

Applied Materials Inc.

TICKER

NasdaqGS:AMAT

MARKET CAPITALIZATION

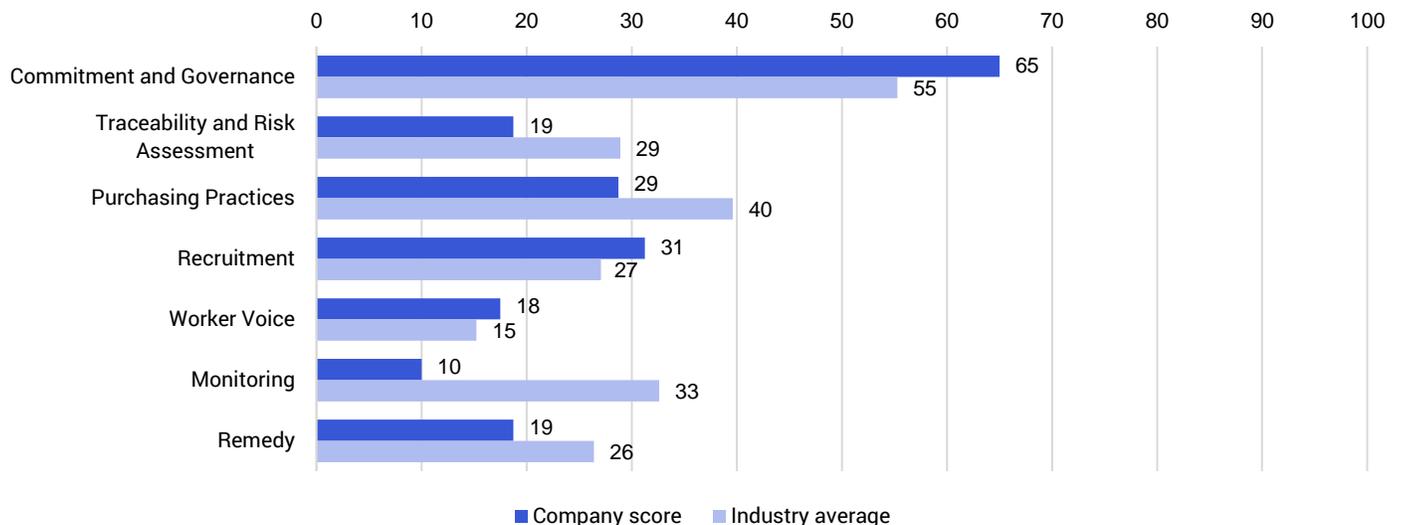
US\$56 billion

HEADQUARTERS

United States

COMPLIANCE
UK Modern Slavery Act: [Disclosure available, but not compliant](#)
California Transparency in Supply Chains Act: [Disclosure available, but not compliant](#)
COMMITMENTS
[None](#)
OVERALL RANKING
23 out of 40
OVERALL SCORE
27 out of 100
SUMMARY

Applied Materials Inc. (Applied Materials), a semiconductor equipment supplier to companies such as Intel, ranks 23rd out of 40 companies. It discloses more information on its forced labor policies and practices than its peers on the theme of commitment and governance and recruitment, and some information on all other themes. Additional steps the company could take to address forced labor risks in its supply chains include strengthening its disclosure and practices on the themes of traceability and risk assessment, purchasing practices, and worker voice.

THEME LEVEL SCORES


LEADING PRACTICES

None

NOTABLE FINDINGS

Commitment and Governance: Applied Materials discloses that it is a full member of the Responsible Business Alliance (RBA). The company states that its “Global Supply Chain Organization” is responsible for managing and working with suppliers including on reviews, audits, communication and meetings, releases and reminders of the RBA Code, as well as managing suppliers' completion of the RBA self-assessment questionnaires. The company reports that internal staff is trained on the RBA code. The company communicates its supplier code of conduct, which covers forced labor, to suppliers by means of compliance agreements, annual reminder emails, and trainings. The company discloses it provides web-based training on its code for key suppliers, which includes guidance on raising concerns through its business ethics helplines.

Purchasing Practices: Applied Materials has adopted the RBA Code, which requires suppliers to cascade standards such as its supplier code of conduct to lower-tier suppliers.

Recruitment: Applied Materials has adopted the RBA Code which includes provisions that workers should not pay fees for employment, should be reimbursed for where such fees have been paid, must be provided with a written employment agreement in their native language and must not have their passports retained or freedom of movement restricted.

OPPORTUNITIES FOR IMPROVEMENT

Traceability and Risk Assessment: The company is encouraged to assess and disclose forced labor and human trafficking risks in different tiers of its supply chains. In addition, to demonstrate a strong understanding of its supply chains, the company may consider disclosing the names and addresses of first-tier suppliers, the sourcing countries of raw materials at high risk of forced labor, and information on its suppliers' workforces.

Purchasing Practices: The company is encouraged to assess risks of forced labor at potential suppliers before entering into contracts with them. Further, to enable the company to enforce its expectations with its suppliers, the company may consider integrating its supply chain standards addressing forced labor and human trafficking into contracts with its suppliers.

Worker Voice: The company is encouraged to work with relevant stakeholders to engage with and educate workers in its supply chains on their labor rights. To support collective worker empowerment, the company is encouraged to work with suppliers to improve their practices in relation to freedom of association and collective bargaining, and to work with local or global trade unions to support freedom of association in its supply chains.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes](#)