

Total Rewards at Applied Materials, Inc.















LIVE YOUR BEST

Applied Materials, Inc. 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. Our innovations make possible the technology shaping the future.

When you work at Applied Materials we support you in creating your best life — physically, emotionally and financially — so you can focus on what matters most to you. Benefit coverage is effective on your first day of employment.¹

➤ Applied Materials is a great place to work with a valuable Total Rewards package. [Check out recent awards and recognition](#) we've received.

HEALTH AND WELLNESS

PROGRAM	ELIGIBILITY + PAID BY	SUMMARY
Medical	 	<p>We offer a variety of comprehensive medical plans, including preventive care like annual wellness visits, at no cost to you and your family using the Aetna Choice Plus POS provider network:</p> <ul style="list-style-type: none"> • Aetna High Deductible Health Plan 1 with Health Savings Account (HSA) • Aetna High Deductible Health Plan 2 with Health Savings Account (HSA) • Aetna PPO • The Seton Health Alliance ACO (for Texas employees) • Kaiser HMO and High Deductible Plans (for employees in California and the Pacific Northwest)
Dental	 	<p>We offer two dental plan options:</p> <ul style="list-style-type: none"> • Delta Dental Basic • Delta Dental Enhanced <p>Both dental plans cover preventive and basic services under the Delta Dental PPO or Delta Dental Premier network. The Delta Dental Enhanced Plan offers a higher level of coverage as well as major care and orthodontia benefits.</p>
Vision	 	<p>We offer two vision plan options administered by Vision Service Plan (VSP):</p> <ul style="list-style-type: none"> • VSP Basic • VSP Enhanced <p>The VSP Enhanced Plan offers a higher level of coverage, but costs more per-paycheck.</p>
AMP Fitness Centers*	 	<p>Our onsite fitness centers on the Santa Clara and Austin campuses make it easy for you to work daily exercise into your schedule. Learn more on the U.S. Benefits Site.</p>
AMP Wellness Centers*	 	<p>The AMP Wellness Centers on our Santa Clara, Gloucester and Austin campuses offer low-cost, high-quality, professional health care conveniently on-site. In addition to general medicine, you and your dependents can access chiropractic, health coaching, physical therapy and mental health services. Learn more on the U.S. Benefits Site.</p>
Nationwide Virtual Care*	 	<p>All benefits-eligible U.S. Applied Materials employees and your adult dependents (age 18+) who are also enrolled in an Applied Materials medical plan have access to Crossover's virtual health care.</p> <p>If you are traveling for work or vacation or have adult dependents traveling or living in another state, the nationwide network of Crossover providers is available to you for virtual care. Learn more on the U.S. Benefits Site.</p>
Cancer and Critical Care Support	 	<p>Through Aetna Clinical Programs, you will have access to these services and support: Enhanced Maternity, Kidney Care, Transform Diabetes, Transform Oncology.</p> <p><i>*Note this program is available to you if you are enrolled in an Aetna medical plan.</i></p>

* Eligible dependents must be age 18 or over

ICON KEY



All employees are eligible



Full-time employees (20+ hours per week) are eligible



Full-time employees and their dependents² are eligible



Paid by Applied Materials















Paid by Applied Materials and employee



Paid by employee

HEALTH AND WELLNESS

continued

PROGRAM	ELIGIBILITY + PAID BY	SUMMARY
Expert Medical Opinion	 	Expert medical opinion, through 2nd.MD, provides access to a specialized 2nd.MD nurse who will work hand-in-hand with you to understand your medical issues, collect your medical records, schedule a phone or video consultation with an expert specialist, and coordinate any needs you have after your consultation. <i>* Note: 2nd.MD is available to you if you are enrolled in an Aetna medical plan.</i>
Behavioral Health Support and Tools for Caregivers	 	Rethink is an award-winning program that provides valuable support and research-based resources for employees and their children with learning differences or behavior challenges. You have access to live tele-consultation with behavior experts, and over 1,500 easy-to-follow videos, printable materials, and training to best support their children in reaching their top potential.
Family Building Support	 	FertilityIQ offers education and decision-support resources as you look to build your family. The platform offers a variety of resources, including a database of patient reviews of doctors and clinics, as well as dedicated resources for egg freezers, egg donation, LGBTQ+ families, solo parents and more. Learn more on the U.S. Benefits Site.
Employee Assistance Program (EAP)	 	The EAP is available to you and your family for counseling, online coaching, money planning and more.
Mindfulness Resources	 	The Calm app offers meditation, music, master classes, stretching exercises and sleep stories.
Weight Loss and Health Solutions	 	The WW (formerly known as Weight Watchers) app offers a personalized digital experience to support you in your weight loss or health journey. Choose from three weight loss programs offered to you at discounted rates.

