

2015

POLITICAL DISCLOSURE REPORT



Applied Materials recognizes the importance of transparency regarding corporate political engagement and contributions. In this spirit, we have prepared this report to address the company's political activities in 2015 and prior years as indicated.

ENGAGEMENT

As a responsible corporate citizen, Applied interacts with government officials, elected representatives and candidates, and provides information about the company, our business and stakeholders, including trade associations of which we are a member. This includes efforts through our Government Affairs group to shape public policy on certain issues that affect the company's business. In 2015, these issues included budget and appropriations, energy, immigration, natural resources, regulatory, tax and trade. The company's lobbying activities are disclosed in periodic reports filed with the U.S. Senate and U.S. House of Representatives or the appropriate state agency (such as the California Secretary of State, New York State Joint Committee on Ethics, or Secretary of the Commonwealth of Massachusetts), as applicable.

POLITICAL CONTRIBUTIONS AND GOVERNANCE

Consistent with U.S. campaign finance law, the Applied Materials, Inc. Political Action Committee (AMPAC) may make campaign contributions to candidates for state or U.S. federal office, other political action committees and political party committees where permitted. AMPAC is funded through voluntary contributions from the company's eligible employees (principally executives) and directors, although the company pays its administrative expenses. Its activities are overseen by the AMPAC board of directors, consisting of employees nominated by Government Affairs and appointed by the CEO. Six AMPAC board members are company vice presidents and the seventh member is a senior director.

Applied Materials' state contributions committee (consisting of the same persons who serve on the AMPAC board) oversees corporate political spending. The company occasionally makes financial and in-kind political contributions within the United States as permitted by applicable laws, such as contributions to candidates for California statewide offices and state legislatures. All contributions must be made for appropriate corporate purposes only, without regard for the private political preferences of executives. Neither Applied nor AMPAC makes contributions to so-called "super PACs" nor do they make political contributions outside the United States. Applied does occasionally make independent expenditures in support of or in opposition to issue campaigns where permitted, but did not do so in 2015.

Applied's Government Affairs group proposes political contributions to be made by AMPAC or the company, and all are reviewed and approved or rejected by the AMPAC board or state committee, respectively. Factors typically taken into account include a candidate's position on issues of strategic importance to the company, leadership on key committees, and/or whether the company has a significant presence in the candidate's state or district. No contribution may be made in return for, or in anticipation of, an official act. All contributions are reported in filings with the U.S. Federal Elections Commission or the appropriate state agency (such as the California Secretary of State), as applicable.

In addition to these governance policies and other company controls, all persons acting on Applied's behalf must comply with our Standards of Business Conduct (available at <http://spportal/sites/Ethics/Pages/standards-of-business-conduct.aspx>). Among other things, this code prohibits any promise or payment of bribes or kickbacks to government officials and all other corrupt practices. As part of its oversight of the company's financial matters, the Audit Committee of Applied's Board of Directors (consisting entirely of independent directors) receives information about the company's government activities.

The below table shows total political contributions made over the last three years. An itemized list of 2015 political contributions is included as Attachment A to this report. During the 2013-2015 timeframe, no contributions were made in support of state or local ballot measures, or to 527 groups, including any governors associations.

	2013	2014	2015
Total value of financial and in-kind contributions to political parties, politicians, and related institutions by Applied Materials, Inc.	\$12,500	\$6,500	\$0
Total value of financial and in-kind contributions to political parties, politicians, and related institutions by AMPAC.	\$56,000	\$68,000	\$70,000

TRADE AND BUSINESS ASSOCIATION MEMBERSHIPS

Applied belongs to various trade associations and similar organizations representing the range of issues that we care about and that we believe can help benefit the company's business activities. In the United States, these include certain groups that fall under sections 501(c)(4) and 501(c)(6) of the U.S. tax code (excluding charitable and social organizations) that may engage in political activity, so long as the political activity does not comprise the group's primary activity. Applied's membership does not mean that we endorse all of a group's policy objectives or advocacy positions. A representative list of U.S. trade and business associations that received membership fees or contributions from the company in 2015 is included below in Attachment B.

