

2014/2015 CORPORATE RESPONSIBILITY REPORT
June 2015

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# Message from our President and CEO, Dr. Lisa Su

A bright new world of possibilities is forming right in front of our eyes. By 2020 there are expected to be more than 50 billion connected devices, far outnumbering the global population. This explosion of interconnected devices will create an invisible fabric of computing with the power to improve daily life in ways we have yet to imagine. The accelerating use of interconnected devices represents a fundamental change in how we interact with each other, and the world around us.

At AMD, we are helping to power this new world. However, at the same time we are also making sure we stay true to the beliefs and practices that have defined the company for nearly five decades.

When we issued our first version of this report in 1995, it was titled the "AMD Environmental Report." Now our corporate responsibility report covers a broad range of issues from diversity to labor rights, ethics, and, yes, environmental stewardship.

Perhaps one of the biggest changes over the last twenty years is how corporate responsibility has become a key facet of our business strategy. A great example is our commitment to improve the energy efficiency of our accelerated processing units (APUs) by a factor of 25 by 2020. Innovative processor designs that deliver improved energy efficiency are critical in a world increasingly defined by harnessing the power of billions of connected devices to deliver breakthroughs in areas as diverse as healthcare, manufacturing, and transportation.

Lastly, it is also important to recognize how our commitment to corporate responsibility affects our employees. As a technology company, employee innovations are our lifeblood. AMD employees around the world are motivated by working for a responsible company and designing products that change the world. Therefore, by helping others, we are inspired to push the boundaries of what is possible.

I'm extremely proud to be a part of the team building on the culture of caring and innovation that has made AMD an extraordinary company for the past 46 years.

Dr. Lisa Su

President and Chief Executive Officer

# **CHAPTER I: OVERVIEW**

In 2014, we made good progress strengthening AMD. We further diversified our business, introduced strong new products, and improved our non-GAAP financial performance while also investing in key technology building blocks to fuel our future success.

We introduced our most advanced A-Series APU ever, offering industry leading graphics and superior total compute performance. We also delivered the world's fastest server GPU and desktop graphics card, and took several key steps to foster the development of robust 64-bit ARM® server and embedded ecosystems in advance of our first ARM solutions launching in 2015.

AMD-powered game consoles from Microsoft and Sony continued gaining momentum in the year, with their combined sales now reportedly outpacing the previous generation by nearly 60 percent at the same point in their lifecycle. Apple expanded its use of AMD graphics technology, introducing the groundbreaking AMD Radeon-powered Apple® iMac® with Retina® 5K display. Also, we doubled the number of AMD-based commercial client design wins from the previous year as new offerings from Dell, HP, and Lenovo helped us expand in this strategic portion of the PC market.

Finally, we took important steps improving the financial foundation of the company, reducing annual non-GAAP operating expense approximately 11 percent and re-profiling our near-term debt maturities.

As a result, we achieved annual revenue growth for the first time since 2011 and delivered non-GAAP profitability for the year. I am optimistic we can continue building on this momentum and deliver long-term revenue and earnings growth as we further drive our high-performance IP into new markets.

# **AMD Transformation and Corporate Responsibility**

The net effect of all of these changes is that AMD is resurgent and is entering 2014 with a renewed vigor and purpose. Throughout this transformation and resurgence, AMD has not only maintained, but has strengthened our commitment to corporate responsibility. Some of the corporate responsibility highlights from 2014 include:

- > AMD's Director of Corporate Responsibility, Tim Mohin, finished his term as chair <u>Electronic Industry Citizenship Coalition</u> (EICC) and has transitioned to serve the board as chairman emeritus. This is a coalition of over 100 member companies (with approximately \$3 trillion in combined annual revenues and directly employing over 5.5 million people) focused on enabling a global electronics industry supply chain that consistently operates with social, environmental and economic responsibility.<sup>2</sup>
- > Named to CR Magazine's Top 100 Best Corporate Citizens List for 2014.
- > Included on one or more of the <u>Dow Jones Sustainability Indexes</u> for the 13<sup>th</sup> consecutive year.
- > Included in the <u>US EPA's Green Power Partnership Club</u> for the 13th consecutive year and added to the "Leadership Club" in 2013/2014

http://www.polygon.com/2015/2/13/8033983/ps4-and-xbox-one-install-60-percent-higher-npd-jan-2015

<sup>&</sup>lt;sup>2</sup> http://www.eiccoalition.org/about/

- > AMD's Director of Corporate Responsibility was named one of the Top 15 Conflict Mineral Influence Leaders by Assent Compliance.<sup>3</sup>
- > AMD ranked in the Top 1% of US Companies on Environmental Management as reported by 2014 GEMS Benchmarking Analysis of U.S. Corporate Environmental Practices
- > AMD FirePro<sup>™</sup> Awarded Top Spot on the 2014 Green500 List, a ranking of the 500 most energy-efficient supercomputers in the world, with recognition as the world's leader in energy-efficient high performance GPU computing (HPL).

# **Report Format**

This is our 20<sup>th</sup> annual corporate responsibility report. Inside you will find detailed information on our efforts, successes and challenges. This comprehensive report is aimed at investment analysts and other stakeholders who are interested in assessing the full set of details on our responsibility programs. In addition to this report, we also publish information in two other formats:

- > A <u>summary magazine</u> that is a companion to this comprehensive report
- > A corporate responsibility website

Our reporting includes regional versions of the summary magazine format for Brazil, Canada, China, India and Malaysia to support our operations in those locations. The feedback on these regional summaries has been overwhelmingly positive.

The goal of our reporting strategy is to engage the broadest possible audience in our responsibility journey. By summarizing our performance in a magazine-style format and regional reports, we hope to engage people who are interested in these topics but may not be experts or willing to invest significant time sorting through detailed information.

# Global Reporting Initiative (GRI)

Like many corporate responsibility leaders, AMD follows the disclosure guidelines from the Global Reporting Initiative (GRI) to structure the information in this report. The GRI has become the predominant international standard for corporate responsibility reporting and cover economic, environmental, social, and governance performance. AMD has conformed to GRI's G4 guidelines and prepared our 2014 report 'in accordance' core. The GRI Report disclosures are correlated to the guidelines in the GRI Table included in this report.

# **Updates**

We plan to update the information in this report as appropriate throughout the year. In addition to those already mentioned, we have several other communication channels to share information with our stakeholders and receive input:

<sup>&</sup>lt;sup>3</sup> http://assentcompliance.com/blog/wp-content/uploads/2015/03/Assent-Influencer-List.pdf

- > Corporate responsibility blog
- > Corporate responsibility newsletter issued periodically
- > Direct contact link on the corporate responsibility website
- > Twitter account (@AMDCSR)

By employing multiple communication methods, our goal is to ensure that all interested stakeholders are able to review and comment on our corporate responsibility progress and plans. We welcome your input and comments.

# AMD at a Glance

Founded in 1969 and headquartered in Sunnyvale, California, AMD designs and integrates technology that powers millions of intelligent devices, including personal computers, tablets, game consoles and cloud servers that define the new era of surround computing. AMD solutions enable people everywhere to realize the full potential of their favorite devices and applications to push the boundaries of what is possible.

> Headquarters: Sunnyvale, California

> Established: 1969

> Employees: approximately 10,000 worldwide

Facilities: 47 locations worldwidePublically traded (NASDAQ: AMD)

> Fortune 500 firm

> 2014 Revenue: \$5.5 billion

#### 2014 in Review; Look Ahead to 2015

In 2014, AMD made significant progress establishing a strong foundation for our future as a more diverse, market-centric, and faster-moving technology company. We further diversified our business, positioning the company as a more prevalent provider of high-performance processors for the billions of connected devices of the future. Related to this, our customer base grew as we secured notable new customer design wins in both our traditional Computing and Graphics (CG), as well as our Enterprise, Embedded, and Semi-Custom (EESC) businesses. We also took important steps to simplify our operations across the company, while investing in key technology building blocks to fuel our future success.

As a result we achieved annual revenue growth for the first time since 2011 and delivered non-GAAP profitability for the year. Other key 2014 milestones include:

- > Dr. Lisa Su became our president and CEO and a member of the board of directors in October.
- > Semi-custom processor annual revenue grew more than 50 percent year-over-year, driven by continued demand for the AMD-powered game consoles from Microsoft and Sony, with their combined sales now outpacing the previous generation by nearly 60 percent at the same point in

their lifecycle.<sup>4</sup> To further build on that success, we secured two new wins, including one x86 design and our first 64-bit ARM design, and diversification beyond gaming.

- > AMD FirePro<sup>™</sup> professional graphics gained market share year-over-year<sup>5</sup> with prominent design wins like the Apple® Mac Pro® ramping in the market. We also doubled our design wins across top workstation and server customers over the previous year.
- > Embedded processor revenue increased by more than 20 percent year-over-year and we achieved growth in our embedded customer base in targeted markets. Marquee customer wins include Airbus, Arista Networks, Boeing, FC Barcelona, and GE.
- > Leading the industry transition to 64-bit ARM servers, AMD introduced a developer kit for the upcoming "Seattle" processor that provides a standard ARM Cortex® -A57-based server platform for software developers and integrators.
- > Among our consumer and commercial client processors, we drove a richer mix of high-end products, expanded our presence in the commercial market, and increased adoption of our discrete graphics solutions. For example, AMD RadeonTM graphics power the Apple® iMac® with 5K Retina™ display.

In 2015, AMD is focused on three simple, yet extremely important priorities:

- I. Building great products,
- 2. Driving deeper customer relationships, and
- 3. Simplifying the business.

We will stabilize and grow our CG business, while continuing to diversify in EESC. We also remain committed to developing differentiated IP leadership across both the ARM and x86 architectures – leveraging our unique position as the only company who can do so.

- > By the end of 2015, we expect half of the company's revenue to come from EESC. This further showcases that we are executing against our diversification strategy and leveraging our unique IP in new and growing markets.
- > We plan to grow in six key embedded verticals: communications and networking, digital signage, gaming, industrial controls and automation, medical imaging, and thin client. And our semicustom business focus is on capitalizing on a robust pipeline of opportunities. In server, we will continue to take a leadership role fostering the development of the 64-bit ARM ecosystem, while we focus on building our next generation cores for the x86 market.
- > We have a strong 2015 product line up in CG, with new products that will deliver new levels of performance, more natural user experiences, and expanded productivity and entertainment capabilities to both traditional PCs and new form factors.

<sup>4</sup> http://www.polygon.com/2015/2/13/8033983/ps4-and-xbox-one-install-60-percent-higher-npd-jan-2015

<sup>&</sup>lt;sup>5</sup> According to IDC Professional Graphics Pivot, Q3 2014 and AMD internal estimates

In 2015, AMD will continue to build on the strong momentum we created in 2014 across our increasingly diversified product portfolio and customer base. We're a company with a clear vision and path to deliver long-term success and growth by leveraging our extraordinary combination of technology assets, engineering talent, and intellectual property to lead the next wave of innovation. Our goal is to become stronger, more nimble and more efficient inside our own walls so we are the partner of choice for the innovative solutions powering the life-changing products and experiences that allow users to create, consume, store, process, and share seamlessly across billions of interconnected devices.

#### Additional Information

- > About AMD
- > Products We Design

# **Corporate Responsibility Resources and Process**

We care deeply about people and our planet, and this caring attitude is woven into everything we do. We call this "The AMD Way," and it's a key business differentiator. We know that how we run our business is important to our customers, shareholders and stakeholders. We also know that our employees are motivated and inspired by contributing to social and environmental causes.

# **Corporate Responsibility Resources**

AMD employs multiple resources to manage our current Corporate Responsibility (CR) initiatives while planning for the future.

- > CR Group: We have dedicated resources in our Public Affairs department as part of AMD's larger Legal organization. These resources manage issue identification, communications, research, event management, rankings and ratings related outreach, customer and supplier requests, internal infrastructure and external relationships.
- > CR Council: Our main body for CR strategic planning is our internal CR Council that consists of senior leaders from Community Relations, Strategy, Global Operations, Communications, Marketing, Facilities, Human Resources, Engineering and Legal. This cross-functional team is tasked to develop, implement and oversee AMD's corporate responsibility strategy to deepen stakeholder relationships, align with societal expectations and represent our collective organizational values.
- Stakeholder Panel: AMD engaged Ceres to manage and facilitate our external stakeholder advisory panel for engagements. These interactions are covered by the <u>Chatham House Rule</u>. Recent engagements have focused on communication opportunities for our CR programs and resolving perceived gaps in our reporting content. The panel consists of representatives from academia, Socially Responsible Investing (SRI) groups, NGOs, and major customers. Interactions with this panel provide AMD with valuable insights and perspective on how to improve our corporate responsibility strategies, communications and performance.

# **Corporate Responsibility Process**

The process used by its CR Council focuses on emerging issues, managing performance of identified issues, stakeholder engagement and transparency: began to organize its CR efforts around a defined process that helps to identify inputs and outputs at each stage.

- > Issue Management: Review emerging or evolving issues to determine potential importance to AMD and our stakeholders.
- > Stakeholder Engagement: Discuss emerging and ongoing issues with internal and external stakeholders and peers to determine areas of mutual concern and overall significance to our business.
- > Performance Accountability: Develop programs or policy recommendations, support business function goal development and review ongoing progress toward aligned goals.
- > Transparency & Disclosure: Develop and implement disclosure recommendations for CR communications.

# **Materiality**

AMD conducts periodic "materiality assessments" that aim to align corporate responsibility goals with AMD's business objectives. In 2014, AMD engaged Business for Social Responsibility (BSR) to interview our senior leadership to refine the company's CR priorities. The goal of the engagement was to identify which CR issues are most material to AMD's business and stakeholders. The outcome of the interviews helped to prioritize our work on product energy efficiency and supply chain responsibility for 2015. The engagement report also encouraged AMD to further integrate our CR principles into product development, marketing efforts, and employee engagement. The table below shows the current list of key issues and progress to date.

ISSUE	DEFINITION	2014 UPDATE
Product energy efficiency and solutions	Increasing the energy efficiency of AMD products and producing technologies that enable our customers to improve their own energy efficiency and achieve their climate change goals.	AMD announced 25x20 energy efficiency initiative: AMD's goal to deliver at least 25 times more energy efficiency from our accelerated processing units (APUs) by the year 2020. This goal demonstrates AMD's genuine commitment to future innovations that help reduce power consumption – while dramatically accelerating performance.
Supply chain responsibility	Improving processes to ensure the management of labor, health & safety, ethics and environmental risks in AMD's supply chain conforms to our expectations. This includes programs to identify the source of any "conflict minerals and eliminate any that are not "conflict-free."	First SEC report filed. CR fully integrated in supply management processes. AMD leadership in conflict minerals including speaking at the UN and listed among the top 15 influencers on this issue. See Supplier Responsibility.

Table 1: Corporate Responsibility Priority Material Issues and 2014 Update

While our assessment of priorities provides focus, it is important to note there are several other focus

areas critical to AMD's business and our stakeholders. For example, AMD has a long-term focus on promoting STEM (science, technology, engineering and mathematics) education. Our signature philanthropic program, AMD Changing the Game, promotes STEM skills in middle and high school students through game design and development. AMD also has a long-standing commitment to environmental protection, and has invested in improvements in energy and water conservation, greenhouse gas (GHG) emissions reduction and waste minimization. See our Global Environmental Goals and Performance. Presenting our materiality assessment reflects AMD's commitment to a strategic, business-oriented approach to corporate responsibility. As the company's business strategy evolves, we review, and if necessary, revise our CR strategy.

