



## Applied Materials' Statement on PFAS

### Overview

Applied Materials is the leader in materials engineering solutions used in the production of virtually every new silicon chip and advanced display in the world, and we are committed to working across the technology ecosystem to drive critical innovations that Make Possible™ a Better Future for everyone.

As part of Applied's commitment to minimize the environmental impact of our own operational footprint and of our value chain, we are pursuing a proactive approach to mitigate potential risks related to per- and polyfluoroalkyl substances (PFAS), while avoiding the risk of disruptions to the global semiconductor supply chain.

PFAS is a class of fluorinated organic chemicals used in semiconductor manufacturing and semiconductor equipment to meet safety, contamination control, resilience, and other criteria. While Applied does not manufacture PFAS, these substances may be found in parts, components, process chemicals, and other materials supplied to Applied or used in the operation of our products.

The semiconductor industry has already phased out certain PFAS where possible; by 2016, the industry completely replaced the use of PFOS in photolithography applications<sup>1</sup>. Applied also restricts the use of certain PFAS, including PFOA & PFCA, in our supply chain and requires suppliers to disclose the presence of PFAS on the REACH Candidate List of Substances of Very High Concern.

While additional PFAS regulations have been proposed in the European Union and the United States to restrict future PFAS usage, there are no current restrictions that impact Applied's ability to meet customer commitments. Additionally, the Semiconductor Industry Association has stated that in some cases, "a non-PFAS alternative may not be capable of providing the required chemical function,"<sup>2</sup> due to the unique combination of properties PFAS materials exhibit.

Our goal is to minimize the environmental and human health risks from PFAS use without disrupting global semiconductor manufacturing. To this end, Applied has adopted a "PFAS-Responsible" approach: we are prioritizing working with suppliers and other stakeholders to ensure business continuity. Where Applied can effect change, we are working to support the elimination of PFAS where technically and commercially feasible (while avoiding regrettable substitutions), and the development of non-PFAS alternatives where needed. In critical applications where there is currently no line-of-sight to suitable non-PFAS alternatives, Applied Materials will drive environmental and commercial risk mitigation approaches and work with our suppliers and customers to ensure the most responsible use of PFAS.

Applied is also actively participating in industry groups that are sharing information about the use of PFAS throughout the semiconductor industry. We strive to provide stakeholders with a clearer picture of the pervasive utility of PFAS and to inform regulators of the potential impact PFAS restrictions could have on the industry. In addition, we will continue to monitor regulatory developments related to PFAS and adapt our strategy as warranted.

### Evaluation

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<sup>1</sup> Semiconductor PFAS Consortium Photolithography Working Group. 2023. "PFOS and PFOA Conversion to Short-Chain PFAS-Containing Materials Used in Semiconductor Manufacturing."

<sup>2</sup> RIN Tech UK Limited. 2023. "The Impact of a Potential PFAS Restriction on the Semiconductor Sector."



Applied Materials conducts bi-annual due diligence of our supply chain to ensure our suppliers meet applicable requirements under the European Union's Registration, Evaluation, Authorisation and Restriction of Chemicals (Regulation (EC) 1907/2006) (EU REACH), the United States Environmental Protection Agency's (U.S. EPA) Toxic Substances Control Act (TSCA), and other substance regulations. The due diligence process requires suppliers to notify us of the presence of certain PFAS (like PFOA and PFCA) and other chemicals listed in Applied Materials' [Restricted and Declarable Substances List](#). Our supplier due diligence standards are governed by our Minimum Product EHS Requirements specification, which is part of our supply agreements and design drawings/specifications.

In 2022, we expanded our due diligence to a larger class of PFAS, starting with an initial supply chain survey to identify the presence of PFAS-containing parts supplied to Applied. During 2023, we began building on that data by surveying suppliers to identify suppliers and parts most likely to contain PFAS. In parallel to this due diligence, we partnered with our suppliers on PFAS training, offering educational webinars and resources developed by regulatory experts. Throughout 2024, we continued our supplier survey initiative and simultaneously began correlating parts containing PFAS to products we ship to customers.

Our evaluation process will continue to evolve as regulatory bodies adopt PFAS restrictions or reporting requirements applicable to our products.

## Mitigation

Ongoing research by the semiconductor industry indicates that some PFAS are an irreplaceable part of semiconductor manufacturing, including equipment, due to their combination of physical and chemical properties. A series of whitepapers published by the Semiconductor Industry Association detail these capabilities and the impact PFAS restrictions would have on the semiconductor industry ([available here](#)).

Applied's sustainability, supply chain and engineering teams will use the outcome of our due diligence activities to proactively evaluate alternative sources, product designs and products, and to mitigate risk where possible. We are also participating in several long-term development projects to reduce or eliminate the need for PFAS in certain applications.

## Industry Collaboration

Applied is a leading member of SEMI PFAS Initiative and working groups. Together with industry partners, we:

- Identify PFAS uses and viable alternatives
- Apply the pollution prevention hierarchy to, where possible: reduce PFAS consumption or eliminate use, identify alternatives, and minimize and control any environmental and human health impacts
- Track and respond to proposed regulations, including the European Chemical Agency's PFAS Restriction Dossier, U.S. EPA's TSCA 8(a)(7), and various U.S. state proposals
- Develop socioeconomic impact analysis data
- Identify and support research needs

This statement was last updated on January 24, 2025.