activities to mark the sixth annual Silicon Valley Diversity and Inclusion Day.

SUPPLY CHAIN DIVERSITY

Our emphasis on global diversity also extends to our supply chain. We are committed to selecting diverse suppliers who provide products and services that meet our supplier-selection criteria and help us fulfill customer requirements. More information is available in the Supply Chain section of this report.

VETERANS



In 2017, we greatly benefited from the contributions of roughly 700 U.S. veterans, and we remain committed to recruiting exemplary candidates from the large pool of talented individuals who have served in the military. We take pride in being recognized in the U.S. as a Military-

Friendly Employer, a Military Times Top 100 Best for Vets Employer and a U.S. Veterans Magazine Top Veteran-Friendly Employer. We are also mindful of, and grateful for, those among us who continue to serve—and who often do extraordinary things to help others.



Ethics and Compliance

We are committed to upholding the highest ethical standards and ensuring compliance in the workplace and our business activities. Our core values include responsibility and integrity and we understand that these values are foundational to our success. They are vital to creating a culture of mutual trust and respect in our interactions with stakeholders, including workforce, customers, suppliers and the public.

STANDARDS OF BUSINESS CONDUCT

To promote a strong and consistent culture of ethics, we have uniform [Standards of Business Conduct \(SBC\)](#) that apply to our global workforce around the world. These standards guide personnel in making the best possible decisions. The SBC is available to our workforce in 11 languages and to the [public online](#).

Upon joining Applied, all personnel must review and certify adherence to our SBC and must refresh their knowledge of it every two years by completing an online training course. They are also required to verify annually that they have read, understand and agree to comply with the SBC by completing a recertification process. In 2017, we achieved a 97% SBC-recertification rate.

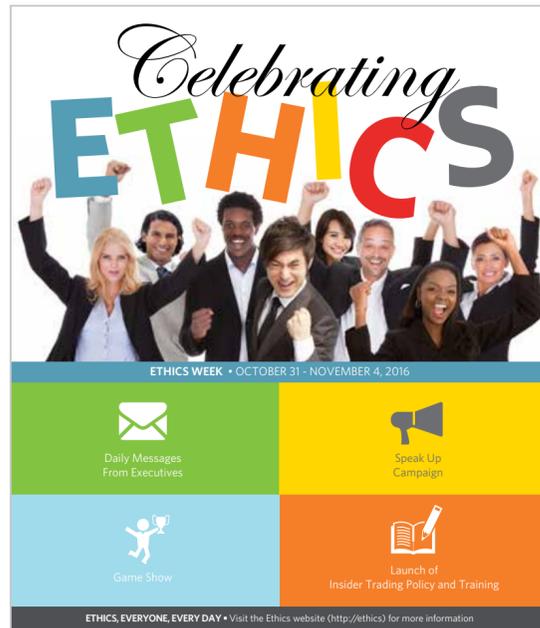
TRAINING

Each member of our workforce undergoes comprehensive web-based and/or classroom training in our Anticorruption, Conflict of Interest, Global Gift, Expense Reporting, Global Travel and Insider Trading policies. Personnel must refresh their knowledge of these policies at regular intervals.

Through training on privacy issues and IP (intellectual property) protection, everyone working at Applied learns the importance of keeping customers' and suppliers' data and information secure. We provide an ethics training to suppliers to ensure that they understand our requirements and how we operate.



In 2017, for the sixth year running, we were recognized by the Ethisphere Institute as one of the World's Most Ethical Companies®



TOOLS AND RESOURCES

Our Ethics intranet site offers various tools and resources to help our workforce make responsible decisions

- » Message from CEO
- » Standards of Business Conduct
- » Anticorruption, Conflict of interest, Gift and Insider trading policies
- » Ethics Helpline and online tools
- » Ethics videos
- » Third-party due diligence and approval process

OUTREACH

Each year, we hold an Ethics Week campaign to raise awareness about our long-standing commitment to operating with the highest ethical standards. Throughout the weeklong event, key executives reinforce the importance of ethics, integrity and legal compliance, and each employee is reminded of specific policies and support available.