# **Transparency**

#### Scope

This report provides information on AMD programs addressing environmental protection, social responsibility and economic performance. Operational data for 2014 is for AMD majority-owned and operated facilities located in Sunnyvale, Calif.; Austin, Texas; Markham, Ontario; Penang, Malaysia; Singapore; and Suzhou, People's Republic of China, for the reporting period January I, 2014, through December 31, 2014. In addition, notable activities that occurred in 2015 prior to publication of this report have been included. Where noted and when available, we have also included data from our smaller AMD sites. Data for the reporting year 2013 was covered in AMD's 2013/2014 Corporate Responsibility Report published in May 2014.

### **Measurement and Verification**

Where practical, the data we present is measured directly or empirically derived. In some cases we rely on data from external parties, such as utility and waste management providers. Restatements of our 2014 corporate responsibility data are shown in our performance indicators data tables.

With the exception of financial information, data provided in this report has not been independently verified by a third-party auditing firm. The data collected are from many different sources using well-established processes that include a rigorous review. Internal processes are periodically assessed to ensure that accurate, consistent and reproducible information is reported.

#### **Indirect Impacts**

AMD is a semiconductor design company with many of the potential environmental impacts from wafer fabrication occurring in our supply chain that are beyond our direct operational control. As a result, we track and influence the environmental performance of our major suppliers. For the past four years we reported on indirect environmental impacts from our wafer foundry suppliers, our business travel, employee commuting and product transportation.

# **Awards and Recognition**

While our commitment to being a responsible corporation is not dependent on recognition, it is great validation of our work when external organizations rank us alongside the top sustainable companies.

The awards and rankings below are based on standards of performance developed by each conferring organization. We are proud to be honored with the following recognition for 2014:

CORPORATE RESPONSIBILITY AWARD/RANKING	CONFERRING ORGANIZATION
Dow Jones Sustainability North American Index	Sustainability Asset Management (SAM) and Dow Jones Sustainability Indexes
Top 100 Best Corporate Citizens List	Corporate Responsibility Magazine
Ranked #1 in Green500 <sup>™</sup> list (November 2014) for powering world's most energy-efficient supercomputer with AMD FirePro <sup>™</sup> Graphics	Green500
Prime Classification from Oekom Research	Oekom Research
Calvert Social Index	Calvert Investments
Climate Innovation Index Leader	Maplecroft Climate Innovation Index (CII)
Global Challenge Index	Hanover Stock Exchange/Oekom Research
Top 25 Best Tech Companies to Work for in America	Business Insider
Green Power Leadership Club	U.S. EPA
Top 30 Tech & Telecom List	U.S. EPA
MSCI KLD 400 Social Index	MSCI
Austin Green Business Leaders Program, Platinum Certification	City of Austin
Bicycle Friendly Business, Silver (Austin), Bronze (Fort Collins and Sunnyvale)	League of American Bicyclists
Pacesetter Excellence in Commuter Options (ECO) (Boston Design Center)	<u>MassRIDES</u>
Clean Air Partners	CLEAN Air Force of Central Texas
Smart Commute's York Region "Employer of the Year"	Smart Commute, York Region, Ontario
Climate Wise Partner (Fort Collins)	Climate Wise, City of Fort Collins

Table 2: 2014 AMD Awards, Rankings and Ratings

Read more about the awards presented to AMD on our website.

#### CHAPTER II: STAKEHOLDER ENGAGEMENT

AMD's stakeholders include employees, customers, stockholders, social investment analysts, our local community, our suppliers, non-government organizations (NGOs) and others. Each group has followed our progress and plans on corporate responsibility over the years, and we use targeted communications to provide them with relevant information in the most efficient and effective way.

# **Stakeholder Engagement Panel**

Working with <u>Ceres</u>, an award-winning, non-profit group focused on business and sustainability, AMD has an established stakeholder advisory panel. Interactions with this panel provide AMD with valuable insights and perspective on how to improve our corporate responsibility strategies, communications and performance. The panel consists of representatives from NGOs, socially responsible investing (SRI) groups, academia, and industry. Our goal is to engage with these experts on a regular basis over the long term. AMD believes that long-term engagement helps build a deep understanding of our company and our industry. Similarly, AMD gains meaningful knowledge about the expectations of stakeholder groups outside our company. We use this input to continuously improve our corporate responsibility programs.

# **Recent Stakeholder Engagement**

In October 2014, the stakeholder panel met with AMD's CR Council to provide input on AMD's 2014 materiality assessment. The meeting focused on AMD's 25x20 Energy Efficiency Initiative and our supply chain responsibility efforts and examples of societal benefit from our technology. The panel provided feedback on areas for prioritization, goal-setting and collaboration. The discussion was robust, candid and extremely valuable input for AMD. Many issues were discussed and AMD continues to incorporate the feedback into our programs.

The stakeholder panel supported AMD's focus on the identified material issues and voiced an expectation that AMD share a full materiality matrix with future reporting efforts. The panel shared valuable insight into other areas of transparency that would aid stakeholder trust including additional disclosures on the structure of our supply chain and auditing protocols, political activity and contributions, and cost savings from sustainability initiatives. In general, the panel was complimentary of our efforts to address the material issues, but expressed a desire for more clarity in AMD's reporting on other issues, goals, and progress. AMD is committed to improving our CR disclosure efforts to create an open dialogue with our stakeholders on areas of mutual concern and we've attempted to address some of these concerns in this year's CR report.

In March 2015, AMD again met with the Ceres stakeholder panel to review plans for public disclosures on our material issues and to start a dialogue on the future of non-financial reporting. The panel discussed the objective and relationship between leading reporting guidelines and made recommendations to AMD on which to utilize in future reporting. They went on to detail how reporting drives performance through the data collection process and through competition amongst companies in a sector. Several participants stressed the importance of tying reporting to value and to not overwhelm readers with a myriad of indicators ("less is more"). We also heard a call for AMD to concentrate on the reporting principles of salience, simplicity and consistency to enable year-over-year comparisons.

We've attempted to apply elements of this insightful and timely feedback in this report, but AMD will continue to focus on areas of improvement in how we communicate our CR efforts with stakeholders.

While we will not be able to implement every stakeholder suggestion, we consider all feedback important and report back on our progress and actions in subsequent meetings. Additional communications with our stakeholder panel and other stakeholder groups will continue in 2015. Feedback from all stakeholders can be made at any time via our website.

# Multi-Stakeholder Dialogue on Conflict Minerals

AMD has been a leader in bringing together NGOs, companies and socially responsible investors on the serious and complex issue known as "conflict minerals." By co-chairing a multi-stakeholder coalition with the <a href="Enough Project">Enough Project</a>, a well-known NGO focused on human rights issues in Africa; AMD has helped forge consensus recommendations on the legislative and regulatory policy for this issue. For more information on AMD's actions related to conflict minerals, please see the <a href="Conflict Minerals">Conflict Minerals</a> in the Supplier Responsibility section of this report.

# **Employees**

AMD employees are one of our most important stakeholder groups. We know that employees — especially younger employees and job seekers — are increasingly seeking employers with values matching their own. We periodically survey our employees worldwide to understand their overall satisfaction, specifically asking them about their impressions of our corporate responsibility programs. Our last employee survey was completed in 2013. We invited 100 percent of our employees around the world to participate and 82 percent responded. Among other positive results, it was gratifying to learn our employees have a very high level of satisfaction with AMD corporate responsibility programs. The responses on AMD's corporate responsibility programs received an average of 81 percent favorable responses. This was the second highest approval rating of any question in the survey and had the least negative responses of the top five most-approved issues in the survey.

By analyzing the survey results across various dimensions such as age, location, business unit, seniority, tenure etc., we continue to tailor our corporate responsibility programs to further engage AMD employees.

#### **Employee Engagement Opportunities**

We believe there is a strong link between employee engagement and corporate responsibility. Data show that employees who say they have the opportunity to make direct social and environmental contributions through their job report higher satisfaction levels than those who do not, by a 2:1 ratio.6 Corporate responsibility is the connection between the fulfillment that comes from supporting a meaningful cause and engagement in the workplace.

Respect for others and contributing to our communities are cornerstones of the AMD culture. We support our employees' desire to help others through a number of programs ranging from our

<sup>&</sup>lt;sup>6</sup> What Workers Want in 2012. Net Impact 2012.

employee-driven "Green Teams" and "Go Green" commuter program to the AMD Women's Forum, our volunteer opportunities and awards based on corporate responsibility themes.

Employee Communication Channels: While there is no minimum timeframe for notifying our employees, AMD makes every effort to inform employees of significant operational changes that could affect them in a timely manner using the following communications channels:

- > AMD's intranet site—accessible to any AMD employee
- > Leadership communications—our leaders consistently cascade communications through the entire company and within their organizations using webcasts, emails, town-hall meetings and other methods
- > Employee-Management Communication—AMD leaders utilize a variety of means, including open forums and webcasts, to engage in dialogue between management and employees

# Social Investment Analysts, Customers and Peers

AMD actively engages with the socially responsible investment (SRI) community. In February 2014, AMD conducted an "SRI Roadshow" to meet in-person with leading environmental, social and governance research firms, and socially responsible investors. In these meetings, we reviewed AMD's policies, priorities and performance as well as gathered feedback.

In addition to direct outreach to the SRI community, representatives are members of our formal stakeholder panel. In addition, AMD has worked closely with SRI representatives in developing consensus recommendations on conflict minerals policy in the United States and Europe.

Customer events and activities in 2014 included the following:

- > Industry events
- > Media and analyst briefings
- > Customers and partner events (trainings and roundtables)
- > Customer meetings and business reviews
- > Customer's environment and social responsibility surveys

# **Sustainability Indexes**

AMD has been a component of the Dow Jones Sustainability North America Index every year since its inception in 2005. We are also listed on the Calvert Social Index®, the Global Challenges Index and the Morgan Stanley Capital International (MSCI) KLD 400 ESG Social Index. In 2014, AMD received a "prime" classification from Oekom Research. These indexes and ratings recognize companies with proactive policies and practices that meet globally recognized sustainability standards and challenges.

# **CHAPTER III: PRODUCT STEWARDSHIP**

AMD designs technology that powers millions of intelligent devices, including personal computers, tablets, game consoles, controllers and cloud servers. We strive to provide products that help our customers address modern computing workloads while minimizing environmental impacts throughout the product lifecycle. We focus on the following areas:

- > Energy-efficient computing
- > Product content
- > End-of-life extension
- > Product packaging

# **Energy-Efficient Computing**

AMD is dedicated to providing cutting-edge technology along with innovation in low-power and energy-efficient computing. We work with other organizations dedicated to our vision of reducing energy use and making computing more environmentally friendly. These include industry partners, governments, nonprofit standard setting groups and research institutions.

# **Energy consumption for computing**

Network-connected technologies, such as broadband connectivity, wireless mobility, cloud computing, e-commerce, social media, sensors and the "Internet of Things" are rapidly transforming our world. This interconnected world, which AMD describes as "surround computing" touches many aspects of our daily lives and is creating new services and benefits in areas including communication, entertainment, security and health. While the potential benefits are great, with the global trend towards an "internet of things", the International Energy Agency estimates that up to 50 billion devices may be connected to networks by 2020.<sup>7</sup> And, according to the MIT Energy Initiative, "worldwide, 3 billion personal computers use more than 1% of all energy consumed, and 30 million computer servers use an added 1.5% of all electricity at an annual cost of \$14-18 billion.8

The rapidly increasing the energy consumed by the growing number of connected devices in use around the world – as well as the associated costs and carbon emissions – is a major sustainability challenge for the technology industry on a long term basis. That is why AMD is dedicated to innovation in low-power and energy-efficient computing. While we're making considerable progress on our own (see our recent 25×20 Energy Efficiency Initiative), we're also working with a wide range of groups and organizations that share our vision of reducing energy use and making computing more environmentally friendly. These include industry partners, governments, nonprofit standard setting groups and research institutions. By working together and building awareness of the importance of energy efficient computing around the world, we're hoping to not only reduce the energy required to meet growing global demand for computing, but also reduce the associated environmental impact.

<sup>&</sup>lt;sup>7</sup> http://www.iea-4e.org/files/otherfiles/0000/0326/4E G20ACTION PLAN Vs4.pdf

<sup>8</sup> http://mitei.mit.edu/news/energy-efficient-computing

# AMD Energy Efficiency Initiative: 25X20 – Designing AMD products to be 25 times more energy efficient by 2020

AMD's goal is to deliver at least 25 times more energy efficiency from our accelerated processing units (APUs) by the year 2020.9 Creating energy-efficient products is a key element of AMD innovation and is at the root of our relentless focus on energy efficiency. While new generations of silicon manufacturing technology have continuously brought improvements in energy efficiency, AMD has established a legacy of exceeding those gains through innovative designs – achieving more than a tenfold improvement over the last six years in typical-use energy efficiency.

Now we are taking it to a new level. With our aggressive goal of 25x20, we expect to exceed historic energy efficiency gains by as much as 70 percent in the year 2020. Benefits for this aggressive effort are not limited to reducing the amount of energy that is used to drive a wide range of computing products, they also include reduced energy costs, less heat generated by the devices, lower cooling costs and an overall reduction in the carbon emissions that result from the electricity generation that would have otherwise been used to power and cool these devices. The effort is a win on many fronts and another example of AMD's commitment to "green computing" and protecting our environment without sacrificing the computing performance that users have come to expect.

Learn more about AMD's 25X20 initiative here.

#### **HSA** Foundation

While the pace of innovation for computers and software applications continues to expand exponentially, it is restricted by outdated approaches to design and development. That is why the HSA Foundation (HSAF) was formed as an open industry standards body to unify the computing industry around a common approach to Heterogeneous System Architecture (HSA). HSA is an intelligent computing architecture that enables the CPU, GPU and other processors to work together in harmony on a single piece of silicon by seamlessly moving the right tasks to the best-suited processing element. Benefits include faster, more efficient processing that requires less energy and a far less complex development infrastructure. The possibilities created by heterogeneous computing are groundbreaking – from flawless HD videoconferencing to heretofore unimaginable display clarity to real-time language translation and interpretation – all in lower-power envelopes for smaller form factors with longer battery life.

The Foundation is a not-for-profit industry organization comprised of software vendors, IP providers, hardware companies and academic institutions. The Foundation offers its standards for public use royalty-free and also provide free open-source software for developers.

<sup>9</sup> http://www.amd.com/en-us/innovations/software-technologies/25x20

# **Open Compute Project**

The Open Compute Project is committed to minimizing the environmental impact of infrastructure technology and energy consumption through continued evolution in energy and material efficiency. While traditional data center design often occurs in siloed components — a building, servers and software — the Open Compute Project evaluates the influence of all components within the data center ecosystem, leading to optimized energy and material use as well as reduced environmental impact. At the January 2014, Open Compute Summit, <a href="Mandoto showcased">AMD showcased</a> a development platform for its first 64-bit ARM-based server CPU and contributed a new microserver design that is compatible with the commonslot Open Compute architecture specification dubbed "Group Hug."

