

Company Name Applied Materials
Industry ICT (Own operations and Supply Chain)
Overall Score (*) 8.5 out of 100

Theme Score	Out of	For Theme
0.9	10	A. Governance and Policies
0.0	25	B. Embedding Respect and Human Rights Due Diligence
1.7	15	C. Remedies and Grievance Mechanisms
1.3	20	D. Performance: Company Human Rights Practices
1.7	20	E. Performance: Responses to Serious Allegations
2.9	10	F. Transparency

(*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2019 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: General HRs commitment: The Company has in its CSR report a section to describe the human rights that Applied Materials is committed to follow and states that is "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." The CSR report is signed off by the CEO. [CSR Report 2017, 2017: appliedmaterials.com & CSR Report 2018, 2019: appliedmaterials.com] Score 2 <ul style="list-style-type: none"> Not met: UNGPs Not met: OECD
A.1.2	Commitment to respect the human rights of workers	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: ILO Core Not met: UNGC principles 3-6 Not met: Explicitly list ALL four ILO for ICT suppliers: The CSR report of the Company is signed off by the CEO, describes the principles that the Company follows and discloses that prohibits the use of child, forced or bonded labor and forbid harsh or inhumane treatment. However, there is no mention about respect workers' rights of freedom of association and to bargaining collectively. [CSR Report 2017, 2017: appliedmaterials.com & CSR Report 2018, 2019: appliedmaterials.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not met: Explicit commitment to All four ILO Core • Met: Respect H&S of workers: Applied Materials discloses that "conducts its business operations in a manner that preserves the environment and protects the health and safety of workers, customers and neighboring communities". [Environmental, Health and Safety policy: appliedmaterials.com] • Not met: H&S applies to ICT suppliers: In its CSR report the Company states that "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". However, to encourage suppliers to improve their EHS performance does not imply that Company's EHS policy applies to suppliers. [CSR Report 2017, 2017: appliedmaterials.com & CSR Report 2018, 2019: appliedmaterials.com] • Not met: working hours for workers • Not met: Working hours for ICT suppliers
A.1.3.ICT.a	Commitment to responsible sourcing of minerals	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Responsible mineral sourcing in conflict areas: The Company discloses that "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." According to the Conflict Minerals Report: 'Form SD defines “conflict minerals” as cassiterite, columbite-tantalite (coltan) and wolframite (and their derivatives, tin, tantalum and tungsten, respectively), and gold, regardless of the geographic origin of the minerals and whether or not they fund armed conflict.' [CSR Report 2018, 2019: appliedmaterials.com & Conflict Minerals Report, 2017: services.corporate-ir.net] • Met: Based on OECD Guidance: Applied Materials states that its "due diligence on the source and chain of custody of necessary conflict minerals contained in its Covered Products. Its due diligence approach was designed to conform in all material respects with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Second Edition and the related Supplements (“OECD Guidance”)". [CSR Report 2018, 2019: appliedmaterials.com & Conflict Minerals Report, 2017: services.corporate-ir.net] • Not met: Requires responsible mineral sourcing from suppliers: In its Conflict Minerals Report Applied Materials states that "relies on its direct suppliers to provide information on the origin of any conflict minerals contained in Parts they sell to the Company, including the source of conflict minerals they obtain from lower tier suppliers and smelters". However, it is not clear if the company requires suppliers to commit to responsible mineral sourcing. [Conflict Minerals Report, 2017: services.corporate-ir.net] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Responsible conflict mineral sourcing covers all minerals • Not met: Suppliers expected to make similar requirements of their suppliers
A.1.3.ICT.b	Commitment to respect human rights particularly relevant to the industry (ICT)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Women's Rights • Not met: Children's Rights • Not met: Migrant worker's rights • Not met: Expecting suppliers to respect these rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: CEDAW/Women's Empowerment Principles • Not met: Child Rights Convention/Business principles • Not met: Convention on migrant workers • Not met: Expecting suppliers to respect these rights
A.1.4	Commitment to engage with stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to stakeholder engagement • Not met: Regular stakeholder engagement <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to remedy <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Collaborating with other remedy initiatives • Not met: Work with ICT suppliers to remedy impacts
A.1.6	Commitment to respect the rights of human rights defenders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Zero tolerance attacks on HRs Defenders (HRDs) <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Expects ICT suppliers to reflect company HRD commitments