The Ethics and Compliance team also holds informal events, dubbed Ethics roadshows, at all major global locations on a two-year rotation. To further gauge awareness and obtain feedback from our workforce, we conduct an Ethics Survey every two years. The next survey will be held in 2018.

BUSINESS ETHICS HELPLINES

We maintain a toll-free Ethics Helpline and an online help form that are available 24 hours a day, 7 days a week, globally. These resources are confidentially administered by Navex Global. Each member of our workforce can also email the Applied Ombudsman to raise an issue or ask a question.

Every issue is investigated in accordance with our policies and standards, and with any applicable laws. Final resolution can take a variety of forms, including disciplinary action for employees, specialized training, changes or improvements to our policies, termination or suspension of business relationships or other corrective actions.

CONSISTENT REPORTING AND A RECORD OF COMPLIANCE

Our senior management and Audit Committee of the Board receive a quarterly report highlighting the status of the Global Ethics and Compliance program.

In 2017, no material fines or other sanctions were imposed on Applied for noncompliance with laws and regulations. No legal actions were taken against Applied for anti-competitive behavior, antitrust or monopoly practices. In addition, no significant fines for non-compliance with laws and regulations concerning the provision and use of products and services were imposed.



Human Rights

We are deeply committed to ensuring human rights are protected wherever we do business, consistently striving to operate in an ethical and socially responsible manner—both across our workforce and throughout our supply chain.

NO EXPLOITATIVE OR INHUMANE LABOR PRACTICES

We prohibit the use of child labor and forced, bonded or indentured labor practices in our operations. Additionally, we forbid harsh or inhumane treatment, including corporal punishment or the threat of corporal punishment. This policy is included in our Human Resources Policy Manual as well as the Company's Standards of Business Conduct, and all personnel involved in hiring, supporting, supervising or directing members of our workforce are required to apply it consistently throughout the Company's global operations.

SUPPLY CHAIN RESPONSIBILITY

We require all suppliers to comply with our policies regarding human rights, including prohibitions on exploitative or inhumane labor practices in our [SBC](#) and the [RBA Code of Conduct](#). For detailed information about Applied's commitment to ensuring human rights are respected and maintained throughout the our supply chain, please see the Supply Chain section of this report.





SOCIETY

As a leading technology company, we understand that Applied Materials must also be a leader in society. We strive to create a positive impact through philanthropic investments, community programs and public policy engagement.

IN THIS SECTION

28 Community

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Community

As a responsible corporate citizen, we are committed to making a positive contribution to the community. Through corporate initiatives and the Applied Materials Foundation (the “Foundation”), we strategically deploy charitable investments and human resources around the world, where our employees work and live, supporting organizations that offer services without discriminating against any group or individual.

COMMUNITY GIVING

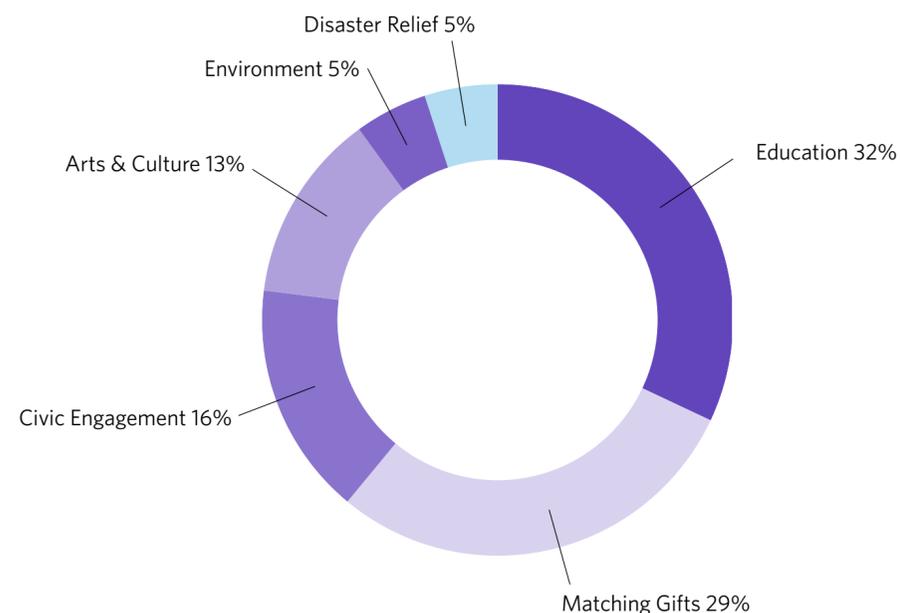
While our charitable investments are tailored to local needs, Applied and the Foundation provide funding in four main areas: Education, Civic Engagement, Arts and Culture and the Environment. We also contribute to relief and recovery efforts when natural disasters affect our communities around the world.