### **International Electrotechnical Commission**

The IEC (International Electrotechnical Commission) is the world's leading organization for the preparation and publication of International Standards for electrical, electronic and related technologies. <sup>10</sup> IEC International Standards and CA (Conformity Assessment) activities work toward achieving a minimal impact on the environment and an optimal use of resources. AMD supports environmental standardization by our work in IEC Technical Committee III on environmental aspects of electrotechnology, IEC Technical Committee 100 for Audio, Video and Multimedia Systems and Equipment, and the U.S. Coordinating Committee of IEC's Advisory Committee for Environmental Aspects (ACEA). Collaborating with other leading technology companies, academics and industry organizations from around the world, AMD has supported the drafting of IEC Technical Reports identifying quantification methodologies for greenhouse gas emissions associated with electronic products, as well as more specific guidance, including product category rules for computers and monitors.

#### **Standards**

AMD works closely with standards development organizations to address environmentally sustainable and responsible design, manufacturing, operations and end-of-life management of AMD technology. One such set of standards comes from the Institute of Electrical and Electronics Engineers (IEEE) in support of EPEAT® (the Electronic Product Environmental Assessment Tool). EPEAT is an environmental rating tool developed through collaborative efforts of stakeholders from business, government, nonprofits and academic institutions. EPEAT® aims to help purchasers evaluate electronic products on the basis of sustainability guidelines covering a wide range of measures.

AMD is also an active contributor to government energy efficiency standards, such as the United States Environmental Protection Agency's (EPA) ENERGY STAR® program and other energy efficiency programs around the world. AMD participates and, in some cases, manages standardization efforts for environmental aspects of technology. For example, AMD is a member of the leadership team in the International Electrotechnical Commission (IEC) Technical Committee for consumer electronics. AMD believes the most effective sustainability practices and measures are achieved by working closely with stakeholders to create effective, technology-neutral international standards.

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<sup>10</sup> http://www.iec.ch/about/

# Lifecycle Analysis

AMD processors influence the power consumption and the accompanying GHG emissions associated with the use of a broad range of technology products. From high-performance computers and commercial servers, to consumer laptops, tablets and game consoles, AMD strives to improve energy efficiency per unit of performance through the design of our semiconductor products.

In 2014, we continued to evaluate the GHG emissions associated with the lifecycle of our products by working with researchers at Massachusetts Institute of Technology (MIT) and other technology companies. The researchers use the "Product Attribute to Impact Algorithm" (PAIA) to evaluate the carbon footprint of semiconductor devices.

For more information on AMD's initiatives, and industry and business associations, please see the <u>Public</u> <u>Policy</u> section of this report.

# **AMD Products and Technology Platforms**

Within the global semiconductor industry, we offer primarily:

- > x86 microprocessors, as standalone devices or as incorporated as an accelerated processing unit (APU), chipsets, discrete graphics processing units (GPUs) and professional graphics; and
- > Server and embedded processors, dense servers, semi-custom System-on-Chip (SoC) products and technology for game consoles.

Please see AMD's 10K report for more detailed information on these markets and products.

Our x86 Microprocessor and Chipset Products

Our microprocessors are incorporated into computing platforms, which are a collection of technologies that are designed to work together to provide a more complete computing solution and to enable and advance the computing components. We believe that integrated, balanced computing platforms consisting of microprocessors, chipsets and GPUs that work together at the system level bring end users improved system stability, increased performance and enhanced power efficiency. In addition, we believe our customers also benefit from an all-AMD platform (consisting of an APU or CPU, a discrete GPU and a chipset or an AMD Fusion Controller Hub chip), as we are able to optimize interoperability, provide them with a single point of contact for the key platform components and enable them to bring the platforms to market faster in a variety of client and server system form factors.

We currently base our microprocessors and chipsets on the x86 instruction set architecture and AMD's Direct Connect Architecture, which connects an on-chip memory controller and input/output (I/O) channels directly to one or more microprocessor cores. We typically integrate two or more processor cores onto a single die, and each core has its own dedicated cache, which is memory that is located on the semiconductor die, permitting quicker access to frequently used data and instructions. Some of our microprocessors have additional levels of cache such as L2, or second-level cache, and L3, or third-level cache, to enable faster data access and higher performance.

We focus on continually improving the energy efficiency of our products through our design principles and innovations in power management technology. To that end, we offer CPUs, GPUs, APUs, SoCs and chipsets with multiple low power states that utilize lower clock speeds and voltages to reduce processor power consumption during active and idle times. The use of intelligent, dynamic power management is designed to create lower energy use by allowing compute applications to be completed quickly and efficiently, enabling a return to the ultra-low power idle state.

### Desktop

Our APUs for desktop PCs consist primarily of the AMD A-Series and AMD E-Series APUs. We also offer AMD FX CPUs for the enthusiast market. In January 2014, we launched the AMD A10-7850K and A10-7700K, formerly codenamed "Kaveri," for desktops. "Kaveri" is the world's first APU to include HSA features, AMD TrueAudio technology for improved fidelity and immersive audio and the HD gaming experience of AMD's Mantle application programming interface (API). Our Mantle API is designed to allow game developers to take greater advantage of the full capability of our Graphic Core Next (GCN) architecture. Our GCN is our new approach to the design of a consumer GPU. In July 2014, we expanded our desktop AMD A-Series APU with the AMD A10-7800 APU, our high performance APU. We also introduced the AMD A8-7600, AMD A6-7400K and AMD A4-7300 APUs, which are designed to allow consumers to upgrade their application and office experience on their desktop PC. The latest generation of our AMD FX CPUs is based on the "Piledriver" x86 multi-core architecture. Our AMD FX CPUs are designed for multitasking, high resolution gaming and HD media processing and come in eight-, six- and quad-core versions.

#### Notebook and 2-in-1s

In response to consumer demand, we continue to invest in designing and developing high performing and low power notebook PC platforms. Our APUs for notebook PCs consist primarily of performance AMD A-Series APUs and AMD E-Series APUs. These APUs combine discrete-level AMD Radeon™ graphics, dedicated HD video processing and multi-core CPU processors on a single chip and are designed to maximize performance and energy efficiency. In April 2014, we announced our 2014 mainstream and low-power APUs and mobile APUs, formerly codenamed "Beema" and "Mullins," respectively, which feature up to four newly designed x86 CPU cores with AMD Radeon graphics and a hardware-level data security solution based on the ARM Cortex -A5, all on a single SoC. In June 2014, we introduced our 2014 Performance Mobile APUs, formerly codenamed "Kaveri," designed for ultrathin and high-performance mobile PCs. As part of the 2014 Performance Mobile APUs, we introduced the AMD FX APU designed for enthusiast-level performance for gaming and multitasking. Also, in June 2014, we announced our new AMD Pro A-Series APUs with HSA features designed for commercial notebook PCs.

#### Chipsets

Our portfolio of chipset products includes chipsets with and without IGPs (Interior Gateway Protocol) for desktop and notebook PCs and servers, as well as AMD Controller Hub-based chipsets for our APUs. We offer AMD 9-Series and AMD A88X, A85X, A78, A75, A68H, A58 and A55 for desktop PCs, and we offer AMD A76M chipsets for notebook PCs. We also offer AMD 785E, SR5690, 780E and M690T chipsets for our embedded products.

# **Our Graphics Products**

Our graphics products can be found in an APU, GPU, SoC or a combination of a GPU with one of the other foregoing products working in tandem. Our customers generally use our graphics solutions to increase the speed of rendering images and to help improve image resolution and color definition. We develop our graphics products for use in various computing devices and entertainment platforms, including desktop PCs, notebook PCs, gaming consoles, 2-in-1s and professional workstations. With each of our graphics products, we have available drivers and supporting software packages that enable the effective use of these products under a variety of operating systems and applications. In addition, our recent generation graphics products have Linux driver support.

#### Discrete Desktop Graphics

We offer discrete graphics products for gaming, multimedia, editing photos and videos as well as other graphic-intensive applications on desktop platforms. Our discrete GPUs for desktop PCs include the AMD Radeon R7 and R9 series, AMD Radeon HD 8000 series, AMD Radeon 7000 series and AMD Radeon HD 6000 series. In February 2014, we introduced two new additions to the R7 series—the AMD Radeon R7 250X and R7 265. In March 2014, we added the AMD Radeon R9 280 to the R9 Series, and more recently in April 2014, we introduced the AMD Radeon R9 295X2, powered by two AMD Radeon R9 295 GPUs on a single card designed for gamers and PC enthusiasts. All models of our AMD Radeon R7 and R9 series graphic cards support our Mantle API (Application Programming Interface).

# Discrete Notebook Graphics

Our discrete GPUs for notebooks are designed to address graphics performance, visual experience, power efficiency, dedicated memory support and ease of design integration, all of which are key considerations for notebook manufacturers. The AMD lineup of discrete GPUs for notebooks includes the AMD Radeon HD 7000M series and AMD Radeon HD 6000M series. In January 2014, we introduced the AMD Radeon R9, R7 and R5 M200 Series, our new family of discrete GPUs for notebooks designed with support for Mantle API.

### **Professional Graphics**

Our AMD FirePro<sup>™</sup> family of professional graphics products consists of 3D and 2D multi-view graphics cards and GPUs that we designed for integration in mobile and desktop workstations, as well as commercial PCs. We designed our AMD FirePro 3D graphics cards for demanding applications, such as those found in the computer aided design (CAD) and digital content creation (DCC) markets, with drivers specifically tuned for maximum performance, stability and reliability across a wide range of software packages. We designed our AMD FirePro 2D graphics cards with dual- and quad-display outputs for financial and corporate environments.

We also provide the AMD FirePro S-Series GPU products for the server market, where we target high performance computing (HPC) and virtual desktop infrastructure (VDI) use cases. In April 2014, we launched the AMD FirePro W9100 professional graphics cards for next-generation workstations with ultrahigh resolution and multi-display capabilities. In June 2014, we launched the AMD FirePro W8100 professional graphics card designed for the next generation 4K CAD and media and entertainment workflows, engineering analysis and supercomputing applications. In August 2014, we introduced new additions to the next generation AMD FirePro professional graphics family, the AMD FirePro W2100, AMD FirePro W4100, AMD FirePro W5100 and AMD FirePro W7100. Additionally, we announced the AMD FirePro S9150 Server GPU in August 2014, designed for large scale multi-GPU support and the AMD FirePro S9100 in October 2014, designed for high visualization, high throughput and multi-tasking.

Our Enterprise, Embedded and Semi-Custom Products

Server Processors

Our microprocessors for server platforms currently include:

- > The AMD Opteron X-Series includes small-core x86 APUs and CPUs that are ideal for next-generation scale-out Web and cloud applications ranging from big data analytics to image processing, multimedia content delivery and hosting.
- > AMD Opteron 6300 Series processors, which are designed to meet the demanding performance per-watt, per-dollar requirements that are at the heart of server buying decisions. The AMD Opteron 6338P (12 core) and 6370P (16 core) processors are optimized to handle the heavily virtualized workloads found in enterprise environments. These processors feature the "Piledriver" core and are fully socket and software compatible with the existing AMD Opteron 6300 Series.

During 2014, we began sampling the AMD Opteron A1100 Series processor, our first 64-bit ARM-based server processor based on 28nm technology. AMD Opteron A-Series processors combine AMD's expertise in delivering server-class silicon with ARM's characteristic low-power architecture. These products are designed to bring the experience and technology portfolio of an established server processor vendor to the ARM ecosystem and complement our AMD Opteron x86 server processors. The first AMD Opteron A-Series processors are expected to launch later in 2015.

Dense Server Systems

In addition, to offering microprocessors for servers, we offer dense server systems, designed to reduce power consumption and improve space efficiency for data centers. Our dense server products currently include the SeaMicro SMI5000™ server, as well as the SeaMicro Freedom™ Fabric Storage series of storage enclosures. SeaMicro dense servers incorporate our proprietary fabric technology, the Freedom™ supercomputer fabric, which interconnects hundreds of card-sized motherboards, eliminating top-of-rack switches, terminal servers, hundreds of cables and thousands of unnecessary components for a more efficient and simple operational environment. We designed this fabric to reduce data center power consumption while providing low latency and higher bandwidth interconnections.

#### **Embedded Processors**

AMD is shaping the future of embedded computing with award-winning x86, ARM® and GPU-based solutions that create immersive, intelligent and interactive experiences across the rapidly evolving spectrum of new electronic devices shaping our world. From communications and networking infrastructure – the backbone of the Internet of Things (IoT) – to digital signage, healthcare, industrial controls, embedded gaming machines and so much more, AMD Embedded Solutions provide the highest visual quality and compute performance required in today's digital age. Our embedded processors are increasingly driving intelligence into new areas of our lives, from smart TVs and set-top boxes to interactive digital signage, casino gaming, and medical imaging. These products are designed to support greater connectivity and productivity, and we believe they are a strong driver for the "internet of things" and "surround computing" areas in the computing industry. Our processor products for embedded platforms include the following:

- > Our second generation AMD Embedded R-Series APU and CPU launched in May 2014, formerly codenamed "Bald Eagle," supports HSA and was designed for processing performance, power efficiency and multimedia immersion in mid-to high-end visual and parallel compute-intensive embedded applications.
- > The AMD Embedded G-Series SoC platform is a high-performance, low-power design offering ultra-low power consumption and advanced graphics performance. In June 2014, we announced our AMD Embedded G-Series SoC, formerly codenamed "Steppe Eagle," designed for rugged and harsh environments such as ATMs, kiosks, automation, medical equipment and gaming machines. Also in June 2014, we introduced another AMD Embedded G-Series CPU, formerly codenamed "Crowned Eagle," for networking and communications infrastructure applications that require high performance at low cost and low power.
- > The AMD Embedded Radeon™ E-Series GPU family includes a broad array of discrete GPU products designed to provide immersive graphics and enhanced parallel compute capabilities for the embedded market. The AMD Embedded Radeon E8860 GPU is the industry's first discrete graphics card for embedded applications based on GCN architecture, delivering 3D and 4K graphics to gaming machines, digital signage, medical imaging, commercial aerospace, and other embedded applications.

In October 2014, we began sampling our first 64-bit ARM Cortex-A57-based AMD Embedded R-Series SoC, codenamed "Hierofalcon." The AMD Embedded R-Series SoC platform is designed for embedded data center applications, communications infrastructure and industrial solutions and is expected to ship

in the first half of 2015.

#### Semi-Custom

Our semi-custom products are tailored, high-performance customer-specific solutions based on AMD's CPU, GPU and multi-media technologies. We work closely together with our customers to define solutions to precisely match the requirements of the device or application. Historically we have leveraged our core graphics processing technology into the game console market by licensing our graphic technology in game consoles such as the Microsoft Xbox 360™ and Nintendo Wii and Wii U. In the fourth quarter of 2013, Sony launched its Sony PlayStation 4 and Microsoft launched its Microsoft Xbox One. Both of these next-generation game consoles are powered by AMD semi-custom SoC products.

# Leading Edge Technologies in Development

AMD invests in research and development efforts that are helping to define a wide range of technologies and applications. This includes low power "surround computing" technologies for home, office, and industrial sectors, as well as advanced capabilities for "smart" energy grids, transportation systems and other applications. AMD customers are also using our technology to push the envelope in areas like entertainment, education, modeling and simulation, image processing and "Big Data" applications.