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ATTACHMENT A

APPLIED MATERIALS, INC. POLITICAL ACTION COMMITTEE (AMPAC) CONTRIBUTIONS IN 2015

RECIPIENT	CONTEST	DATE	AMOUNT
Friends of Roy Blunt	MO US Senate	5/21/2015	\$2,000
Friends of Cheri Bustos	IL 17 th CD	3/23/2015	\$500
Tony Cardenas for Congress	CA 29 th CD	3/23/2015	\$500
DelBene for Congress	WA 1 st CD	3/23/2015	\$500
Democratic Congressional Campaign Committee	-	1/30/2015 5/19/2015	\$2,500 \$2,500
Mario Diaz-Balart for Congress	FL 25 th CD	3/23/2015	\$700
Renee Ellmers for Congress	NC 2 nd CD	3/23/2015	\$700
Anna Eshoo for Congress	CA 18 th CD	9/21/2015	\$1,000
Forbes for Congress	VA 4 th CD	10/07/2015	\$1,000
Bob Goodlatte for Congress	VA 6 th CD	5/13/2015	\$2,000
Mike Honda for Congress	CA 17 th CD	4/23/2015 11/18/2015	\$2,000 \$1,000
Jeffries for Congress	NY 8 th CD	3/23/2015	\$500
Joe Kennedy for Congress	MA 4 th CD	3/23/2015	\$500
Kinzinger for Congress	IL 16 th CD	3/23/2015	\$700
Kirk for Senate	IL US Senate	11/11/2015	\$2,000
Citizens to Elect Rick Larsen	WA 2 nd CD	10/23/2015	\$2,000
Lofgren for Congress	CA 19 th CD	3/17/2015 4/23/2015 6/16/2015	\$100 \$2,500 \$1,400
Longhorn PAC	-	6/16/2015	\$2,500
People for Ben	NM 3 rd CD	3/23/2015	\$500
Kevin McCarthy for Congress	CA 23 rd CD	10/23/2015	\$2,000
McCaul for Congress, Inc.	TX 10 th CD	5/13/2015	\$2,000
Cathy McMorris Rodgers for Congress	WA 5 th CD	3/23/2015	\$700
National Republican Congressional Campaign	-	4/23/2015 5/19/2015	\$2,500 \$2,500
Richard E. Neal for Congress Committee	MA 1 st CD	6/16/2015	\$1,000
New Democrat Coalition PAC	-	1/30/2015	\$5,000
Friends of Erik Paulsen	MN 3 rd CD	3/23/2015	\$700
Nancy Pelosi for Congress	CA 12 th CD	6/8/2015	\$2,000
Scott Peters for Congress	CA 52 nd CD	5/19/2015	\$2,000
Tom Reed for Congress	NY 23 rd CD	9/29/2015	\$1,000
Republican Main Street Partnership PAC	-	1/30/2015	\$5,000
Ryan for Congress Inc.	WI 1 st CD	4/23/2015	\$2,500
SEMI Political Alliance	-	1/30/2015	\$2,500
Save America PAC	-	11/18/2015	\$1,000
Kyrsten Sinema for Congress	AZ 9 th CD	3/23/2015	\$500
Texans for Lamar Smith	TX 21 st CD	7/10/2015	\$2,500
Synergy PAC	-	5/19/2015 6/4/2015	\$2,000 \$500
Friends of John Thune	SD US Senate	7/10/2015	\$1,500
Walden for Congress	OR 2 nd CD	6/16/2015	\$1,000
TOTAL:			\$70,000

ATTACHMENT B

U.S. TRADE, BUSINESS AND CIVIC ASSOCIATION MEMBERSHIPS IN 2015

RECIPIENT	ORGANIZATION TYPE
Austin Chamber of Commerce	501(c)(6)
Electronic Industry Citizenship Coalition (EICC)	501(c)(6)
Greater Austin Hispanic Chamber of Commerce	501(c)(6)
Information Technology Industry Council (ITI)	501(c)(6)
National Association of Manufacturers	501(c)(6)
National Foreign Trade Council	501(c)(6)
National Center for APEC	501(c)(6)
NDN [previously the New Democrat Network]	501(c)(4)
Public Affairs Council	501(c)(4)
Ripon Society	501(c)(4)
Republican Main Street Partnership (RMSP)	501(c)(4)
Santa Clara Chamber of Commerce	501(c)(6)
Semiconductor Industry Association	501(c)(6)
Silicon Valley Leadership Group	501(c)(6)
San Jose/Silicon Valley Chamber of Commerce	501(c)(6)
Semiconductor Equipment and Materials International (SEMI)	501(c)(6)
Solar Energy Industries Association	501(c)(6)
Sunnyvale Chamber of Commerce	501(c)(6)
Texas Association of Manufacturers	501(c)(6)
Transatlantic Business Council	501(c)(6)
US Chamber Asia Program	501(c)(6)
US-China Business Council	501(c)(6)
US-India Business Council	501(c)(6)
US-Korea Business Council	501(c)(6)
US-Taiwan Business Council	501(c)(6)