2017 Community Giving Highlights

In fiscal year 2017, through direct corporate contributions and the Foundation, we donated \$10.1 million to 290 organizations in 10 countries:

- **\$6.7 million in strategic grants, dedicated to our four main focus areas**
- **\$2.9 million in volunteer time grants and matching gifts for employee donations**
- **\$525,000 in disaster response, assisting with relief and recovery operations in the aftermath of Hurricane Harvey in Texas and the Kumamoto earthquake in Japan**

FY2017 Community Giving: \$10.1 Million





APPLIED MATERIALS FOUNDATION

A long history of giving is at the heart of our corporate culture. In 1994, the Applied Materials Foundation was established to ensure that we maintain our commitment to the community during both economically prosperous and fiscally challenging times. Funding guidelines for the Foundation, including the grant application and details on review timing, are available [online](#).

EMPLOYEE ENGAGEMENT

Our employees increase Applied's positive impact in the local community with personal donations and volunteer activities, often through company-initiated events that connect them with local nonprofit organizations.

We invite our employees around the world to maximize their personal contributions to charity by taking part in our Matching Gift and Volunteer Time Grant programs. The Foundation matches employee contributions to eligible charities and educational programs dollar-for-dollar, up to a \$3,000 annual limit per employee—which we increased in 2017 from a previous cap of \$2,000. The Foundation also donates to an employee's charity of choice based on time spent volunteering with approved nonprofit organizations.

In 2017, matching gifts and volunteer time grants from the Foundation totaled \$2.9 million—helping our employees' generosity make an even larger impact.

\$50 FOR 50TH ANNIVERSARY DONATION PROGRAM

As part of our Applied 50th Anniversary festivities, we celebrated our history of philanthropy by inviting each employee, worldwide, to direct \$50 from the Company to one of several charities. Within five days of the campaign's launch, corporate and Foundation contributions on our employees'

behalf totaled \$332,900.* While some recipients were well known nongovernmental organizations like Save the Children and Habitat for Humanity, others were agencies targeting specific outcomes in defined geographies—like the Society of Wilderness in Taiwan and Akshaya Patra in India.

*Due to the campaign's time frame, this figure is not included in total giving for FY2017



MAKING A DIFFERENCE

Education

We invest in efforts to reduce the academic achievement gap and increase access to quality education throughout the world. To learn more about our efforts in North America, our latest Education Initiative report is available [online](#).

Supporting Today's Students and Tomorrow's Educators

Teacher professional development is a key component to our Education Initiative. By supporting organizations like Teach for America, we work to ensure all students, regardless of background or family income level, receive a high-quality education. We are helping Teach for America make a difference in various regions of the United States, while also supporting Teach for Taiwan's efforts to create a positive impact in classrooms from Yilan in Taiwan's north to Pingtung in the south.

Civic Engagement

Committed to improving the lives of our neighbors, we invest in programs that address basic human needs—including access to nutritious food and clean water, affordable housing and short-term emergency assistance.

North America Food Drive: \$2.06 Million Raised to Alleviate Hunger

In 2017, our North America employees raised funds and gave generously during our annual Food Drive—resulting in \$2.06 million raised for 34 food banks across the U.S. Our employees learned about hunger in their communities, donated online and came together to participate in various fundraising events. Employee contributions totaled more than \$1 million, which was matched dollar for dollar by the Foundation.

Applied Materials Silicon Valley Turkey Trot: Largest Thanksgiving Day Race in the U.S.

