

Applied Materials Inc. (Applied Materials)

TICKER
AMAT

MARKET CAPITALIZATION
US\$132.9 billion

HEADQUARTERS
United States

DISCLOSURES

UK Modern Slavery Act: No

California Transparency in Supply Chains Act: Yes

Australia Modern Slavery Act: Not applicable

OVERALL RANKING

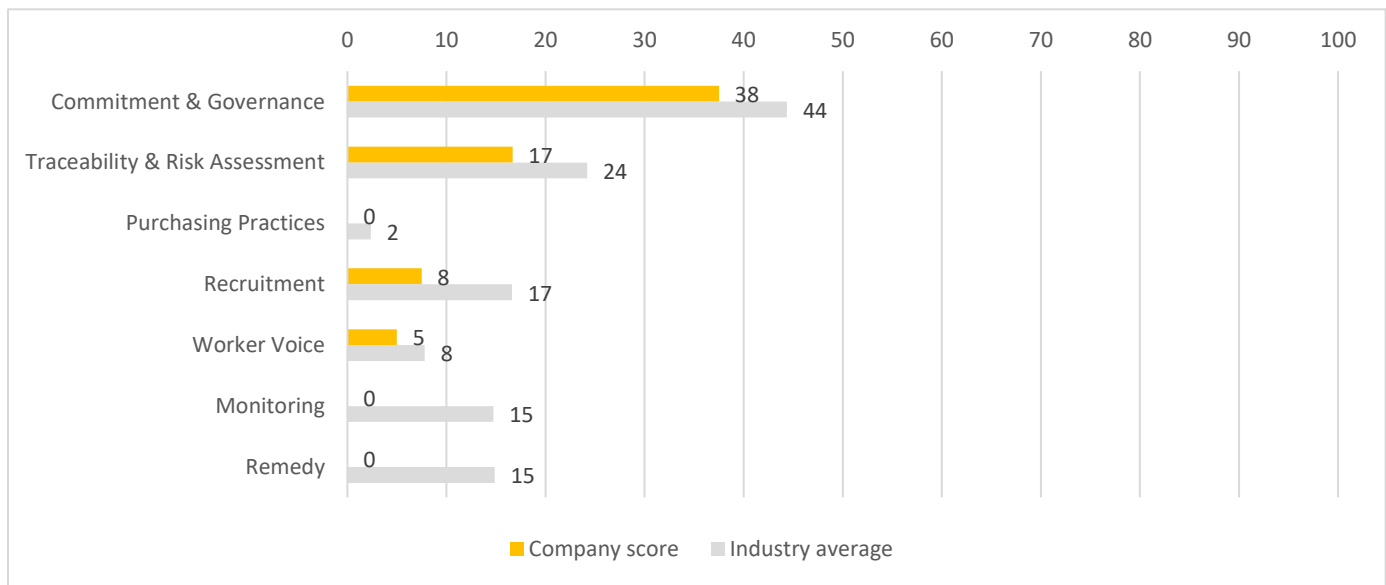
35 out of **60**

([2020 Rank](#): 26 out of 49)

OVERALL SCORE

12 out of **100**

THEME-LEVEL SCORES



KEY DATA POINTS

SUPPLIER LIST

🚩 No

RISK ASSESSMENT

🚩 No

ENGAGED WITH KNOWTHECHAIN¹

Yes

NO-FEE POLICY

Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS

🚩 No

HIGH-RISK SOURCING COUNTRIES

🚩 Likely China and/or Malaysia²

SUMMARY

Applied Materials Inc. (Applied Materials), a supplier to companies such as Intel and Samsung, ranks 35th out of 60 companies. Since 2020, the company seems to have taken limited steps to strengthen its performance and disclosure. It performed particularly poorly on the themes of Purchasing Practices, Monitoring, and Remedy, scoring zero. As such, the company's rank has dropped by 9 places since 2020.³ The company is encouraged to improve its performance and disclosure on the themes of Traceability & Risk Assessment, Monitoring, and Remedy.

LEADING PRACTICES

None.

OPPORTUNITIES FOR IMPROVEMENT

Traceability & Risk Assessment: While the company notes assessing some ESG risks that are reflected on supplier scorecards, the company is encouraged to assess and disclose forced labour risks across different tiers of its supply chains and disclose how it engages with relevant stakeholders to address forced labour risks identified.

Monitoring: The company discloses the use of self-assessment questionnaires and refers to the use of some Responsible Business Alliance audits for suppliers, but it does not disclose further information on its monitoring methodology. The company is encouraged to adopt and disclose a supplier monitoring process to verify that its suppliers are compliant with its supply chain policies. Implementing specific practices, such as interviewing workers and in particular using worker-driven monitoring (i.e., monitoring undertaken by independent organisations that includes worker participation and is guided by workers' rights and priorities), may help the company detect forced labour risks in its supply chains. Disclosing information on the results of its monitoring efforts, such as a breakdown of findings, assures stakeholders that the company has strong monitoring processes in place.

Remedy: The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labour and disclosing details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. To demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers.

¹ For further details on high-risk raw materials and sourcing countries, see KnowTheChain's [2022 ICT benchmark findings report](#). Research conducted through June 2022 or through September 2022, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).

² Most electronic devices are produced at least in part in China and/or Malaysia, two countries where electronics may be produced using forced labour. KnowTheChain (June 2020), "[2020 KTC ICT Benchmark Report](#)."

³ KnowTheChain's 2022-23 benchmarks use a revised methodology which prioritises a focus on the implementation of policies and processes and the outcomes they result in, as well as integrating a stronger focus on stakeholder engagement. See [here](#) for more information.