Another example is the ongoing research with the U.S. Department of Energy (DOE) to help design the next generation of supercomputers. This multi-year project, known as "DesignFoward," seeks to accelerate the research and development of critical technologies needed for extreme-scale computing, on the path toward Exascale computing. Exascale supercomputers are expected to perform computation at a speed of one quintillion (which is the number one followed by 18 zeros) operations per second, which is hundreds of times faster than today's fastest computers, with only slightly higher power utilization. Exascale supercomputers are designed to break through the current limitations of today's supercomputers by dramatically reducing the length of run time required to perform calculations and improving the capability to perform detailed simulations, modeling and analyses of complex systems. Read more about DesignForward on AMD's website.

# **Product Content**

AMD works to minimize the environmental impact of the materials used in our products during their lifecycle. We collaborate with suppliers, customers, other semiconductor companies and industry consortia to identify and address chemical hazards during product development, production, use and ultimate disposal. Outlined below are some of the actions taken to address hazardous materials:

#### Lead

Lead in electronic products has been restricted by regulation in a number of countries over the past several years. AMD began formulating a strategy to address lead and other substances of concern more than 10 years ago. We have introduced "Lead-Free" CPU and APU products to the market and offer

To qualify as "Lead-Free," a part/product must not contain more than 1,000 parts per million (ppm) of lead within any homogeneous material.

products compliant with the Restriction of Hazardous Substances (RoHS) in electronics requirements of the European Union (EU), China and other countries. While small amounts of lead are still in use in some limited applications exempted by regulations, in 2013 AMD continued to research no-lead alternatives for those applications. View AMD's RoHS Compliance Statement on our website.

#### **Halogens**

Halogens refer to a class of chemical compounds containing one or more elements in the halogen family (such as chlorine or bromine). Some materials containing halogens have been linked to environmental and health concerns by some stakeholders. In response, AMD has developed a strategy to identify halogen-free alternatives for existing materials in our products. Beginning in early 2009, AMD introduced new microprocessor and graphics products that are "Halogen-Free<sup>12</sup>." AMD's APU processors "Kabini", "Richland" and "Temash," introduced in 2013, as well as our most recent processors for gaming consoles are all Halogen-Free.

#### **REACH**

Since the transfer of our wafer manufacturing assets in 2009, much of the compliance requirements for EU's Registration, Evaluation, Authorization and restriction of Chemical substances (REACH) regulation are handled by our supply chain partners. Nevertheless, we continue to track developments and collaborate with our supplier partners in order to address REACH requirements. For example, AMD issued a supplier specification requiring the identification and restriction of chemicals that are regulated under REACH, including phthalate compounds and other substances recently identified for phase-out under Annex XIV of the regulation.

### **Conflict Minerals**

AMD's conflict minerals efforts are discussed in Chapter V: Supplier Responsibility.

### **Anti-Counterfeit**

AMD understands the reliability and safety risks posed to end users by the presence of counterfeit semiconductors in the supply chain. Accordingly, AMD has established policies and practices to mitigate the introduction of suspect parts into the legitimate marketplace. This program includes enhanced supply chain security processes, authorized distribution requirements, ongoing cooperation with government and law enforcement communities in the detection and prevention of counterfeit products, and a comprehensive approach to brand protection.

- > Supply Chain Security: In order to safeguard product integrity AMD has established an extensive set of controls to ensure parts are securely manufactured, assembled, tested, uniquely tracked, marked, stored and transported from manufacture to authorized distribution.
- > Authorized Distribution: AMD encourages purchases exclusively from authorized sources to ensure superior quality and reliability levels and understands that once components are out of the authorized channel there is no assurance that the component will be legitimate or functional.

<sup>&</sup>lt;sup>12</sup> Halogen-free is defined as complying with the restriction of brominated and chlorinated compounds per the IEC 61249-2-21:2003. To qualify as "Halogen-Free," a part or product must not contain concentrations of bromine or chlorine above the threshold level (900 ppm bromine or chlorine individually, or 1500 ppm for total bromine and chlorine) for each homogeneous material within the part or product.

Any purchase of AMD parts on the open market carries with it the risk of acquiring substandard material. AMD recommends consumers and businesses buy AMD processors only from authorized distributors and vendors. AMD's authorized locator can be found at www.amd.com/en-us/markets/partners

- > Government & Law Enforcement Support: AMD cooperates with governments and authorities providing support with interdiction, prosecution and deterrence of product-related illicit activity worldwide.
- > Brand Protection Program: AMD's Product Investigations group manages the implementation of AMD's anti-counterfeit and anti-fraud strategies, which include measures to quickly identify, respond to and deter illicit activity. AMD drives the 'design-in' of secured, tamper-evident product packaging along with online resources to educate consumers and advocate product authentication. AMD conducts continuous monitoring of the sales channel to ensure product and pricing integrity worldwide & enforcement of corrective actions and non-compliance protocols.

# **End-of-Life Extension**

AMD products can also help extend the life of computing platforms, thus reducing electronic waste. In many cases, AMD chips are "backwards compatible" with previous generation AMD chips. For example, the FM2+ socket for AMD Kaveri desktop platforms can also be utilized for our previous generation APU processors. This also means that processor upgrades can occur within the FM2+ socket family while avoiding hardware replacements and the associated waste. To proliferate this efficient approach, AMD has also participated in the Open Compute Project that encourages the use of open, standardized server platforms.

# **Product Packaging**

Packaging can refer to the materials used to ship our product as well as the protective coating around a semiconductor chip. The focus of this section is on packaging materials used for shipping and handling our products.

AMD specifies the packing materials used for our products, including recyclability of materials and use of recycled content. Our packaging designers continuously seek out environmentally preferable packing materials and methods to minimize packing that meet our needs for product protection, cost, material properties and compliance with industry standards.

Our packaging requirements limit the presence of certain heavy metals, such as lead and cadmium; include marking plastic parts with the appropriate Society of the Plastics Industry (SPI) International Resin Codes for recycling; and include the use of water-based inks and dyes. AMD no longer uses PVC in any of our packing materials, and incorporates the use of unbleached cardboard and clay-coated news back (CCNB)<sup>14</sup>.

<sup>13</sup> http://wccftech.com/amd-fm2-socket-kaveri-apu-compatible-trinity-richland/

<sup>&</sup>lt;sup>14</sup> CCNB is recycled paperboard that is clay-coated on one side.

In 2008, AMD started the transition from wooden pallets to plastic pallets for product transportation because plastic pallets are more readily reused and recycled. In 2014, the use of the lighter plastic pallets resulted in an approximate reduction of  $672,449^{15}$  pounds of  $CO_2$  savings (equivalent to the carbon in 431 old growth trees) and an estimated freight cost savings of \$189,600.

# CHAPTER IV: AMD TECHNOLOGY: ENABLING TODAY, INSPIRING TOMORROW

AMD's thousands of engineers and professionals around the world are passionate about the technology we create and the applications it enables that make the world a better place, today and tomorrow. Our technology is one of the fundamental elements enabling the Internet, as well as a whole range of computing products that consumers, businesses, nonprofits and other organizations around the world rely on. In fact, AMD technology is being used to help address some of the world's most pressing challenges. From enabling cloud computing and a new generation of interconnected devices, to advancing healthcare, to providing new ways to engage students and teachers in learning, AMD employees and the technology we produce are making a positive difference in people's lives and the world around us.

# **Protecting Consumer Privacy**

Next-Generation Mobile APUs Extend AMD Performance Leadership, Add Cutting-Edge Features and Enhanced Security

Security breaches for consumer data stored in digital networks around the world have become all too commonplace. Sensitive data must be protected on computers and networks and one of the most important layers of defense is system hardware. AMD has been integrating strong security features into our technology for many years, including integrating the industry's first anti-virus protection technology into our products back in 2004. Over the years AMD has added several new security features and protections that help to harden hardware devices and support software-based security applications and features. In 2014, AMD proudly announced the AMD-developed platform security processor (PSP) based on the ARM Cortex-A5 featuring ARM TrustZone® technology for enhanced data security. These are the first and only x86 processors available to integrate an ARM core for security. The integrated PSP taps into the open standards-based ARM TrustZone® ecosystem and partitions the new processors into two "virtual CPUs" - a "secure world" and a "normal world" based on the type of data being processed - and ensures secure storage and processing of sensitive data and trusted apps including online payments, digital rights management and enterprise- and web-based services. This new technology is supported by open industry standards to ensure interoperability and a large-ecosystem of partners and suppliers. With the PSP and ARM TrustZone® technology, consumer data is better protected and more secure.16

<sup>&</sup>lt;sup>15</sup> Emissions and cost savings estimates provided by pallet vendor.

<sup>16</sup> http://www.amd.com/en-us/press-releases/Pages/next-generation-mobile-2014apr29.aspx

# **Accelerating Medical Technology**

AMD Embedded Radeon™ HD 7850 GPU Accelerates Medical Imaging

Doctors and other medical professionals increasingly depend on ultra-high resolution equipment to assist in testing and diagnosing a wide variety of diseases and conditions. AMD technology is enabling significant improvements in the quality and clarity of scanning technologies through our high-performance graphics systems, which allows greater resolution, higher levels of magnification and other improvements. For example, AMD Embedded Radeon™ graphics technology is the engine behind the new BK Ultrasound bk3000 ultrasound system by Analogic, which delivers a new level of imaging and system performance to provide highly-detailed medical imaging capabilities and other advanced graphics capabilities. Analogic, which is a leader in developing healthcare and security technology solutions to advance the practice of medicine, choses the AMD embedded graphics technology to accelerate image processing and improve fidelity. The result is the new product is improving the ability of doctors to provide quality care for their patients. The new Analogic bk3000 ultrasound system is targeted for urology, surgery, general imaging, and procedure guidance applications and is commercially available in markets worldwide.<sup>17</sup>

# **Enabling Technological Innovation**

The U.S. Department of Energy Awarded AMD \$32 Million for 'Extreme Scale' High-Performance Computing Research Focused on HSA, APUs and Memory

Today's fastest supercomputers, including many powered by AMD processors, operate at more than one quadrillion operations per second. These "petascale" computers are help scientists with modeling and simulation and a variety of applications that are pushing the frontiers of scientific knowledge and the understanding of our world and our universe. The U.S. Department of Energy (DOE) has set a goal of reaching the next generation of supercomputing, which is called "exascale" or one quintillion operations per second, by the year 2022. The DOE has also set a limit on energy consumption for these massive machines to reduce the operational costs and associated logistical and environmental issues. In 2014, the DOE awarded AMD an additional \$32 million to expand research efforts on exascale applications for AMD Accelerated Processing Units (APUs) based on the open-standard Heterogeneous System Architecture (HSA), as well as future memory systems to power a generation of exascale supercomputers capable of delivering 30-60 times more performance than today's fastest supercomputers. This is the third year the DOE-AMD research partnership has expanded, which attests to the groundbreaking work AMD's engineers and scientists are performing to achieve exascale computing.<sup>18</sup>

# **Powering Pioneering Research**

AMD FirePro<sup>™</sup> GPUs Enable GSI Research Facility's Heavy Ion Studies

<sup>17</sup> http://www.amd.com/en-us/press-releases/Pages/amd-embedded-radeon-2015jan12.aspx

<sup>18</sup> http://www.amd.com/en-us/press-releases/Pages/extreme-scale-hpc-2014nov14.aspx

AMD leadership in heterogeneous high performance computing (HPC) is delivering more than 3 petaFLOPS (a measure of computing speed equal to one quadrillion floating-point operations per second) of performance using the AMD FirePro™ S9150 server GPU. This high computer supports physics research related to heavy ion studies. GSI (Gesellschaft für Schwerionenforschung), located in Darmstadt, Germany, is a research facility focused on heavy ion research which has applications for cancer therapy. The compute cluster used by GSI and powered by AMD was designed and built in conjunction with FIAS, a research institute for physics, neuroscience, life science, and computer science. Within the next few years, GSI will build FAIR (Facility for Anti-Proton and Heavy-Ion Research), a new particle accelerator and detector facility. Researchers from around the world use this facility for experiments that help them make fascinating research discoveries.<sup>19</sup>

"AMD is proud to collaborate with ASUS, the Frankfurt Institute for Advanced Studies, (FIAS) and GSI to support important physics and computer science research," said David Cummings, senior director and general manager, professional graphics, AMD.

# **Furthering Sustainable Computing**

AMD's Revolutionary SeaMicro SM15000(TM) Server Named 2014 Silver Edison Award Winner

The Edison Awards are among the most prestigious accolades honoring excellence in new product and service development, marketing, human-centered design and innovation. Inspired by Thomas Edison's persistence and inventiveness, the awards seek to recognize innovation, creativity and ingenuity in the global economy that is helping to transform industries with new technologies. AMD won a 2014 Silver Award in the Applied Technology, Research and Business Optimization category for its groundbreaking SeaMicro SM15000 microserver. The server is the highest density, most energy-efficient server in the market and is helping to change the energy and carbon footprint of data centers by bringing unprecedented efficiencies. The product saves space and electricity by delivering the extreme computing density, reducing racks of servers to the size of a suitcase, while reducing data center power consumption by up to 75 percent.<sup>20</sup>

AMD Powered Supercomputer named most energy efficient supercomputer in the world

Researchers in universities, industry and government rely on supercomputers to advance scientific endeavors in a wide range of disciplines, including weather and climate change, alternative energy, aerospace design, personalized medicine and many others. In many cases these massive supercomputers, which can rival the size of large data centers, require a tremendous amount of electricity to maintain their operation. Increasingly, leading supercomputer companies are seeking to reduce the energy consumption and improve overall energy efficiency to reduce costs and the overall carbon footprint of these large facilities. In November of 2014, the Green 500 List ranked the AMD powered L-CSC cluster as the most energy efficient supercomputer in the world. As described above,

<sup>19</sup> http://www.amd.com/en-us/press-releases/Pages/amd-firepro-gpus-2014nov13.aspx

<sup>&</sup>lt;sup>20</sup> http://www.amd.com/en-us/press-releases/Pages/amds-revolutionary-2014may01.aspx

the L-CSC cluster is installed at the GSI Helmholtzzentrum für Schwerionenforschung GmbH research facility in Darmstadt, Germany, and is powered by AMD FirePro™ S9150 server GPUs. In addition to claiming the top spot on the Green500 List, the AMD Opteron™ server CPU achieved the number two spot on the latest TOP500 List, a ranking of the 500 most powerful supercomputers in the world.<sup>21</sup>

### **CHAPTER V: SUPPLIER RESPONSIBILITY**

Our goal is to deliver high-quality products while ensuring that working conditions throughout our supply chain are safe, that workers are treated with respect and dignity, and that manufacturing processes are environmentally responsible. We believe the most effective and efficient way to achieve these goals is by placing responsibility with the entities that have authority to institute and manage robust programs – our suppliers.

AMD incorporates corporate responsibility expectations into the same business processes we use for all supplier performance – the supplier business reviews (SBR). The SBR is the forum where senior leaders from both companies come together on a regular basis to discuss a broad range of topics relevant to our business relationship. Corporate responsibility is an integral part of these relationships and thus included in the SBR for all of AMD's manufacturing suppliers. Manufacturing suppliers includes strategic suppliers who contribute materials that directly impact and become a part of AMD products. This includes wafers, outsourced assembly and test (OSAT), direct materials (substrates, lids, capacitors, memory), and boards inclusive of components. To ensure our responsibility standards are being accomplished, we set clear expectations, ask our suppliers to report on their performance during SBRs, and review third-party audit information.

