

Applied Materials Charts a Course for Enabling a More Sustainable Company, Industry and World

July 21, 2020

- CEO Gary Dickerson unveils "Make Possible a Better Future" vision and ESG initiatives during SEMICON West keynote
- Company: Applied aims to achieve 100% renewable energy sourcing and cut carbon emissions by 50% by 2030; commits to Science Based Targets initiative and Task Force on Climate-Related Financial Disclosures
- Industry: new programs focus on improving eco-efficiency of chip manufacturing and creating a more sustainable and just supply chain
- World: calls for greater industry collaboration to enable energy-efficient AI Era computing, from Materials to Systems™

SANTA CLARA, Calif., July 21, 2020 (GLOBE NEWSWIRE) -- In a keynote address today at the 50th annual SEMICON West, Applied Materials, Inc. president and CEO Gary Dickerson unveiled how the company is expanding the scope of its environmental, social and governance (ESG) commitments with a series of 10-year initiatives that will be driven within the company and in collaboration with suppliers, customers and the computing industry.

Furthering Applied's new vision to "Make Possible a Better Future," Dickerson introduced a framework for generating positive ESG impact at the company, in the industry and throughout the world.

"I strongly believe our responsibility as leaders is to leave the world in a better place," said Gary Dickerson, president and CEO. "At Applied Materials, making a positive contribution to the community is at the foundation of our culture. I am excited to join forces with our employees, suppliers, direct customers, and the computing and electronics industries to Make Possible a Better Future."

A More Sustainable Company

To reduce the environmental impact of its operations, Applied is announcing the following goals: 100% renewable energy sourcing in the U.S. by 2022 and worldwide by 2030, and a 50% reduction in Scope 1 and 2 carbon emissions by 2030. Applied <u>also announced today</u> that it signed a power purchase agreement (PPA) with Apex Clean Energy, a key step toward reaching its renewable energy targets. In addition, the company committed to setting targets through the Science Based Targets initiative (SBTi) and reporting in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

A More Sustainable Industry

Applied is driving several initiatives with its customers and suppliers to promote greater sustainability industry-wide. This includes improving the eco-performance of its existing and new systems with hardware and software upgrades that reduce energy use, chemical use and cleanroom space requirements. As part of its new "ecoUP" initiative, Applied announced a "3 by 30" goal for its manufacturing systems: on a per-wafer basis, Applied targets a 30-percent reduction in equivalent energy consumption along with a 30-percent reduction in chemical consumption, and a 30 percent increase in throughput density – which is the number of wafers processed per square foot of cleanroom space – by 2030.

In addition, Applied today launched the SuCCESS2030 initiative (Supply Chain Certification for Environmental and Social Sustainability) aimed at creating a more sustainable and just supply chain for semiconductor and display manufacturing. SuCCESS2030 will optimize material and parts selection, procurement, packaging, warehousing, transportation and recycling to reduce energy and emissions and conserve resources. The program also aims to promote ethics, human rights, diversity and inclusion throughout the supply chain.

Customer Statements

"As we move from a digital age to an AI age, the semiconductor industry continues to enrich lives and serve people around the world," said TSMC CEO, Dr. C.C. Wei. "At TSMC, green manufacturing is deeply embedded in our culture. Applied Materials is a key member of this initiative, and their work demonstrates how we can innovate together to reduce emissions."

"Memory and storage are essential to the growing data-driven economy," said Micron Technology Executive Vice President of Global Operations Manish Bhatia. "Micron has set clear goals to advance our environmental footprint in our operations to reduce greenhouse gas emissions, energy consumption, water use and waste management. We are challenging our suppliers and technology partners to develop more sustainable solutions – from facilities design and construction, to efficient fab operations – and Applied Materials has really stepped up."

"The industry-leading SuCCESS2030 program being announced today aligns with Intel's 2030 <u>corporate responsibility goals</u> and is core to building a responsible and sustainable end-to-end supply chain for the future of semiconductors," said Shaheen Dayal, Vice President of Fab Technology Sourcing at Intel. "Together, we are invested and share the growing sense of urgency to address broad challenges no one can tackle alone and can only be solved by collaborating across major organizations, industries, and countries."

A More Sustainable World

On a global scale, AI has enormous promise to accelerate research in areas such as climate change, disease prevention and public health, yet it also consumes a growing amount of power. For AI to reach its true potential, major advances in the power, performance, area-cost and time-to-market (PPACt) of semiconductor devices are needed. Applied is helping enable these advances with the industry's largest and broadest portfolio of technologies and products which spans creating, shaping, modifying, analyzing and connecting structures and devices. An example of this is Applied's

new Selective Tungsten process technology that removes a critical bottleneck to continued 2D scaling in foundry-logic nodes.

"As we push deeper into the AI era, the world is growing ever more reliant on semiconductors, and our promise to create a better future for all has never been more dependent on our ability to work collectively across our industry and the electronics ecosystem," said Dickerson. "We need to break down barriers, from Materials to Systems™ and from Systems to Materials™, connecting dots in new ways between system designers, developers, integrators, chipmakers, and equipment and materials suppliers."

About Applied Materials

Applied Materials, Inc. (Nasdaq: AMAT) is 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 customers to transform possibilities into reality. At Applied Materials, our innovations make possible the technology shaping the future. Learn more at <u>www.appliedmaterials.com</u>.

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