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: CEO or Board approves policy • Not met: Board level responsibility for HRs <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Speeches/letters by Board members or CEO
A.2.2	Board discussions	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Board/Committee review of salient HRs • Not met: Examples or trends re HR discussion <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both examples and process
A.2.3	Incentives and performance management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Incentives for at least one board member • Not met: At least one key ICT HR risk, beyond employee H&S <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Performance criteria made public

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to ILO core conventions • Not met: Senior responsibility for HR <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Day-to-day responsibility • Not met: Day-to-day responsibility for ICT in supply chain
B.1.2	Incentives and performance management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Senior manager incentives for human rights • Not met: At least one key ICT HR risk, beyond employee H&S <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Performance criteria made public
B.1.3	Integration with enterprise risk management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: HR risks is integrated as part of enterprise risk system <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Audit Ctte or independent risk assessment
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to ILO core conventions • Not met: Communicates its policy to all workers in own operations <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to all 4 ILO core conventions • Not met: Communication of policy commitments to stakeholder • Not met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to all 4 ILO core conventions for suppliers • Not met: Communicating policy down the whole ICT supply chain • Not met: Requiring ICT suppliers to communicate policy down the chain <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How HR commitments made binding/contractual

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Including on ICT suppliers
B.1.5	Training on Human Rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Scores at least 1 on A.1.2 • Not met: Trains all workers on HR policy commitments • Not met: Trains relevant ICT managers including procurement <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Score of 2 on A.1.2 • Not met: Both requirements under score 1 met
B.1.6	Monitoring and corrective actions	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Scores at least 1 on A.1.2 • Not met: Monitoring implementation of HR policy commitments • Not met: Monitoring ICT suppliers <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Score of 2 on A.1.2 • Not met: Describes corrective action process • Not met: Example of corrective action • Not met: Discloses % of ICT supply chain monitored
B.1.7	Engaging business relationships	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: HR affects ICT selection of suppliers: The Company discloses that select suppliers based on their products, services and business practices. There is no mention to practices related to human rights. [Standards of Business Conduct: appliedmaterials.com] • Not met: HR affects on-going ICT supplier relationships <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met • Not met: Working with ICT suppliers to improve performance
B.1.8	Approach to engagement with potentially affected stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Stakeholder process or systems • Not met: Frequency and triggers for engagement • Not met: Workers in ICT SC engaged • Not met: Communities in the ICT SC engaged <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Analysis of stakeholder views and company's actions on them

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Identifying risks in own operations • Not met: Identifying risks in ICT suppliers <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Ongoing global risk identification • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Salient risk assessment (and context) • Not met: Public disclosure of salient risks <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks • Not met: Including in ICT supply chain • Not met: Example of Actions decided <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans • Not met: Including ICT suppliers Score 2 <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Channel accessible to all workers: Applied Materials has an Ethical Helpline in which workers can raise complaints related to policy violations on Company's operation. [Standards of Business Conduct: appliedmaterials.com] Score 2 <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved • Met: Channel is available in all appropriate languages: The Ethic Helpline is available 24 hours a day, seven days a week and in 23 different Countries in local languages. [Standards of Business Conduct: appliedmaterials.com] • Not met: Expect ICT supplier to have equivalent grievance systems • Not met: Opens own system to ICT supplier workers
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Grievance mechanism for community Score 2 <ul style="list-style-type: none"> • Not met: Describes accessibility and local languages • Not met: Expects ICT supplier to have community grievance systems • Not met: ICT supplier communities use global system
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Engages users to create or assess system • Not met: Description of how they do this Score 2 <ul style="list-style-type: none"> • Not met: Engages with users on system performance • Not met: Provides user engagement example on performance • Not met: ICT suppliers consult users in creation or assessment
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Response timescales • Not met: How complainants will be informed • Not met: Who is handling the complaint Score 2 <ul style="list-style-type: none"> • Not met: Escalation to senior/independent level
C.5	Commitment to non-retaliation over complaints or concerns made	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Public statement prohibiting retaliation: The Company states that Retaliation is not tolerated for people who make complaints. However, there is no evidence that the grievance mechanism is also available for external stakeholders. [Standards of Business Conduct: appliedmaterials.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Practical measures to prevent retaliation: The calls for the Ethical Helpline can be made anonymously. [Standards of Business Conduct: appliedmaterials.com] Score 2 <ul style="list-style-type: none"> • Not met: Has not retaliated in practice • Not met: Expects ICT suppliers to prohibit retaliation
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Won't impede state based mechanisms • Not met: Complainants not asked to waive rights Score 2 <ul style="list-style-type: none"> • Not met: Will work with state based or non judicial mechanisms • Not met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Describes how remedy has been provided • Not met: Says how it would remedy key sector risks Score 2 <ul style="list-style-type: none"> • Not met: Changes introduced to stop repetition • Not met: Approach to learning from incident to prevent future impacts • Not met: Evaluation of the channel/mechanism