To help provide nutritious meals to families in need, on Thanksgiving Day 2016, nearly 26,000 community members, including many Applied employees, participated in the 12th annual Applied Materials Silicon Valley Turkey Trot, raising \$912,000 for local charities. The Turkey Trot, which has raised more than \$6.9 million since 2004, has become a nationally recognized event—*Running USA* ranks it the largest Thanksgiving Day race in the U.S.—and a valued local tradition that helps us launch the holiday season in a festive, philanthropic spirit.



Arts and Culture

We fund arts and culture organizations and events that bring people of diverse backgrounds together in shared experiences that encourage participation, learning and community building.

Mixing Art and Science Generates STEAM

In addition to funding traditional arts programs, we support programs that include an educational component. In 2017, we sponsored The Art and Science of Artwork Conservation Program in Singapore. Developed by the National Gallery Singapore, this program uses artwork conservation processes to demonstrate to 1,800 students each year that art and science are two intertwined disciplines—each involving skills, like creativity and critical thinking, necessary for future success.

Environment

Applied invests in environmental programs that help all of us understand our roles as stewards of the Earth.

EarthWorks 2017

As a complement to our philanthropic funding for environmental organizations, each spring, we encourage employees to learn more about environmental sustainability and take action in their communities through the EarthWorks campaign.

From planting trees in California, Singapore and Taiwan, to harvesting vegetables for Passover in Israel, to building “green” houses and recycling e-waste in Texas, to cleaning up Mount Fuji in Japan and the Qinling Mountains in China, employees spent time during Earthworks 2017 celebrating the environment and demonstrating our core value of responsibility and integrity.



Public Policy

Applied Materials interacts with government officials, elected representatives and candidates to advocate for the Company, our stakeholders, and the business and trade associations to which we belong. These efforts, led by our Government Affairs group, aim to help shape public policy on issues that affect our business and to increase opportunities across the entire industry.

OUR PUBLIC POLICY PRIORITIES

Regulatory Issues: We, along with our customers, operate in business segments subject to a vast, complex web of regulations governing environment, safety, health and other workplace concerns. We work to ensure that these regulations are crafted and implemented as effectively as possible.

Technology Funding: As the complexity and cost of technology development grows, we seek to leverage external resources to extend our capabilities. This includes working with public research institutions and partnering with government-funded research programs. We advocate for government funding and other incentives to expand industry R&D activities.

Trade Facilitation: With approximately 90% of our revenues generated outside the United States, we depend on international trade. Our ability to sell and service our products is affected tremendously by laws and regulations governing trade. We advocate for increasing the ease of doing business across borders by minimizing trade barriers.

Tax Policy: We engaged with various participants in the political process throughout 2017. We advocated for the interests of the Company and our stakeholders by sharing our unique industry perspective on corporate tax, international competition, and research and development (R&D) issues.

Our lobbying activities are disclosed in periodic reports filed with the U.S. Senate, U.S. House of Representatives or the appropriate state agency. Our federal lobbying is also reported publicly through the [Lobbying Disclosure Act Database](#).

BUSINESS AND TRADE ASSOCIATIONS

We belong to various business and trade associations* representing a range of issues that concern us and engaging in activities that we believe benefit our business. In the U.S., these include groups, other than charitable and social welfare organizations, falling under sections 501(c)(4) and 501(c)(6) of the U.S. tax code that may engage in limited political activity.

Our membership in a group does not imply that we endorse the entirety of that group's policy positions. Further information on our participation in business and trade organizations is available through our [website](#).

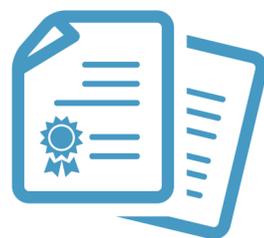
*In 2017, we paid approximately \$547,000 in trade association membership dues. Of this amount, 8.4% was specified by the associations as nondeductible lobbying activity expenditures. Our membership dues total does not include other costs, such as specific conference or event sponsorships or programming activities.



