

Applied Materials Corporate Governance

The Board of Directors' Functions

The Board's functions are to provide general oversight of management, including reviewing the company's performance and operating plans. In addition to its general oversight of management, the Board also performs a number of specific functions, including:

- Overseeing financial and corporate strategies and major corporate actions
- Reviewing and approving long-term strategic plans and overseeing the execution of such plans
- Nominating directors, reviewing the operation of the Board and overseeing corporate governance
- Overseeing the assessment of major risks facing the company
- Ensuring the integrity and transparency of the company's financial statements, compliance with laws and ethics, the integrity of relationships with customers and suppliers, and relationships with other stakeholders
- Selecting the company's CEO and Chairman of the Board
- Selecting the company's Lead Independent Director, if applicable

The Board has established the following committees to assist in discharging its responsibilities:

Audit	Corporate Governance and Nominating	Human Resources and Compensation	Strategy and Investment
<p>Focuses on oversight of financial information, policies and disclosures, accounting and internal auditing, and cybersecurity risks, as well as the company's tax, legal, regulatory and ethical compliance.</p> <p>Audit Committee Charter</p>	<p>Oversees the overall effectiveness, integrity and accountability of the Board, the company's corporate governance guidelines, the Board's composition, and the structure and evaluation of the Board and its committees, and helps identify director nominees. It also has responsibility for oversight of the company's ESG program, as well as EHS and sustainability matters.</p> <p>Corporate Governance and Nominating Committee Charter</p>	<p>Reviews human capital management, including culture and inclusion and diversity initiatives. It also reviews performance incentives and programs to foster accountability for corporate initiatives and employee development and retention.</p> <p>Human Resources and Compensation Committee Charter</p>	<p>The Strategy and Investment Committee oversees Applied's strategic and investment priorities and supports efforts to foster growth through innovation. It also advises management on strategic and business plans for technologies, products, services, and customer and supplier mix and targeting.</p>

Risk Oversight and Management

Within Applied Materials, our Enterprise Risk Management (ERM) program provides perspective into existing and potential risks. The ERM program is overseen by the Board's Audit Committee, with a focus on identifying the most significant strategic, operational, financial, legal and compliance risks.

Risk management is the responsibility of the entire Board of Directors. In addition, oversight responsibility for a particular risk may fall within an area of responsibility and expertise of one of the Board Committees.

Stakeholder Engagement

Robust stakeholder engagement enables us to understand and respond to our shareholders' concerns and ideas on how we improve our support and strengthen our partnerships with them. We review, analyze and incorporate their feedback into our strategic business planning, processes, and practices. We regularly engage with our primary stakeholders and communicate through a variety of channels. Key stakeholders include:

- Employees
- Customers
- Suppliers
- Board of Directors
- Investors
- Regulators
- Community

Political Contributions

The Applied Materials, Inc. Political Action Committee (AMPAC) was established in 2004 and helps the company participate in the political process. In full compliance with U.S. laws and regulations, campaign contributions are disbursed to candidates for state or federal office and to political action or political party committees. While the company pays its administrative expenses, AMPAC is funded entirely through voluntary contributions from eligible employees. Its activities are overseen by the AMPAC Board of Directors. Prior to issuance, AMPAC contributions are reviewed by outside legal counsel to verify that they are consistent with AMPAC's contribution policies criteria.

Neither the company nor AMPAC makes contributions to so-called Super-PACs, and political contributions are limited to within the U.S. AMPAC files its contributions reports monthly and quarterly with the Federal Election Commission, and these are available through their online database.

State Contributions Committee: This committee, consisting of the same individuals who serve on the AMPAC Board, oversees corporate political spending at the state and local levels. When warranted, we 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. All contributions are disclosed publicly on our website biannually.

More information regarding public policy can be found in our latest [Sustainability Report](#) and [Public Policy Reports](#).