D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.4.1.a	Living wage (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Living wage target timeframe • Not met: Describes how living wage determined Score 2 <ul style="list-style-type: none"> • Not met: Achieved payment of living wage • Not met: Regularly review definition of living wage with unions
D.4.1.b	Living wage (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Living wage in supplier code or contracts • Not met: Improving living wage practices of suppliers Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends demonstrating progress
D.4.2	Aligning purchasing decisions with human rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Avoids business model pressure on HRs • Not met: Positive incentives to respect human rights Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
D.4.3	Mapping and disclosing the supply chain	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Identifies suppliers back to product source Score 2 <ul style="list-style-type: none"> • Not met: Discloses significant parts of supply chain and why
D.4.4.a	Prohibition on child labour: Age verification and corrective actions (in own production or manufacturing operations)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Does not use child labour: Applied Materials discloses in its Standards of Business Conduct that prohibits the use of child labor. [Standards of Business Conduct: appliedmaterials.com] • Not met: Age verification of job applicants and workers Score 2 <ul style="list-style-type: none"> • Not met: Remediation if children identified
D.4.4.b	Prohibition on child labour: Age verification and corrective actions (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Child Labour rules in codes or contracts • Not met: How working with suppliers on child labour Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends demonstrating progress

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.4.5.a	Prohibition on forced labour: Debt bondage and other unacceptable financial costs (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Pays workers in full and on time • Not met: Payslips show any legitimate deductions Score 2 <ul style="list-style-type: none"> • Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters
D.4.5.b	Prohibition on forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Debt and fees rules in codes or contracts • Not met: How working with suppliers on debt & fees Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made
D.4.5.c	Prohibition on forced labour: Restrictions on workers (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Does not retain documents or restrict movement Score 2 <ul style="list-style-type: none"> • Not met: How sure about agencies or brokers
D.4.5.d	Prohibition on forced labour: Restrictions on workers (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Free movement rules in codes or contracts • Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made
D.4.6.a	Freedom of association and collective bargaining (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits not to interfere with union rights and collective bargaining and prohibits intimidation and retaliation • Not met: Discloses % covered by collective bargaining Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
D.4.6.b	Freedom of association and collective bargaining (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: FoA & CB rules in codes or contracts • Not met: How working with suppliers on FoA and CB Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made
D.4.7.a	Health and safety: Fatalities, lost days, injury rates (in own production of manufacturing operations)	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Injury Rate disclosures: The Company reports injuries or illnesses resulting in days away from work restricted work activity, or job transfer for every 100 employees. [CSR Report 2017, 2017: appliedmaterials.com & CSR Report 2018, 2019: appliedmaterials.com] • Met: Lost days or near miss disclosure: See above. [CSR Report 2017, 2017: appliedmaterials.com & CSR Report 2018, 2019: appliedmaterials.com] • Met: Fatalities disclosures: The Company reports that there were no fatalities in the last three reporting years. [CSR Report 2017, 2017: appliedmaterials.com & CSR Report 2018, 2019: appliedmaterials.com] • Met: Occupational disease rates: See above. [CSR Report 2018, 2019: appliedmaterials.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: Set targets for H&S performance: The Company states that "Our global recordable injury rate was 0.52 in FY2018. While this number exceeded our target of 0.44, it was 50 percent below the industry rate of 1.1. " [CSR Report 2018, 2019: appliedmaterials.com] • Met: Met targets or explains why not: See above [CSR Report 2018, 2019: appliedmaterials.com]