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Paid by Applied Materials and employee



Paid by employee

FINANCIAL AND INCOME PROTECTION


PROGRAM	ELIGIBILITY + PAID BY	SUMMARY
401(k) Plan ⁴	 	<p>Contributions are made through automatic payroll deduction, subject to the annual IRS limits.* All contributions are immediately 100% vested.</p> <p>Pre-tax and/or Roth 401(k)</p> <ul style="list-style-type: none"> Contribute 1% - 50% of your eligible pay on a pre-tax and/or Roth basis up to the annual IRS limit (\$20,500 in 2022). You may contribute an additional \$6,500 in 2022 if you are age 50 or older. If no action is taken, new hires are auto-enrolled at 6% to receive the full Company match. Applied Materials will match 100% of the first 3% of your contributions, then 50% of the next 3%. <p>After-tax</p> <ul style="list-style-type: none"> Contribute between 1% and 25% of your eligible pay as after-tax contributions. You can convert after-tax contributions and other balances to the Roth 401(k) portion of your account in order to build more tax-free retirement income. <p><small>* After-tax contributions are not subject to the \$20,500 IRS limit. You may contribute up to \$26,775 in after-tax contributions in 2022. However, all contributions (other than age 50 and up catch-up contributions), including pretax, Roth, after-tax and the Applied match—are subject to the total IRS annual contribution limit for qualified plans (\$61,000 in 2022).</small></p>
Health Savings Account (HSA)*	 	If you participate in one of the High Deductible Health Plans, you're eligible to open and contribute to an HSA. We'll also make an annual contribution to your account.
Flexible Spending Accounts (FSAs)	 	<p>FSAs allow you to set aside pre-tax dollars to pay for eligible out-of-pocket health and dependent care expenses. We offer three types of FSAs:</p> <ul style="list-style-type: none"> Health Care FSA Limited Health Care FSA (for HDHP/HSA Participants only) Dependent Daycare FSA
Accidental Death & Dismemberment (AD&D) Insurance	 	AD&D insurance provides financial protection in the event of a serious injury or your accidental death. You receive basic AD&D coverage up to two times your annual base pay, up to a maximum of \$1,000,000. You may also purchase supplemental AD&D insurance.
Life Insurance	 	You may choose to receive basic life insurance coverage up to two times your annual base pay, up to a maximum of \$1,000,000 or a \$50,000 flat amount benefit. You may purchase supplemental life insurance coverage for yourself, your spouse or domestic partner, or your children.
Short-term Disability (STD) ⁴	 	<p>STD replaces a portion of your income if you're unable to work due to pregnancy or a non-occupational illness or injury.</p> <p>California employees must choose to be covered by the Company-sponsored California Voluntary Disability Plan (Company CA VDI) or the California State Disability Insurance Plan (California SDI).</p> <p>Employees outside of California may choose coverage through the Voluntary Short-term Disability Benefit Plan.</p>
Long-term Disability (LTD)	 	If you're unable to work for an extended period of time, LTD provides continued income protection after your STD benefits end. Employees choose taxable or tax-free LTD benefits.
Deferred Compensation Plan ^{**} , ⁴	 	The Deferred Compensation Plan (DCP) is a non-qualified retirement plan that allows eligible employees to save for the future, above and beyond limits in place for their 401(k) plan.


* Employee must enroll in an HDHP.

** The Deferred Compensation Plan is offered to select eligible employees.


ICON KEY


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 Paid by Applied Materials

 Paid by Applied Materials and employee

 Paid by employee

TIME OFF AND PERKS

PROGRAM	ELIGIBILITY + PAID BY	SUMMARY
Time Off	 	Exempt (salaried) employees have a Flexible Time Off (FTO) program in addition to sick time. Non-exempt (hourly) employees have a time off program that includes vacation and sick time.
Holidays	 	We observe 11 annual designated Company paid holidays.
Parental and Family Leave	 	We offer up to 12 weeks of paid parental leave (mothers, fathers, adoptive parents and foster parents) and paid family leave to care for seriously ill family members paid at 100%.
Adoption Assistance	 	We offer up to \$5,000 toward fees associated with legal adoption.
Travel Assistance (TA)	 	The Travel Assistance Program is a global program provided to help keep you safe and healthy while on international travel. The program provides medical and security assistance services, including evacuation and repatriation services, AD&D, and travel advice. Coverage is provided at no cost to all employees and their families when employees travel internationally.
Discount Programs ³	 	Get discounts, coupons and more on products and services you use every day through PerkSpot. Visit www.voluntaryprograms.com for more information.
Prepaid Legal ³	 	ARAG Legal Insurance Plan provides coverage for a number of personal legal matters.
Tuition Assistance*	 	Applied Materials will provide financial assistance, up to \$8,500 per calendar year, to eligible employees for approved educational activities intended to improve skills and knowledge required for their positions.
Student Loan Repayment*	 	For eligible employees,** Applied will allow employees to register for student loan debt repayment of up to \$2,000 maximum annually through 2025.

