

1745 Copperleaf Ct
Concord, CA 94519
July 20, 2021

Corporate Secretary
Applied Materials, Inc.
3225 Oakmead Village Drive, M/S 1268
P.O. Box 58039
Santa Clara CA 95052
[via post mail and corporatesecretary@amat.com]

Re: Shareholder Proposal

Dear Secretary:

Enclosed please find my shareholder proposal for inclusion in our proxy materials for the 2022 annual meeting of shareholders and a letter confirming my Applied Materials shares. I will continuously hold these shares through the 2022 annual meeting.

Should you have any questions, please contact me at zhao.cpri@gmail.com or 1-925-643-5034.

Yours truly,



Jing Zhao

Enclosure: Stockholder proposal
Letter of shares

Cc: To-Anh Nguyen To-Anh_Nguyen@amat.com, Brendan Christian Brendan_Christian@amat.com

Shareholder Proposal to Improve Executive Compensation Program and Policy

Resolved: shareholders recommend that Applied Materials, Inc. (the Company) improve the executive compensation program and policy, such as to include the CEO pay ratio factor and voices from employees.

Supporting Statement

The Company's board opposed to improve the executive compensation program and policy at our 2021 shareholders meeting (2021 Proxy Statement pp. 67-68) and increased more than half of the CEO pay ratio from 135 to 1 (2020 Proxy Statement p. 46) to 204 to 1 (2021 Proxy Statement p. 49).

America's ballooning executive compensation is not sustainable for the economy, and there is no rational methodology or program to decide the executive compensation, particularly there is no consideration of the CEO pay ratio factor and voices from employees (2021 Proxy Statement "Compensation discussion and analysis" pp. 21-43). The CEO pay ratios of big Japanese and European companies are much less than of big American companies.

There is a new trend pushing for employee representation on boards, a practice quite commonplace in Europe. "Appointing workers' representatives to company boards may be an idea whose time has come," says Harvard Business Review, and a study found that employee representation on boards generated a 25% spike in productivity and increased wages.¹ Under the latest revised UK Corporate Governance Code and amended corporate reporting law and regulations, boards must engage with employees and the wider workforce to enhance the employee voices in the boardroom.²

Before there is employee representation on board, the Company has the flexibility to reform the Human Resource and Compensation Committee to improve the executive compensation program and policy, such as to include the CEO pay ratio factor and voices from employees.

¹ <https://www.govenda.com/blog/employee-representation-on-boards/>

² <https://www.pinsentmasons.com/out-law/analysis/corporate-governance-employee-voice-workplace-reporting>