### **Policies and Practices**

**Standards**—AMD is a long-standing member of the EICC and currently serves as the chairman emeritus. We have adopted the standards within the EICC Code of Conduct and expect our suppliers to conform to them. Conformance to the EICC Code of Conduct is assessed annually for our manufacturing facilities, and we also require this of our manufacturing suppliers. High-risk facilities identified through this assessment program are required to undergo an EICC audit. In addition, AMD has also adopted the Principles of Social Responsibility issued by the Institute for Supply Management (ISM). Each year, we communicate our expectations to our manufacturing suppliers for conformance to the Code, ISM principles or equivalent standards. In 2014, 100 percent of our manufacturing supplier facilities completed the EICC self-assessment questionnaire (SAQ) and no "high-risk", or those facilities requiring audits, supplier facilities were identified.

**Supplier Business Reviews** (SBRs)—During SBRs, conformance to the standards are reviewed and discussed. Using the business review forum reinforces that social and environmental performance are important aspects of the business relationship and that our suppliers are responsible for their own performance.

<sup>&</sup>lt;sup>21</sup> http://www.amd.com/en-us/press-releases/Pages/amd-firepro-awarded-2014nov20.aspx

Because wafer foundries make up a large portion of our supply chain, we have applied additional focus to them. AMD's two major wafer foundry suppliers are GLOBALFOUNDRIES and Taiwan Semiconductor Manufacturing Company (TSMC). AMD has established quarterly reviews with each foundry during which we review environmental, safety and labor metrics, such as GHG emissions, energy use, water consumption, work hours, injury and illness data, and other information.

**Continuous Improvement**—Our Strategic Sourcing Process (SSP) rates and provides feedback on supplier performance. AMD integrated social and environmental responsibility (SER) into the quantitative supplier performance scores in 2012. AMD continues to include SER criteria and review in SBRs for key deliverables within SER initiatives.

**Supplier Performance Management**—AMD recognizes our suppliers that demonstrate leadership in performance, show continuous improvement and offer differentiated value. SER is an essential criterion in our supplier recognition program. Many of AMD's manufacturing suppliers are transparent about their corporate responsibility programs and issue annual reports following disclosure guidelines from the GRI. The following AMD manufacturing suppliers have issued such reports and have granted AMD permission to provide links in this report:

AMD Top-Tier Supplier	Corporate Responsibility Report (as of March 2014)
Advanced Semiconductor Engineering, Inc	http://www.aseglobal.com/en/Csr/CsrReportsDownloads.asp
Fujikura Ltd	http://www.fujikura.co.jp/eng/csr/web_report/edit/edit.html
Murata Electronics North America, Inc	http://www.murata.com/corporate/report/index.html
Nan Ya Printed Circuit Board	http://www.nanyapcb.com.tw/nypcb/english/SocialResponsibility/CSRReport.aspx
Samsung Electro-Mechanics Pte Ltd.	http://www.samsungsem.com/introduce/sust_report.jsp?lang=en
Shin-Etsu Chemical Co., Ltd	http://www.shinetsu.co.jp/en/company/pdf/kannkyou2012e.pdf
Shinko Elect America, Inc	http://www.shinko.co.jp/environment/report2013.html
Siliconware Precision Ind. Co	http://www.spil.com.tw/file/CSR/2012SPILCSRen.pdf
SK Hynix America Inc	http://www.skhynix.com/en/sustainable/sustain/report.jsp
Taiwan Semiconductor Manufacturing Co., Ltd	http://www.tsmc.com/download/csr/2013_tsmc_csr/english/index.html
TDK Corporation of America	http://www.global.tdk.com/csr/
Unimicron Technology Corp	http://www.unimicron.com/en/responsiblity2012/responsiblity.htm

# **Conflict Minerals**

The Democratic Republic of Congo (DRC) has been the site of one of the world's worst humanitarian crises throughout the last decade. An estimated five million people have died as a result of violent conflict. Illegal armed groups and some Congolese national military units regularly commit human rights abuses while being supported by the trade of minerals.<sup>22</sup>

Some have linked this egregious situation to the trade in raw minerals from the DRC. The armed militias derive funding from the minerals trade thus enabling them to commit human rights abuses. This linkage has spotlighted the uses of minerals in everyday products such as mobile phones, computers and other electronics. In an effort to break the link between minerals trade and conflict in the DRC, a provision of the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") requires certain companies using any of four minerals (tin, tantalum, tungsten and gold) to identify their mine of origin. By tracking and publicly reporting this information, the public can choose products that have no link to the conflict in Central Africa (in other words, are "conflict-free"). Through transparency and market pressure, the goal of the policy is to reduce or eliminate funding to armed groups creating conflict in the DRC.

# **Regulatory Requirements**

The Securities and Exchange Commission (SEC) issued a final rule for tracking conflict minerals on August 22, 2012. This rule sets out the due diligence and reporting requirements for U.S. public companies for tracing the sources of tin, tungsten, tantalum and gold that are necessary to the functionality or production of their products. If these conflict minerals are found to originate from the DRC or an adjoining country (the "DRC region"), companies may be required to file an independently audited report with the SEC.

# **AMD's Conflict Minerals Policy**

#### **Beliefs**

AMD is taking steps to break the link between the trade in minerals and ongoing conflict and human rights abuses in Central Africa. To this end, AMD believes that an effective approach has three fundamental elements:

- I. An "in-region" mineral certification program that enables the traceability and certification of minerals mined in the DRC region;
- 2. A conflict-free smelter program that enables third-party validation of each smelter's sourcing practices and a determination of whether its sources are conflict-free; and
- 3. Due diligence to verify that tin, tantalum, tungsten or gold in AMD's finished products can be traced to a conflict-free smelter.

<sup>&</sup>lt;sup>22</sup>General Accounting Office. The Democratic Republic of the Congo: U.S. agencies should take further actions to contribute to the effective regulation and control of the mineral trade in the Eastern Democratic Republic of the Congo. GAO 10-1030 report (September 2010).

#### **Definitions**

For the purposes of this policy, AMD uses the definition of "Conflict Minerals" found in the SEC conflict minerals rule. Conflict minerals generally consist of cassiterite, columbite-tantalite, wolframite and/or gold determined to be financing conflicts in the DRC region or an adjoining country. Finished metals potentially derived from Conflict Minerals in AMD products are tin, tantalum, tungsten and gold. For the purposes of this policy, these finished metals and the minerals from which they are derived are referred to as "Subject Materials."

# **Supplier Requirements**

- I. AMD suppliers shall not knowingly contribute to conflict or human rights violations in the DRC region through trade in Subject Materials;
- 2. AMD suppliers shall have documented policies and procedures to demonstrate that the Subject Materials they procure are sourced in accordance with this policy; and
- 3. AMD suppliers, to the extent reasonably practicable, shall track the Subject Materials they supply to AMD to a smelter certified under the Electronic Industry Citizenship Coalition and the Global e-Sustainability Initiative (EICC/GeSI) Conflict-Free Smelter Program.

# **AMD Actions to Implement Policy**

- AMD is implementing procedures designed to ascertain the sources and conflict status of Subject Materials in AMD products;
- 2. AMD is a founder and supporter of the public-private alliance (PPA) for Responsible Minerals Trade focused on helping the DRC and other governments in the region break the link between the illicit minerals trade and the ongoing violence and human rights abuses, and;
- 3. AMD is an active participant in the EICC/GeSI Conflict Free Sourcing Initiative (CFSI). Through this collaborative approach we have developed a system for tracking the Subject Materials from the smelter through the electronics industry's supply chain.

### **Progress and Transparency**

AMD is working to identify the smelters and refiners (SORs) of origin within our supply chain for the Subject Materials utilizing the standardized tracing processes developed by EICC/GeSI. When sufficient numbers of conflict-free certified SORs exist, AMD will work with our suppliers to transition over to conflict-free sources. Given that SORs are several steps removed from AMD, full understanding of the conflict status of the Subject Materials in our supply chain will take some time.

As this understanding evolves, AMD will keep our customers and stakeholders apprised of our progress by publishing our EICC/GeSI conflict minerals reporting template. This template includes the tin, tantalum, tungsten and gold SORs that AMD suppliers have reported as of the revision date of the template. AMD will refresh this information annually, on or before the May 31 compliance deadline for submission to SEC. AMD will also issue updates to the template throughout the year with an anticipated cadence of each calendar quarter. For questions on conflict minerals, contact AMD at conflict.minerals@amd.com.

The conflict-free status of the smelters in our supply chain is shown below.

	Number of Smelters or Refiners Identified in AMD's Supply Chain	Number of Compliant Conflict-Free Smelters or Refiners* Identified	Number of Compliant Conflict-Free Smelters or Refiners* in AMD Supply Chain
Total Identified	246	148	134
Tantalum (Ta)	41	43	38
Tin (Tn)	69	29	25
Tungsten (W)	32	П	П
Gold (Au)	104	65	60

Information as of March 5, 2015.

### **Table 3: AMD Conflict Minerals Status**

### **Engaging Stakeholders and Taking Action Early**

Although the mining of mineral ore in Africa is several steps removed from the manufacture of high-tech electronics, AMD has responded with a robust program within our own supply chain and leadership within the electronics sector.

Even before the passage of the Dodd-Frank law, AMD engaged with stakeholders from NGOs, SRIs, government officials and other like-minded companies. With the Enough Project (a leading NGO focused on the conflict minerals issue), AMD participated in a <a href="March 2014 United Nations event focused on preventing">March 2014 United Nations event focused on preventing</a> sexual violence as a tool of war in the DRC. As the sole industry representative on the panel, AMD articulated our company's progress as well as the status of collaborative industry efforts.

AMD also co-chaired an *Ad Hoc* coalition focused on guiding conflict mineral policy. Dubbed the "multi-stakeholder group," this team has delivered five letters to the SEC with consensus policy positions. Each letter was endorsed by approximately 25 organizations.<sup>23</sup>

This degree of multi-stakeholder collaboration is unusual for any policy issue, but unprecedented on an issue as sensitive as conflict minerals. To our knowledge, the comment letters from this group are the only multi-stakeholder consensus positions received by the SEC, and were referenced in multiple instances in the final SEC rule.

In response to a lawsuit challenging the final rule, the multi-stakeholder group also issued a statement.

<sup>\*</sup>Includes smelters or refiners compliant with EICC Conflict-Free Smelter Program assessment protocols.

<sup>&</sup>lt;sup>23</sup>Organizations that endorsed letter to the SEC included at least the following: Advanced Micro Devices, Inc., Africa Faith and Justice Network, Boston Common Asset Management, LLC., Calvert Asset Management Co., Inc., Congo Global Action, Enough Project, Falling Whistles, Ford Motor Company, Free the Slaves, Friends of the Congo, Future 500, General Electric Company, Hewlett-Packard Company, Interfaith Center on Corporate Responsibility, Jesuit Conference, Jewish World Watch, Loyola University Chicago Shareholder Advocacy Committee, Marianist Province of the U.S., Mercy Investment Services, Inc., Microsoft, Missionary Oblates of Mary Immaculate - Justice, Peace and Integrity of Creation Office, Responsible Sourcing Network, a project of As You Sow, Spring Water Asset Management, LLC., Sprint Sustainalytics, Trillium Asset Management, Tri-State Coalition for Responsible Investment, Unity Minerals, Inc. US SIF: The Forum for Sustainable and Responsible Investment.

Members declared their commitment to move forward with implementation efforts regardless of the outcome of the legal challenge. With NGO and SRI leaders, AMD's CR director Tim Mohin, coauthored an article on the relationship between this policy and improvements in the DRC.

AMD has also engaged with multiple stakeholders in the development and launch of the Public-Private Alliance (PPA) for Responsible Minerals Trade. As a founding member and sponsor of this effort, AMD has worked with the U.S. State Department and USAID on the framework of the organization and its goals.

The PPA aims to assist with the development of pilot supply chain systems that will allow businesses to source minerals from mines that have been audited and deemed to be conflict-free. The alliance will provide a platform for coordination among government, industry and civil society actors seeking to support conflict-free sourcing from the DRC.

## Leveraging Impact through Collaboration

Working alone, it is impractical for a single company to materially impact conflict in the DRC. Collaboration is essential for companies to aggregate and align their efforts toward a conflict-free supply chain. AMD serves as the chairman emeritus for the EICC, which is a leader in the development of standardized processes for conflict minerals tracking and smelter certification in the supply chain. AMD has also actively supported the development of the CFSI tools and processes.

In essence, the electronics compliance strategy can be characterized in three steps:

- I. Downstream (from the final product to the smelter or refiner): A standard data template for retrieval of essential information in the supply chain.
- 2. Smelters or Refiners: The "conflict-free smelter program" conducts audits of the smelters or refiners of the four minerals to assure they originate from conflict-free sources.
- 3. *Upstream* (from the mine to the smelter or refiner): Working collaboratively to develop conflict-free sources of minerals through the PPA for Responsible Minerals Trade and/or other conflict-free sourcing programs in the DRC region.

AMD's conflict mineral's compliance program utilizes each of the above approaches. In addition, AMD continues to work with our customers and suppliers to shift our supply chain toward conflict-free sources.

# California Slavery and Human Trafficking Law

The California Transparency in Supply Chains Act of 2010 (SB 657) (the "Act") requires manufacturers and retailers doing business in the State of California to disclose information regarding their efforts to address the issues of slavery and human trafficking in their supply chains. In accordance with the requirements of the Act, AMD offers the summary below of our activities to identify and prevent human trafficking and slavery activities by our vendors.

### **AMD Policies and Actions**

AMD strongly opposes the practice of slavery or human trafficking. AMD utilizes several approaches detailed below designed to ensure and verify the absence of such practices in our supply chain.

AMD is an active member and Chairs the EICC. AMD has adopted the EICC Code of Conduct and generally requires conformance with this code from its suppliers. The EICC Code of Conduct is based on international labor, environmental and human rights standards that clearly prohibit slavery and human trafficking.

**Risk-based supplier assessments:** As a part of AMD's supplier management process, we assess our suppliers to evaluate their conformance to the EICC Code of Conduct. This approach includes preliminary risk assessments as well as more detailed supplier self-assessment questionnaires. The results of each method are scored utilizing the EICC scoring system to verify the suppliers' risk of non-conformance.

**Supplier audits**: Based on the results of the risk assessment, AMD may require a third-party onsite audit of supplier practices and management systems to evaluate supplier compliance with the EICC standards including avoiding human trafficking and slavery in our supply chain and with applicable laws and regulations. These audits may be announced or unannounced depending on the circumstances.

**Supplier assurance:** Each year, AMD communicates with suppliers in writing to ensure our expectations are clear and up-to-date with regard to responsible social, ethical and environmental conduct. This letter requires suppliers to comply with international standards, applicable laws and regulations as well as the EICC Code of Conduct. Additionally, AMD's standard terms and conditions for the procurement of goods and services require conformance to applicable laws and regulations, and reinforce our expectations regarding responsible social, ethical and environmental conduct.

**Accountability:** In addition to risk assessments and audits, AMD discusses conformance to the EICC Code of Conduct as well as related management systems with our suppliers during regular business reviews. Our supplier business reviews are the optimal venue for accountability with regard to responsible social, ethical and environmental conduct because senior management participates in these meetings and future business awards are at stake.

**Training:** AMD suppliers have access to information and training regarding conformance expectations through the EICC learning and capability activities.