APPLIED MATERIALS POLITICAL ACTION COMMITTEE (AMPAC)

In 2004, we established the Applied Materials, Inc. Political Action Committee (AMPAC) to participate more fully in the political process. In full compliance with all U.S. campaign finance laws and regulations, campaign contributions are disbursed to candidates for state or federal office, other political action committees or political party committees. While our corporate organization pays its administrative expenses, AMPAC is funded entirely through voluntary contributions from eligible employees (principally executives) and directors. Its activities are overseen by the AMPAC Board of Directors—which consists of our employees, including several vice presidents.

AMPAC, through its outside independent counsel, regularly files its contributions reports with the Federal Election Commission, and these are available [online](#).



Detailed reporting on our political contributions is available at the end of this report and through our [website](#).

POLITICAL CONTRIBUTIONS

Both our corporate and AMPAC contributions are reviewed by outside legal counsel for compliance with applicable campaign-finance and related laws. They are subject to approval by our Vice President of Communications and Public Affairs and are reported directly to our General Counsel and Chairman of AMPAC to ensure consistency with AMPAC’s contribution policies and criteria.

Our State Contributions Committee (consisting of the same individuals who serve on the AMPAC Board) oversees corporate political spending at the state and local levels. We occasionally use corporate funds to make financial and in-kind political contributions within the U.S., as permitted by applicable laws, such as contributions to candidates for statewide offices and state legislatures, as well as to local or regional ballot measures.

During 2017, political contributions made by AMPAC and the State Contributions Committee totaled \$85,500, and we also made one contribution of \$5,000 to a regional ballot measure. However, no contributions were made in support of entities organized under section 527 of the U.S. tax code, including governors’ associations.

OVERSIGHT, REVIEW AND ETHICS

Our Government Affairs group proposes AMPAC or corporate political contributions, and all proposals are reviewed by the AMPAC Board or State Contributions Committee, respectively. Factors considered typically include a candidate’s position on issues of strategic importance to the Company, leadership on key committees and whether we have a significant presence in the candidate’s state or district. No contribution may be made in return for, or in anticipation of, an official act. All contributions are made based only on corporate objectives, without regard for the private political preferences of committee members. Neither the Company nor AMPAC makes contributions to so-called “Super-PACs,” nor do we make political contributions outside the U.S. As part of its financial oversight, the Audit Committee of our Board of Directors regularly reviews all public policy activities to ensure alignment with the Company policies.

In addition to complying with regular governance policies and company controls, all persons acting on Applied’s behalf must also comply with our Standards of Business Conduct which prohibit corrupt practices, including any promise or payment of bribes or kickbacks to government officials. We also conduct regular training, compliance-system reviews, and internal audits to ensure all corporate contributions are made in accordance with the law and with our Company policies.

Performance Indicators

- 1 Renewable energy consists of a combination of onsite generation and green power purchases.
- 2 Amounts for owned facilities include domestic, landscaping and process (if any) usage. Amounts for leased facilities include domestic and process (if any) usage, while leased office-only facilities include domestic usage only.
- 3 Indicates Applied's worldwide direct and indirect GHG emissions for the last three years (MTCe=metric tons of carbon equivalent).

| About the Company (Fiscal Year) | | 2015 | 2016 | 2017 |
|---------------------------------|--|---------------------------------|---------------------------------|---------------------------------|
| Revenue (\$Billions) | | \$9.66 | \$10.83 | \$14.54 |
| Net Income (\$Billions) | | \$1.38 | \$1.72 | \$3.43 |
| R&D (\$Billions) | | \$1.45 | \$1.54 | \$1.77 |
| Number of employees | | >14,600 | >15,600 | >18,400 |
| Number of patents | | >10,200 | >10,200 | >11,900 |
| Number of locations/countries | | 81 locations in 18 countries | 82 locations in 17 countries | 90 locations in 17 countries |