D.4.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Sets out clear Health and Safety requirements • Not met: Injury rate disclosures • Not met: Lost days or near miss disclosures • Not met: Fatalities disclosures • Not met: Occupational disease rates <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How working with suppliers on H&S • Not met: Provide analysis of trends in progress made
D.4.8.a	Women's rights (in own production or manufacturing operations)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Process to stop harassment and violence • Not met: Working conditions take account of gender • Not met: Equality of opportunity at all levels <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Meets all of the requirements under score 1
D.4.8.b	Women's rights (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Women's rights in codes or contracts • Not met: How working with suppliers on women's rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met • Not met: Provide analysis of trends in progress made
D.4.9.a	Working hours (in own production or manufacturing operations)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Respects max hours, min breaks and rest periods in its own operations <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How it implements and checks this
D.4.9.b	Working hours (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Working hours in codes or contracts • Not met: How working with suppliers on working hours <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made
D.4.10.a	Responsible Mineral Sourcing: Arrangements with Suppliers and Smelters/Refiners in the Mineral Resource Supply Chains	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Responsible mineral sourcing due diligence in supplier contracts • Not met: Builds capacity with smelters/refiners <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Disclosure of smelter information in supplier requirements • Not met: Responsible conflict mineral sourcing covers all minerals
D.4.10.b	Responsible Mineral Sourcing: Risk Identification in Mineral Supply Chain	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Risk identification and disclosure in line with OECD Guidance • Not met: Identification of smelter/refiners and OECD due diligence <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Discloses smelters/refiners judged in line with OECD due diligence • Not met: Responsible conflict mineral sourcing covers all minerals

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.4.10.c	Responsible Mineral Sourcing: Risk Management in the Mineral Supply Chain	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Describes mineral risk management plan for supply chain • Not met: Monitoring, tracking and whether better risk prevention/mitigation over time Score 2 <ul style="list-style-type: none"> • Not met: Supplier and stakeholders engaged in risk management strategy • Not met: Responsible conflict mineral sourcing covers all minerals

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found, and so the score of 6.79 out of 80 points scored in themes A-D & F has been applied to produce a score of 1.70 out of 20 points for theme E.

F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	0.54 out of 4	Out of a total of 52 indicators assessed under sections A-D of the benchmark, Applied Materials made data public that met one or more elements of the methodology in 7 cases, leading to a disclosure score of 0.54 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> • Met: Company reports on GRI: The Company discloses that its CSR report is primarily based on Global Reporting Initiative (GRI). [CSR Report 2017, 2017: appliedmaterials.com & CSR Report 2018, 2019: appliedmaterials.com]
F.3	Key, High Quality Disclosures	0.4 out of 4	Applied Materials met 1 of the 10 thresholds listed below and therefore gets 0.4 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples <ul style="list-style-type: none"> • Not met: Score 2 for A.2.2 : Board discussions • Not met: Score 2 for B.1.6 : Monitoring and corrective actions • Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers • Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) Discussing challenges openly <ul style="list-style-type: none"> • Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts • Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned Demonstrating a forward focus <ul style="list-style-type: none"> • Not met: Score 2 for A.2.3 : Incentives and performance management • Not met: Score 2 for B.1.2 : Incentives and performance management • Not met: Score 1 for D.4.1.a: Living wage (in own production or manufacturing operations) • Met: Score 2 for D.4.7.a: Health and safety: Fatalities, lost days, injury rates (in own production of manufacturing operations)

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2019 Key Findings report and technical annex for more details of the research process.

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As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.