* The CARES Act allows employers to pay down student loan debt and/or tuition reimbursement up to \$5,250 on a pre-tax basis annually through 2025. Any combined amount exceeding \$5,250 will be taxable.

** Student Loan Repayment is offered to select eligible employees.

For more information, visit us.appliedmaterialsbenefits.com.

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Paid by Applied Materials and employee



Paid by employee

COMPENSATION AND RECOGNITION

PROGRAM	ELIGIBILITY + PAID BY	SUMMARY
Base Salary	 	Base salaries are set at competitive levels with industry peers. Salary levels vary to reflect role, location, and employee performance. Base salaries are reviewed at least annually.
Bonus	 	<p>Employees participate in one of three bonus plans, based on the employee's role and level:</p> <ul style="list-style-type: none"> • Applied Incentive Plan (AIP) • Discretionary Bonus Incentive Plan (DBI) • Sales Incentive Plan (SIP) <p>Payouts are based on a combination of financial, operational, and individual performance.</p>
Stock Awards	 	Each year, more than half of our employees receive stock awards. Awards are made in the form of Restricted Stock Units (RSUs), which vest 25% per year over 4 years.
Employees' Stock Purchase Plan (ESPP) ⁴	 	The ESPP lets you use purchase Company stock at a minimum discount of 15%. Enroll every February and August to contribute 1% to 25% of your base salary, up to \$6,500, during the 6-month offering period.
Make Possible Recognition Program	 	<p>We offer a number of programs for employee recognition:</p> <ul style="list-style-type: none"> • Service awards for five-year anniversary milestones • Thank You eCards • Special awards • On-The-Spot awards • Quarterly awards

¹ Benefits eligible employees for most benefit plans are defined as regular full-time employees on our U.S. payroll and regularly work 20 hours or more per week. As a new hire, if you do not enroll within 30 calendar days of your hire date, you will be automatically enrolled in the HDHP 1 medical plan, Delta Dental Basic Plan, Employee Assistance Program, Basic Life, Basic Accidental Death & Dismemberment (AD&D), Short- and Basic Long-term Disability. You will automatically be enrolled in the 401k Plan at a pre-tax contribution rate of 6% if you do not take enrollment action within 60 calendar days of hire. If you choose not to participate in Applied Materials' benefits, you must actively waive coverage through BenefitConnect within 30 calendar days of your hire date.

² Your eligible dependents include your spouse or domestic partner, and certain benefits-eligible children. Your siblings, parents, grandchildren (except those in your court-ordered custody) and any other relatives or individuals not described above are not eligible for benefits coverage under Applied Materials' plans.

³ Applied Materials, Inc. does not sponsor, endorse or administer voluntary programs or benefits and voluntary programs or benefits do not constitute an "employee benefit plan" under the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

⁴ For more information, please refer to the Company's 401(k) Summary Plan Description, the U. S. Employee Stock Purchase Plan Prospectus, the Deferred Compensation Plan Prospectus or the Company's annual update regarding the California Voluntary Disability Plan or Short-Term Disability Summary Plan Description, as applicable.

This summary includes highlights of Applied Materials, Inc.'s U.S. benefits and compensation programs. Plan provisions are subject to change at any time. If there are any differences between the information in this summary and the provisions of the plans, the official plan document or contract will govern.

January 2022

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AWARDS AND RECOGNITION



Top 100 Fortune
World's Most Admired
Companies 2021



Woman Engineer Magazine
Readers' Choice 2021
Top 50 Employer



Barron's 100 Most
Sustainable
Companies 2021



2021 Military
Friendly Employer



Investor's Business
Daily 2021 Best ESG
Companies



Training Magazine 2021
Training Top 100



Insider Pro and
Computerworld 100
Best Places to Work in
IT 2021



Human Rights
Campaign Foundation
Best Places to Work for
LGBTQ Equality 2021