| Environmental Sustainability (Calendar Year) | | 2015 | 2016 | 2017 |
|--|---|---------|---------|---------|
| Energy Use | Direct energy use (Gas) (Million Therms) | 3.8 | 3.8 | 4.2 |
| | Indirect energy use (Electricity) (GWh) ¹ | 331 | 345 | 354 |
| | Renewable energy (Electricity) (GWh) ¹ | 65 | 59 | 63 |
| Water | Water use ² (CCF) | 522,802 | 528,120 | 594,014 |
| Greenhouse Gas (GHG) Emissions | Total direct and indirect GHG emissions by weight (MTCe) (Scope 1+2) ³ | 170,613 | 170,634 | 173,491 |
| | Other relevant indirect GHG emissions by weight (MTCe) (Scope 3 air travel) | 11,390 | 11,643 | 17,322 |
| Waste & Recycling | Total weight of waste by type and disposal method (metric tons): | | | |
| | Hazardous waste treated off-site | 223 | 319 | 316 |
| | Landfill (non-hazardous) | 3,136 | 2,187 | 4,488 |
| | Recycled/composted/diverted | 7,906 | 8,795 | 13,372 |
| | Diversion rate | 71.7% | 78.0% | 75.0% |

Performance Indicators

| Workplace (Fiscal Year) | | 2015 | 2016 | 2017 |
|---|---|-------|-------|-------|
| Safety | | | | |
| North America | Total case incidence rate (TCIR) | 0.69 | 0.55 | 0.46 |
| | Injuries or illnesses resulting in days away from work, restricted work activity, or job transfer for every 100 employees (Days Away and Restricted Time or DART) | 0.46 | 0.29 | 0.29 |
| | Number of work-related fatalities | 0 | 0 | 0 |
| Worldwide | TCIR | 0.46 | 0.44 | 0.41 |
| | Injuries or illnesses resulting in days away from work, restricted work activity, or job transfer for every 100 employees (DART) | 0.32 | 0.26 | 0.30 |
| | Number of work-related fatalities | 0 | 0 | 0 |
| | Number of ergonomic evaluations performed | 1,208 | 1,557 | 2,929 |
| Training and development | | | | |
| Average hours of training per year per person | Regular full-time employees (RFT) | 41 | 41 | 53 |
| | Total (RFT, temps, contractors, interns) | 30 | 30 | 40 |
| | Percentage of employees receiving regular performance and career development reviews | 96% | 99% | 99% |
| Diversity and Inclusion | | | | |
| | Women on Applied Board of Directors | 19% | 27% | 22% |
| Human Rights | | | | |
| | Percentage of operations that have been subject to human rights reviews or impact assessments, by country | 0% | 0% | 0% |

Performance Indicators

1 Percentages may not add up to 100% due to rounding.

| Social Responsibility (Fiscal Year) | | 2015 | 2016 | 2017 |
|-------------------------------------|---|----------|----------|----------|
| Community | Total community investments by Applied and the Applied Materials Foundation (excludes administrative) | \$9.5M | \$9.1M | \$10.1M |
| | Total Giving through the Foundation Match Program (employee gifts plus match) | \$3.8M | \$4.1M | \$5.9M |
| | Total Volunteer Time Grant hours logged | 14,325 | 13,501 | 16,670 |
| | Total contributions issued by Applied Materials Foundation based on Time Grant hours | 42,900 | 36,100 | 59,000 |
| Public Policy | Total value of financial and in-kind contributions to political parties, candidates, and related institutions by Applied Materials ¹ | 0 | \$30,000 | \$5,000 |
| | Total value of financial and in-kind contributions to political parties, candidates, and related institutions by AMPAC ¹ | \$70,000 | \$68,500 | \$85,500 |



Resources and References

LEGAL DISCLOSURE

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For more information about Applied Materials, visit our website at www.appliedmaterials.com. Additional information regarding Applied Materials' business and its corporate responsibility's activities are available on our website at the following links:

- » [2017 Annual Report with 10-K](#)
- » [Carbon Disclosure Project](#) (*Annual Water Use and Greenhouse Gas Emissions Reports*)
- » [Conflict Minerals Policy and Reporting](#)
- » [Corporate Governance](#)
- » [Corporate Responsibility](#)
- » [CSR Reports \(archived\)](#)
- » [Environmental, Health and Safety Policy](#)
- » [ISO Certifications](#)
- » [Press Releases](#)
- » [2017 Political contributions and U.S. Trade, Business and Civic Associations list](#)
- » [Organizational Profile](#)
- » [Transparency in Supply Chains Act](#)



Direct questions or comments about this report to our sustainability reporting team at: corporate_responsibility@amat.com.