AMD Standards of Business Conduct: AMD's Worldwide Standards of Business Conduct establish mandatory rules and guidelines for AMD's employees. These standards are substantially equivalent to the EICC Code of Conduct and specifically prohibit forced and compulsory labor practices. These standards apply to all AMD employees. Every AMD employee has access to, and receives mandatory training on these standards. In the event an employee violates these standards, AMD will take immediate and appropriate action, which may include termination of employment.

# **Supplier Diversity**

In 2014, AMD maintained a robust Supplier Diversity program for U.S.-based spending, focused on the following areas:

- > Measuring AMD spend with our registered diverse business enterprises and minority-owned businesses.
- > Promoting small businesses and encouraging job growth in the United States by actively working within <u>Supplier Connection</u>, an initiative to allow small businesses to more easily apply to become suppliers to large companies.
- > Deploying our sourcing to give competitive consideration to using diverse suppliers and minority enterprises.

# **Quality Management**

An extension of AMD's customer-centric focus is the belief that customers should experience excellence when designing in, manufacturing with, or supporting systems that include AMD products.

The company uses a multidimensional and cross-functional approach to produce high-quality and highly reliable products. AMD's quality management system incorporates supplier quality control, stringent raw material and manufacturing process control systems, and final testing to ensure operational consistency, efficiency and the ability to meet customer requirements. World Class Supplier, World Class Manufacturing, customer-quality and other quality processes drive continuous improvement in all aspects related to developing, manufacturing and supporting products.

In 2014, all AMD manufacturing sites were ISO 9001:2000 registered, and these registrations have been maintained over time. Certificates for AMD manufacturing locations are available on our website.

## CHAPTER VI: EDUCATION – AMD CHANGING THE GAME

At AMD, we seek to inspire generations of engineers to solve the world's most complex technological and global issues, and strong STEM (science, technology, engineering and math) skills are a key foundation for any engineering career. Investing in STEM education not only helps meet our demand for technically competent employees, but our signature STEM education initiative, AMD Changing the Game, also leverages our technology.

AMD Changing the Game, which has been funded by the AMD Foundation, fosters collaboration between schools, private industry, NGOs and other organizations to advance STEM education in new and innovative ways. AMD Changing the Game has been implemented in seven regions around the world, including the United States, China, Malaysia, Canada, Europe, the United Arab Emirates and Brazil.

The program is designed to leverage young people's interest in gaming to inspire them to learn. Instead of playing games, this program teaches kids how to create their own video games. Through the process of creating a game, students learn problem solving, critical thinking, language skills and teamwork, in addition to STEM skills. This can play an important role in motivating students who may otherwise have difficulty learning to become excited about school; it can also help them discover a new passion and future career. In fact, the use of technology education for learning STEM skills, including game design,

has been shown to increase interest of middle school girls and minority students in pursuing STEM-related careers.<sup>24,25</sup>

The NRC report, "Successful K-12 STEM Education: Identifying Effective Approaches in Science, Technology, Engineering and Mathematics," argues that STEM subjects are basic aspects of Americans' lives as citizens, consumers, parents and workers.

Based on this finding, educators should be making every effort to improve their STEM learning, yet there just aren't enough students taking an interest in STEM. Perhaps this would change if students understood some of the real-world applications of STEM subjects.

By using age- and skill-appropriate tools, students in AMD Changing the Game programs learn the mechanics of game design and production, and are guided through the process of creating games. These are not the violent games that can worry parents; rather, the curricula focuses on developing games around important social issues such as energy conservation, healthcare and reducing poverty.

Educators agree that technology can be a powerful tool to improve learning. Research has also shown that high-tech environments can improve students' standardized test scores and decrease failure rates. Providing the technology that facilitates learning through game design is a critical part of AMD Changing the Game. Since its inception in 2008, AMD has funded 27 technology centers throughout the world ranging from mobile labs for the Girlstart To Go program and the Pontifical Catholic University Scalable Game Design program, to technology centers for Boys & Girls Clubs of America and Canada, and middle schools in Austin, Texas and Beijing, China. The AMD Foundation has awarded grants to fund more than 70 programs operated by 31 organizations around the world, for a total of nearly \$6 million in support of the program. The grants have supported workshops, research, curriculum development and competitions for game design and development programs for youth.

In 2014, AMD collaborated with Microsoft Studios and Boys & Girls Clubs of America and Canada to host summer game design workshops designed to teach youth how to create games using Project Spark. The students were first given a lesson about the importance of conservation and then guided through a hands-on Project Spark tutorial where they learned the basics of game design. During the process they learned to create virtual environments, characters, and objects in 3D. Once the lessons were completed students worked in teams to develop video games playable on PCs or the Xbox One. AMD employees were also provided with training and served as mentors, facilitators and play testers providing valuable feedback on ways to improve the games. More than 40 employees volunteered over 350 hours supporting these events. "Working with the kids was amazing," said Hector Lanza, AMD Senior Engineer. "You see firsthand the synapses firing in their young brains, connections being made and the sense of accomplishment when they realize they just created this world of their own vision within the Project Spark environment."

<sup>&</sup>lt;sup>24</sup> Cathy Stacy. National Science Foundation Grant: Project IT Girl. 2008-2009 Annual Report (Year 3). Pg. 7.

<sup>&</sup>lt;sup>25</sup> Globaloria East Austin College Prep Academy 2010 annual report.

<sup>&</sup>lt;sup>26</sup> Janell Drone. "Technocentric Leadership: Improving On-Time High School Graduation Rates for African American Students." Pg. 10. Online. Available: <a href="http://ucea.org/storage/convention/convention2006/proceedings/DroneUCEA2006.pdf">http://ucea.org/storage/convention/convention2006/proceedings/DroneUCEA2006.pdf</a>.

"Project Spark" is an open-world digital canvas that empowers students to build, play and share whatever they can imagine, while teaching them how to write computer code. The program provides an educational platform for visual programming for middle and high school aged students.

In Toronto, Ontario, Canada AMD, collaborated with E-Line Media to conduct a professional development workshop to provide hands-on instruction about making games and teaching game design using Gamestar Mechanic, an online game development platform. "The new computer lab from AMD and game design curriculum from E-Line Media will enable Lambton-Kingsway Junior Middle School to implement an after-school game design club to introduce students to game design and spark their interest in STEM learning," said Kelly Caddel, principal, Lambton-Kingsway Junior Middle School. AMD also provided a state-of-the art mobile lab equipped with HP ProBook notebook PCs.

### Grants awarded since 2008 include:

- > Creation and implementation of the Game Tech program at 10 chapters of <u>Boys & Girls Clubs</u> of <u>America (BGCA)</u> across the United States and four chapters of <u>Boys and Girls Clubs of Canada</u>
- > Implementation of the <u>World Wide Workshop</u> Foundation's <u>Globaloria</u> game design program for <u>Southwest Key's</u> East Austin College Prep Academy, Texas
- > <u>Schmahl Science Workshop's</u> program to develop a sustainable fishing video game to communicate the danger of overfishing to long-term human survival
- > Summer game design workshop in Abu Dhabi, UAE, with the Abu Dhabi Education Council
- > Girlstart To Go summer game design workshops in Bellevue, Washington
- > Green Ribbon Schools after-school game design workshop and national game design competition
- > Summer camp and after-school program with the Austin Film Society and the Austin Independent School District ACE Afterschool Program, Texas
- > Summer and afterschool game design workshops at Dandelion Middle School, Beijing, China, and RDFZ School in Beijing, China
- > Pontifical Catholic University Scalable Game Design program with three schools in Rio de Janeiro, Brazil
- > York University summer and after-school game design workshops in Toronto, Canada
- > Skillpoint Alliance Velocity Prep summer game design workshop and certification program at Connally High School, Texas
- > Founding co-sponsor National STEM Video Game Challenge, a multiyear video game design competition inspired by the Educate to Innovate Campaign, President Obama's initiative to promote a renewed focus on STEM education. The competition engaged middle school, high school, college and graduate level students and educators by challenging them to design original video games. Prize packages include funds for the winner's school, AMD technology-based laptops and gaming subscriptions.

- > Funded the Alliance for Young Artists & Writers video game design category of the Scholastic Art & Writing Awards.
- > Funded the Green Ribbon Schools <u>Heathivores</u> Video Game Design Contest in the United States, a nationwide multiyear competition where students design video games around nutrition, exercise and healthy eating.
- > Funded Gamestar Mechanic AMD Challenge competitions.
- > Funded the Game Design category of the Boys & Girls Clubs Digital Arts Festival.
- > Funded development of <u>Green Ribbon Schools</u> online game design curriculum targeting the subject areas of fitness and nutrition, math, science and technology.
- > Funded development and subsequent upgrade of PETLab's Activate! game design website and curriculum, available in both English and Mandarin.
- > Funded development of the AMD Gamezone in Whyville, a learning-based online virtual world.
- > Co-sponsored the Atlantic: Technologies in Education Forum for two years in the United States, which brought together\_more than 250 high-level education policymakers, industry leaders and technology experts. Sessions focused on emerging policies and cutting-edge technologies available to educators, particularly those teaching science and math.
- > AMD collaborated with Microsoft and the Educational Research group at the Wisconsin Institutes for Discovery at the University of Wisconsin-Madison to create the curriculum and tools to make the video game design program Microsoft Kodu more accessible in K-12 classrooms. Academic research is also being conducted to understand if the curriculum improves computational thinking and game design skills, and development of skills in traditional areas such as math, science and writing.

# **Program Goals and Measures**

In June 2008, the innovative educational program AMD Changing the Game was launched with 80 students in the United States. By the end of 2014, the program had reached more than 278,000 youth in seven countries. This growth is a result of the work of our partners and the growing realization that technology and gaming play important roles in revitalizing the STEM curriculum and learning experiences in today's schools.

For more information on AMD Changing the Game, please visit our website.

	2008	2009	2010	2011	2012	2013	2014	Cumulative Total
Youth Reached	80	65	22,353	52,140	139,280	53,143	11,291	278,352
Teachers Reached	5	7	1,797	2,583	3,354	314	Unavailable	8,060
Games Created	70	13	1,890	5,617	22,603	13,482	9,824	53,255
Contest Submissions	0	12	1,483	1,546	7,382	4,525	Unavailable	14,948
Technology Centers	0	2	9	10	5	0	2	28
AMD Employee Volunteers	12	2	36	25	25	0	47	147
Partners	4	7	7	8	5	0	1	32
AMD Foundation Donations*	\$330,000	\$350,000	\$1,337,000	\$1,846,000	\$1,695,000	\$75,000	\$17,500	\$5,651,500

## Table 4: Results - Overall Metrics for AMD Changing the Game

## **University Relations and Student Experience**

AMD's global university relations programs aim to stimulate and develop students' interest in semiconductor design technology and supporting functions. We attract high-achieving and motivated students from top colleges and universities worldwide through on-campus recruiting and relationships within the academic community. In 2013, over 450 students gained valuable experience through our challenging and rewarding co-op and internship programs around the world.

AMD employees serve as adjunct faculty, guest lecturers, and board and advisory committee members to help bring real-world experiences to the classroom. Our research group partners with the world's leading academic research institutions to discover new technologies and help keep AMD at the forefront of innovation.

AMD is committed to creating a workforce as diverse as the global communities in which we operate, and our recruiting programs reflect that commitment. AMD is proud to have sponsored the Grace Hopper Celebration of Women in Computing 2014 and to support the Mathematics, Engineering, Science Achievement (MESA) program of the University of California. We have also established relationships with the Society of Hispanic Professional Engineers and the National Society of Black Engineers, both at the national and at the campus level.

## **CHAPTER VII: ENVIRONMENT**

AMD has established a long record of environmental responsibility and transparency, setting ambitious environmental goals and publicly reporting our progress through key performance indicators. We have a robust management system in place to manage risks to the environment from our business operations and supply chain, and we engage employees worldwide to take an active role in our conservation efforts.

AMD's environmental and risk management programs include the following:

- > Operations and Metrics
- > Global Environmental Goals and Performance
- > Environmental Management Systems
- > Risk and Opportunities Related to Climate Change
- > Employee Engagement

# **Operations and Metrics**

For reporting purposes, we categorize our facilities into two groups—"manufacturing," which consists of two Assembly, Test, Mark and Pack (ATMP) facilities in Asia and the remaining "non-manufacturing" sites. AMD utilizes a variety of performance indicators to measure site and global environmental

performance for our ATMP sites including energy use, water consumption, waste generation and GHG emissions. Environmental performance indicators for our global operations are housed in a centralized database to effectively manage our environmental data, disclose our sustainability performance and identify improvement opportunities toward our goals.

## **ATMP Manufacturing Sites**

AMD owns and operates two manufacturing facilities that perform a combination of ATMP services; one in Penang, Malaysia, and the other in Suzhou, China. In 2014, the Suzhou site reduced GHG emissions and water use even though manufacturing output increased. The Penang site had an increase in manufacturing output and increase in resource usage due to additional facilities operations.

## **Non-Manufacturing Sites**

AMD designs, supports and promotes microprocessor and graphics products at numerous design, engineering, sales, administrative offices and data centers worldwide. We collect and report energy and water use along with waste generated for our three major non-manufacturing sites located in Austin, Texas; Markham, Ontario; and Sunnyvale, Calif. We also report data collectively for 11 additional global facility locations including Bangalore and Hyderabad, India; Shanghai, China; Cyberjaya, Malaysia and others.

## Global Environmental Goals and Performance

AMD's environmental goals reflect our business model as a semiconductor design and marketing company, and account for the functional differences between our manufacturing and non-manufacturing sites worldwide. Environmental goals are aligned to areas where AMD operations have the most impact: water use reduction, GHG emissions reduction and waste diversion. Goals are measured separately for ATMP and non-manufacturing sites, and are based on five-year timeframes.

In 2014, our company has met or is on-track for all environmental goals. Non-manufacturing sites achieved their five-year goals (2009-2014). Our manufacturing sites successfully completed the second year of their new five-year environmental goals, with performance ahead of their annual targets. Environmental goals and performance through 2014 are shown in Table 5.

GOAL AREA	GOAL	SCOPE & MEASURE	2014 STATUS
GHG Emissions	5% reduction	Non-Manufacturing: Absolute reduction (2009-2014)	Achieved goal (24% reduction)
	10% avoidance*	Manufacturing (new): Project based reductions (2013-2017)	Ahead of target (8.6% avoidance)
Water Use	20% reduction	Non-Manufacturing: Normalized by employee count (2009-2014)	Achieved goal (55% reduction per employee)
	10% avoidance*	Manufacturing (new): Project based reductions (2013-2017)	Ahead of target (5.5% avoidance)
Waste (Non-hazardous)	70% diversion	Percentage of waste kept out of the landfill (2009-2014)	Achieved goal (74% waste diversion)

**Table 5: Environmental Goals and Performance** 

Note: Singapore site GHG emissions data is not included in GHG goal calculations for 2012-2014 due to transitioning from manufacturing to non-manufacturing site and the ramifications of adjusting the baseline of the absolute GHG goal. This data is reported in the Environmental Data Tables and will be included in new non-manufacturing goals that will be established in 2015.

### **Climate Goal and Performance**

**Goal**—AMD's reduction target for our non-manufacturing sites is an "absolute" emission reduction – meaning a commitment to reduce regardless of the expected growth of these facilities. Our new manufacturing goal (2013-2017)—to avoid 10 percent GHG emissions in 2017 through conservation efforts—focuses on measuring project results and therefore more accurately gauging the sites' conservation performance. Reported performance against this manufacturing goal began in 2013.

**Strategy**—AMD's strategy for climate protection is to first directly reduce our carbon footprint through site conservation projects, real-estate consolidation and operational efficiency improvements. As part of this effort in 2014, individual sites had over 125 active energy conservation projects<sup>27</sup> and initiatives such as consolidating data centers and facilities, optimizing building operations and product testing processes, using more efficient lighting technologies and schedules, and powering down equipment when not utilized.

After reducing energy use, our climate strategy involves purchasing renewable energy to further reduce emissions. AMD procured over 32 million kWh of renewable energy (wind) in 2014, amounting to over 22,275 MTCO<sub>2</sub>E of avoided emissions and accounting for 50 percent of AMD's total U.S. electricity use in 2014. AMD continues to be a recognized member of EPA's "Green Power Leadership Club" for 2014 and to purchase 100 percent renewable energy for our Lone Star campus in Austin, Texas—as we have done since the facility became operational in 2007. In 2014 we also applyied 100 percent renewable energy for our Fort Collins, Colorado and Orlando, Florida sites.

**Performance**—AMD achieved its non-manufacturing GHG emission goal, and is on track with its manufacturing GHG goal. We continue to reduce absolute global energy use, including a 31 percent reduction since 2009 and a 14 percent reduction from 2013 to 2014 alone. Total global emissions have decreased 3 percent since 2009 and 6 percent from 2013 to 2014.

The manufacturing sites continue to perform well on the goal to avoid 10 percent of GHG emissions in 2017 through conservation efforts. In 2014, the sites avoided 8.6 percent of total emissions through measured project reductions. In addition, manufacturing sites have reduced total GHG emissions by three percent since 2009, despite a 3 percent increase from 2013 to 2014.

Our non-manufacturing sites achieved a 24 percent absolute reduction in GHG emissions compared to the 2009 baseline, and 10 percent reduction from 2013 to 2014 alone. The progress is mainly a result of numerous conservation projects and strategic building consolidation efforts.

<sup>\*</sup> Avoidance is calculated as "total project reductions" divided by "total projected use." "Total projected use" is the amount of water use or GHG emissions that would have occurred had no projects been implemented.

<sup>&</sup>lt;sup>27</sup> "MASTER 2014 Project Tracking – 2014 Active Projects"

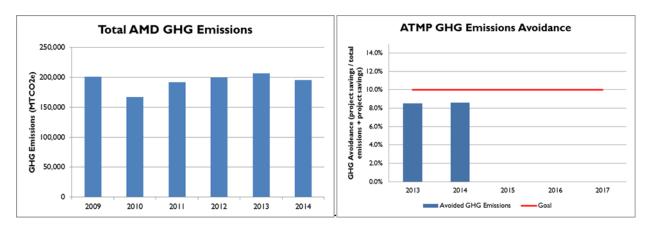


Figure 2: Total Greenhouse Gas Emissions (metric tons carbon dioxide equivalents)

Figure I: ATMP Greenhouse Gas Emissions
Avoided (metric tons carbon dioxide equivalents)

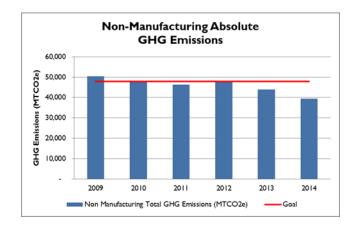


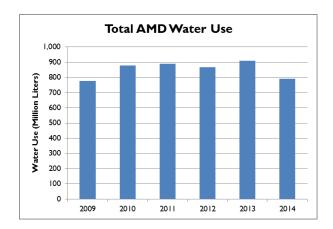
Figure 3: Non-manufacturing Greenhouse Gas Emissions (metric tons carbon dioxide equivalents)

#### **Water Goal and Performance**

**Goal**—AMD's non-manufacturing water goal is to reduce water usage by 20 percent or more by 2014 (from a 2009 baseline). Water use at non-manufacturing sites is normalized to the number of employees. The manufacturing goal (2013-2017)—to avoid 10 percent of water use in 2017 through conservation efforts—focuses on measuring project results and therefore more accurately gauges the sites' conservation performance.

**Strategy**—AMD achieves water use reduction by identifying and evaluating water conservation and recycling opportunities for building and manufacturing operations. In 2014, sites benefited from more than 30 active water conservation initiatives, such as reusing captured water and improving processes for identifying and fixing leaks.

**Performance** —AMD's manufacturing and non-manufacturing sites performed well on the water goal in 2014. Five sites benefited from water reuse projects in 2014, amounting to 33,500 cubic meters of water savings in 2014.



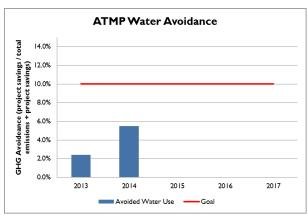


Figure 4: Total Water Use (million liters)

Figure 5: ATMP Water Use Avoided (million liters)

The manufacturing sites tracked water project savings that avoided 5.5 percent of the sites' total water use in 2014, on-track for reaching 10 percent avoided water use by 2017. ATMP water projects in 2014 included production water recycling initiatives in Suzhou and Penang that collectively reused over 13,000 cubic meters of water in 2014.

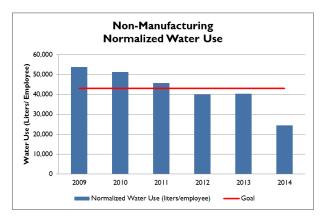
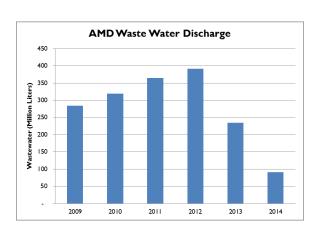


Figure 6: Non-Manufacturing Normalized Water Use (liters/employee)

Non-manufacturing sites far exceeded the five-year 20 percent goal, successfully reducing water use by 55 percent per employee since 2009. Key non-manufacturing projects in 2014 include water recycling initiatives at our Bangalore and Hyderabad India locations that reuse gray water for irrigation and plumbing, and further treated water for chillers. Our campus in Austin, Texas, again did not use ANY municipal water to irrigate landscaping during the year. The 100 percent native vegetation was minimally watered using 7 million liters of captured rainwater and condensate from our cooling systems. An additional 500,000 liters of captured

rainwater was used for operation of the site's cooling towers. Strategic building consolidation efforts also resulted in significant water savings.



Wastewater discharge at AMD is measured only for sites with wastewater discharge permits. The amount of wastewater discharged decreased by 68% from 2009 to 2014 due to process and measurement improvements.

Figure 7: Wastewater Discharged (million liters)

### Non-Hazardous Waste Goal and Performance

Goal—AMD's 2014 non-hazardous waste goal is to divert 70 percent of trash from landfills.

**Strategy**—AMD's approach to diverting waste from the landfill is to increase food waste composting, improve recycle programs and expand material reclamation efforts. We have also improved methods of solid waste collection and tracking, and raising employee awareness of reuse, recycling and reduction strategies. In addition to these initiatives, we examine purchased goods for possible "upstream" reduction opportunities such as increasing recyclable content, reducing volume and minimizing packaging material.

**Performance**—In 2014, AMD achieved its five year waste diversion goal of 70 percent by reaching a 74 percent global waste diversion. AMD's global waste diversion rate has continuously increased annually from 40 percent in 2009. The improvement in 2014 was, in part, due to continued reclaim and

electronic waste recycling from site consolidations, as well as expanded organic waste composting and improved recycling operations.

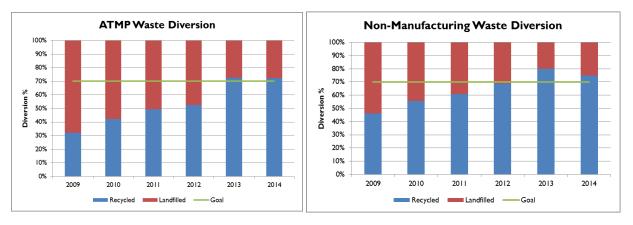


Figure 9: ATMP Waste Diversion (%)

Figure 10: Non-Manufacturing Waste Diversion (%)

AMD's goal is to divert 70% of trash from landfills by 2014. At our ATMP facilities, waste diversion has increased from 32% in 2009 to 72% in 2014. Waste diversion rates at our non-manufacturing sites have increased from 46% in 2009 to 75% in 2014, partially due to reclaiming and recycling equipment from site consolidations.

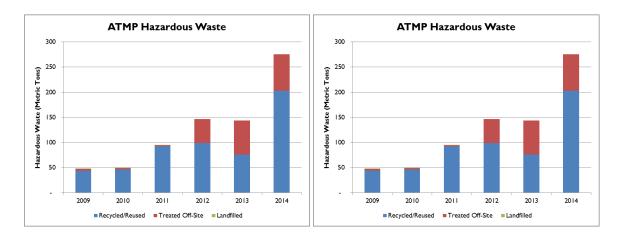


Figure 11: Total Hazardous Waste Generated (metric tons)

Figure 12: ATMP Hazardous Waste Generated (metric tons)

AMD's ATMP and research and development facilities generate small quantities of hazardous waste. Our total hazardous waste generation increased from 48 metric tons in 2009 to 282 metric tons in 2014. This was mainly due to the 2012 reclassification of scrap product sent off-site for precious metal reclaim as hazardous waste and increased assembly operations. Only a very small amount of hazardous waste is generated at our non-manufacturing facilities (~I metric ton). We ensure that all hazardous waste is managed responsibly and 72% of this waste was recycled in 2014, up from 52% in 2013.

# **Addressing "Other Indirect" Emissions**

AMD recognizes there are other indirect environmental impacts associated with conducting our business operations. The following summarizes the indirect emissions that we currently track:

- > Employee Commuting—AMD's employee commute program, *Go Green*, encourages employees to reduce their environmental impacts from commuting by using alternative transport such as buses, rail or bikes, car-pooling and telecommuting. AMD estimates commuter emissions from our six largest facilities; 2014 levels were 7 percent lower than 2013 and 45 percent lower than 2009.
- > Business Air Travel—AMD had a one percent decrease in business travel emissions from 2013 to 2014.
- > Product Shipping (not including outsourced product shipments)—Emissions associated with AMD's product shipping decreased by 6 percent from 2013 to 2014, and 56 percent since 2009, mainly due to efficiency gains by shipping providers, a decrease in packaging size, and lighter plastic pallets. See the <a href="Product Packaging">Product Packaging</a> section of this report for more information.
- Supply Chain— In 2014 AMD and our Foundry suppliers established "best-in-class" environmental, health and safety (EHS) goals associated with the manufacturing of AMD products. The goals support continued cutting-edge efficiency measures by our Foundry partners around water use, air emissions, energy use, injury/illness rates and hazardous waste recycling. AMD works closely with our wafer foundry suppliers to coordinate and evaluate EHS goals and performance as part of Quarterly Business Reviews. For more information refer to the Supplier Responsibility section of this report.

# **Environmental, Health and Safety Management Systems**

AMD has established Global Environmental, Health and Safety (EHS) Standards that we apply to our sites worldwide. These performance-based standards establish best-in-class practices to help protect human health and the environment, and include the following environmental standards:

- > Legal Compliance
- > EHS Due Diligence for Real Property and Business Transactions
- > Project Design and Review
- > Pollution Prevention and Resource Conservation
- > Global Climate Protection
- > Waste Management

To ensure we consistently meet these rigorous standards, we utilize robust environmental management systems. The environmental management systems at all AMD owned and operated manufacturing facilities are certified to the International Standards Organization's 14001 standard (ISO 14001). View the certificates on our <u>website</u>.

Periodic assessments are conducted to determine the conformance of our manufacturing operations to

our global standards. These assessments are often done in conjunction with periodic EHS regulatory compliance audits. Corrective actions identified during any EHS standards assessment or EHS regulatory compliance audit are expeditiously managed and tracked to closure.

## **Employees and the Environment**

Our award-winning, global employee conservation program, *Go Green*, aims to engage and inspire AMD employees to reduce environmental impacts and improve their quality of life through a lifestyle approach to sustainability. Employee registration has increased by 60 percent since 2009, and includes more than 1,500 participants around the globe in 2014. AMD's *Go Green* program targets three areas where employees potentially impact the environment: at home, during their commute and in the workplace. In 2015 AMD introduced its My Sustainability tool that allows employees to track conservation efforts across these areas, estimate savings, set goals, earn badges and view their "eco-ranking" in the company. To further recognize employees who embody environmental excellence in these areas, we held our fourth annual "Global Employee ECO Awards."

#### Home

The *Go Green* newsletter highlights one aspect of personal sustainability per edition and explores this issue for our employees by incorporating prompting questions, intriguing facts, links to informative articles, calls-to-action, insightful quotes and even jokes. The communication has been rated by employees as the most popular aspect of the program. To help participants reduce environmental impacts and save money, "eco-prizes" were awarded including reusable water bottles, grocery bags, water conservation kits and gift cards to fund conservation or social projects.

### Commute

AMD encourages employees to use alternative transportation when commuting to and from work. Several tools and incentives facilitate this, such as carpool matching, bike routes, mobile work, and public transit options, as well as track avoided drives and enter monthly drawings. Other incentives include preferred parking, bike shop discounts, public transit pre-tax benefits (United States only) and electric vehicle charging stations at selected sites.

In 2014, participants avoided 730,000 km of driving, which prevented 168 metric tons of  $CO_2$  emissions, conserved 72,000 liters of fuel and saved \$109,000. Since the program began in 2007, 8.5 million km of driving have been avoided along with 2,057 metric tons of  $CO_2$  emissions, which is about as much  $CO_2$  sequestered by 52,750 tree saplings over 10 years. Additionally, usages of AMD electric vehicle charging stations in North America have helped avoid 53,000 kg of greenhouse gas emissions.

### Work

At work, Go Green participants learn what AMD is doing as a company and what they can do as individuals to advance sustainability. In 2014, AMD continued supporting the formation and development of employee-led Green Teams, now at 15 sites worldwide. The teams implemented projects such as lunch-and-learns, transitions to reusable cups, lighting audits and trash cleanups in the community. In 2014, AMD's Green Teams delivered the largest and most coordinated "Earth Week" at AMD to date, with a dozen facilities holding onsite events to engage and educate employees about the environment.

## Risks and Opportunities Related to Climate Change

For more than a decade, AMD has publicly acknowledged that climate change is taking place and presents a range of complex risks. Over the years, AMD has actively managed our impacts to climate through a variety of means including renewable energy use and energy conservation.

AMD and our suppliers are assessing and preparing for climate change-related risks. A changing climate could expose our employees and operations to physical risks from extreme weather events such as flooding or extreme heat and cold. We have addressed these risks by requiring each site to develop site-specific business continuity management programs that evaluate the potential for these events and develop procedures to mitigate the risk. Extreme weather could also affect our wafer foundry partners' operations by restricting the availability of raw materials or other direct materials needed for production of our products. Although these risks are outside of our direct operational control, AMD tracks these risks and collaborates with our supplier partners on mitigation strategies.

While our operations have a relatively small climate impact (or footprint), AMD's technology products could help alleviate climate change in three ways:

- I. AMD products provide more computing power with lower energy demand. See the **Energy Efficient Computing** section of this report.
- According to the <u>SMARTer 2020 study</u>, IT-enabled solutions offer the potential to reduce GHG emissions by 16.5 percent, create 29.5 million jobs and yield \$1.9 trillion in savings. AMD participates in an educational initiative called the <u>Digital Energy Solutions Campaign</u> to help realize this potential.
- AMD processors power some of the world's most powerful supercomputers. Some of these
  computers enable researchers to predict changes due to climate change. This research could
  lead to more accurate forecasting tools that would facilitate adaptation strategies for the effects
  of climate change.

### **CHAPTER VIII: AMD EMPLOYEES**

At AMD, our goal is to be an employer of choice with a workforce full of passionate, innovative and fully engaged employees. Paramount to achieving this goal is a strong culture permeating all aspects of our business. We call this culture *The AMD Way*. It is built on three core beliefs:

- > Ownership and commitment: We do what we say and we own what we do.
- > Customer focus: When our customers win, we win.
- > Innovation leadership: We chart and pave our own path to success.

These core beliefs come alive with four specific actions that define The AMD Way:

- > Achievement plan and play to win in all we do, every time... every day matters.
- > Accountability build trust by honoring our commitments.
- > Alignment work as one AMD to debate, decide, embrace and execute.
- > Agility continuously learn and improve in all aspects of our business.

These beliefs and actions are expectations for each employee every day. By living The AMD Way, by embracing diversity and inclusion, and by encouraging a healthy balance of work and family life, the AMD work environment is an innovation engine in which people feel empowered to collaborate, think, act and solve problems in new and different ways.

We support our employees with competitive benefits including excellent compensation, health care, employee assistance programs and more. This investment in our employees and their career development is not only the right thing to do; it is the smart thing to do.

### Global Inclusion

Innovation is at AMD's core, and occurs when creative minds and diverse perspectives are drawn from all over the world. Diverse teams, when managed in a culture of inclusion, are more creative, more productive, better at problem solving, and ultimately more profitable. AMD hires people from diverse backgrounds and geographies, and with diverse beliefs, and promotes an inclusive environment that values their individual differences. This is all part of Innovation Leadership, one of the core tenets of AMD's culture – The AMD Way – and we accomplish this by fully integrating diversity and inclusion into our talent management and culture initiatives.

On March 9, 2015, Secretary Hillary Rodham Clinton, Chelsea Clinton, and Melinda Gates hosted "Not There Yet: A Data Driven Analysis of Gender Equality," where they debuted the No Ceilings: Full Participation Report, a report on the status of women and girls around the world. Dr. Su participated in the Women & Economy Panel with Nely Galan and moderated by Melinda Gates.<sup>28</sup>

"What's good for innovation is also good for business. So how can we do this? It really starts with doing it together. Fostering an environment where women flourish and when we see more men and women CEOs talking actively about promoting diversity and gender equality we know that this can change." – Dr. Lisa Su, President and CEO, AMD.

Some of our flagship initiatives shaping the diversity and inclusion agenda include the following:

> Executive Mentoring Program for top and emerging women leaders

<sup>&</sup>lt;sup>28</sup> https://www.clintonfoundation.org/our-work/no-ceilings-full-participation-project

- > Sales & Marketing Women Talent Forum
- > Diversity and Inclusion e-Learning
- > AMD Women's Forum

## **Equal Opportunity Employment**

In compliance with applicable laws and regulations, AMD employee policies, processes and decisions are developed and implemented to promote equal opportunity without regard to age, ancestry, color, marital status, medical condition, mental or physical disability, national origin, race, religion, political and/or third-party affiliation, gender, sexual orientation, gender identity or veteran status. We have a robust process to fully investigate and address all complaints regarding workplace discrimination, and offer employees a variety of communication channels (including the AMD Alertline, a toll-free, 24-hour hotline that accepts anonymous reports).

## **Talent Management**

AMD's talent management activities support the complex and dynamic nature of our business, but our goal is simple: deliver our strategy by having the right talent in place now and in the future. Throughout the year, our CEO and senior executives hold cross-functional discussions about our top talent and the leadership and technology skills our business requires. When skill gaps are identified, we turn first toward developing our top talent because we know building their skills ensures our future.

Professional growth increases the likelihood that our top performers will stay at AMD, and when they continuously build their breadth and depth of knowledge, AMD becomes more productive and innovative. When we cannot fill a skill gap internally, we recruit employees with varied experiences and backgrounds who add new perspectives to existing teams. Whenever possible, we hire local talent. We continuously track and prioritize our progress based on evolving business needs.

# **Compensation and Benefits**

The nature of the semiconductor industry requires the company to maintain a talent pipeline by attracting and retaining a well-trained, highly skilled and highly educated workforce. To remain competitive, we constantly monitor the wage structure of the semiconductor and related technology industries at operating locations. AMD is committed to paying competitive wages and providing benefits that help foster financial security for employees. Employee compensation is established in accordance with local laws, and often adjusted for talent in high demand.

Eligible employees worldwide share in the company's success through a range of compensation programs. Global compensation programs include equity and bonus plans. AMD also promotes a learning environment through educational programs such as tuition assistance, and employee and management development classes.

The company's competitive portfolio of employee benefits includes country-specific program offerings, such as comprehensive coverage for health and dental care; retirement savings programs in which investments are directed by the employee and partially matched by the company; holiday and vacation

time; life and disability insurance; and a variety of work/life balance programs including family care leave and alternative work plans. Our employees also benefit from various types of employee assistance programs to help resolve personal and professional issues. These employee benefits programs meet and often exceed the benefits required by applicable laws and regulations.

## **Employee Pay-for-Performance**

AMD's pay-for-performance process creates a work environment that encourages, recognizes and supports high-performing individuals and teams. Under our pay-for-performance philosophy and guiding principles, we not only reward team members who demonstrate the highest level of contribution to the company, we also reward those who continually improve their capabilities. This ensures that rewards are differentiated based on the impact the employee's performance has on the company as well as how they get their work done.

Our managers and employees are trained on the processes and skills needed to achieve the optimal performance as individuals and within teams. In-person instruction is augmented by webcasts and recorded training to maximize reach to all employees. In addition to formal instruction, AMD managers are expected to meet with each of their employees and review a more tailored set of performance developing skills. To facilitate these conversations, we equip managers with a topic-specific "meeting-in-a-box," which is comprised of background information, slides they can use with their employees, frequently asked questions (FAQs) and other job aids.

We begin the pay-for-performance process by clearly defining what success looks like through our goal-setting process. AMD goals are cascaded down from the CEO through the layers of the organization so each employee's goals are aligned with the company's strategy. Our employees establish their own goals that are supportive of the company's strategy as well as goals for their personal development. Managers then provide candid feedback to employees on their goals and ongoing feedback on their performance, with formal reviews scheduled twice per year, one at mid-year and another at year-end.

Our process provides clear expectations, continuous feedback and a focus on employee development. In 2014, 90 percent of AMD employees received performance reviews. These reviews included an open, two-way performance and career development discussion between the employees and their managers.

# **Employee Education and Training**

Providing opportunities for personal and professional development enhances our workforce as well as the company's appeal in the competition for experienced workers and retention of valuable employees. The AMD Competency Model, centered on the enduring AMD values, is the foundation for our training and development programs. This model matches business roles with needed competencies and behaviors for all levels of the employee population.

In 2013, AMD completed the implementation of a global Learning Management System (LMS). The LMS centralizes the scheduling, delivery, tracking, and reporting of all AMD training and development programs and offerings. It allows better management of all AMD learning needs by providing the ability to identify training requirements, define and develop courses and content, deploy learning across an extended enterprise and track completion.

AMD provides a wide array of technical, management and leadership training programs to employees. In addition to traditional instruction methods, employees have access to a variety of e-learning opportunities through internally and externally developed courses and other online resources, including:

- > <u>Skillsoft®</u>—the largest e-learning vendor in the world, offering thousands of business skills and IT e-learning courses.
- > <u>Harvard Business School Publishing®</u>— we offer employees access to <u>Harvard Business Review</u> (HBR), one of the best known business journals in the world.
- > getAbstract— the largest online library of business book summaries in PDF, MP3 and several other formats.
- > Lynda.com an entirely video-based website similar to YouTube but dedicated to training subjects. It offers over 9,000 hours of online video (more than 2,500 courses) from 2-minute tips and tricks video clips to full day-long classes (some are eight hours or longer).
  GlobeSmart®—a web-based tool that provides easy access to an extensive knowledge base on how to conduct business effectively with people from other countries and cultures.
- > <u>Safari</u>—the largest provider of online technical and engineering books from all the premier publishers of technical content, including O'Reilly Press, Wiley and Sons, Addison Wesley, Microsoft, Adobe Press, IBM Press, Microsoft Press, McGraw Hill and many more.
- > <u>Pearson English</u>—a leading provider of English language skills from assessments to e-learning courses to LIVE mentoring.

AMD also provides a variety of programs for employee enrichment and development, including those listed below.

- > Executive Assessment—to determine knowledge and skills development needed for vice presidents and above.
- > Executive Coaching—to build on strengths and address development needs and specific organizational issues.
- > Mentoring—to enhance the development of new or less-experienced employees.
- > New Employee Development—to educate new employees about legal, safety and environmental policies, and company products and markets.
- > Management/Leadership Development—provided through the following programs and processes:
  - Leadership Impact—to drive performance and increase the leadership capabilities of frontline managers by enhancing critical skillsets found in the four roles of a leader during a successful turnaround.
  - Speed of Trust—to engage leaders at all levels in the work of identifying and closing the trust gaps that exist in their organization.

- Situational Leadership—to help leaders maximize team performance by adapting their leadership style to the capability of the individual or group they are attempting to lead/influence.
- Corporate Athlete—to help leaders learn how to maximize performance and increase productivity in all aspects of energy management. This course is offered as a "stand-alone" and as part of the MLE, DLE, TSE and TLE programs.
- Effective Communications—to improve communication and presentation skills by applying the AMD model (Audience, Message and Delivery) to any group communication.
- Leading Effective Meetings—to help leaders plan and prepare for a productive meeting and lead more effective meetings to increase individual and team productivity.
- > Cultural awareness Communicating Across Cultures is a program offered to develop a heightened degree of intercultural understanding and explore ways to communicate and work more effectively in a cross-cultural business environment.

AMD requires online training through its Legal Compliance Education Center (LCEC) in the following areas:

- > AMD's Worldwide Standards of Business Conduct (for all new hires globally, and at a three year cadence thereafter)
- > Workplace Harassment (for all U.S. employees who had not taken this training in the last two years)
- > Export Controls: Commercial Products (all global employees with a job function related to this content)
- > Protection of Confidential Information (all global employees)
- > Antitrust Awareness (optional course available to all global employees)
- > Getting and Keeping a Patent (optional course available to all global employees)

# **Human Rights**

AMD's policies on human rights issues such as harassment, discrimination, working hours, forced/compulsory labor, child labor, compensation, and freedom of association are addressed in AMD's <a href="Worldwide Standards of Business Conduct">Worldwide Standards of Business Conduct</a> (see excerpt below), the <a href="EICC Code of Conduct">EICC Code of Conduct</a>, as well as in <a href="AMD Human Rights Statement">AMD Human Rights Statement</a> that was adopted in 2011.

In 2014, AMD's Corporate Responsibility Director Tim Mohin led negotiations on to reconcile the Electronic Industry Citizenship Coalition (EICC) Code of Conduct with the UN Guiding Principles for Business and Human Rights. This language in the EICC Code had been a major barrier to collaboration with civil society stakeholders for over ten years since the EICC was formed. By establishing a special

process for these negotiations, representatives from EICC, NGO's, and Trade Unions were able to forge an agreement. This agreement has now been adopted into the EICC Code and forms the basis for ongoing cooperation among this stakeholder groups going forward.

All employees receive access to AMD's WWSBC and are trained and provided reminders on how to apply these standards in the workplace. These standards are aligned with the EICC Code of Conduct that we apply to ourselves and our suppliers. Our hiring practices are periodically reviewed to ensure conformance with local laws and AMD's Worldwide Standards of Business Conduct.

## WWBSC Excerpt: "Equal Employment Opportunity, Labor Practices & Human Rights"

The following is a verbatim excerpt from AMD's WWSBC to illustrate how it is utilized within the company:

The Company values respect, integrity, initiative, accountability and innovation in support of our customers' success. Based on these values, we know:

- > Business success is created when the Company recruits and develops the most talented people and rewards them for their contributions.
- > The Company's customers are best served by employees who have a variety of perspectives.
- > Innovation comes from different perspectives and ideas.

Consistent with these principles, the Company is committed to providing all qualified employees with the same opportunities for success regardless of age, ancestry, color, marital status, medical condition, mental or physical disability, national origin, race, religion, political and/or third-party affiliation, sex, sexual orientation, gender identity or veteran status. Therefore, you are prohibited from making employment-related decisions based on any of these factors. The Company emphasizes a workplace where all employees have the opportunity to contribute fully to the Company's success based on their skills and interests.

If you reasonably believe someone is using any of the above factors to make employment-related decisions, you must immediately report the situation to the Company. You can report your concern to your manager or Human Resources, or via the AMD AlertLine. The Company will take appropriate steps to investigate any such report.

AMD respects and supports the protection of human rights on a worldwide basis, within our sphere of influence. AMD is committed to respecting its employees' human rights. AMD compensates its workers at or above legal minimums, and complies with all applicable labor laws including minimum working age laws. The Company is committed to paying competitive wages and providing benefits that help foster employees' health and financial security. Compensation rates are determined according to local laws, market factors and individual employee performance.

AMD does not use forced labor in providing its products or services, and prohibits physical abuse or harassment and retaliation against employees reporting harassment amongst its employees. Employee working hours are set in accordance with local laws. The Company strictly forbids child labor and forced/compulsory labor practices in any AMD operation or our business partners and suppliers.

While AMD prefers direct communications between management and employees, AMD operates in locations where employees have the right to freely associate or not associate with third-party

organizations, such as labor unions, and these employees have the right to collectively bargain or not bargain collectively in accordance with local laws. AMD respects those rights and is committed to maintaining a fair and open workplace where employees are treated with dignity and respect, are free from discrimination or the fear of retaliation and can openly share their ideas, concerns or problems on workplace issues with management.

## **AMD Human Rights Statement**

AMD respects and supports proclaimed human rights on a worldwide basis, within our sphere of influence. AMD is committed to respect its employees' human rights. AMD compensates its workers at or above legal minimums, and complies with all applicable labor laws including minimum working age laws. AMD prohibits discrimination based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity, disability, religion, union membership or political affiliation. AMD does not use forced labor in providing its services, and prohibits physical abuse or harassment and retaliation against employees reporting harassment amongst its employees. AMD operates in locations where employees have the right to freely associate or not associate with third-party organizations, such as labor unions, and these employees have the right to collectively bargain or not bargain collectively in accordance with local laws. AMD respects those rights and is committed to maintaining a fair and open workplace where employees are treated with dignity and respect, are free from discrimination or the fear of retaliation and can openly share their ideas, concerns or problems on workplace issues with management. AMD's principles of respect for people are further discussed in AMD's Worldwide Standards of Business Conduct, and these principles are designed to help AMD ensure that it is not complicit in human rights abuses.

## **CHAPTER IX: EMPLOYEE HEALTH, SAFETY AND WELLNESS**

At AMD, we are committed to provide programs, services and resources necessary to ensure a safe and healthy work environment and promote employee wellness. The following sections provide additional information on these efforts:

- > Global Health and Safety Standards
- > Health and Safety Management System
- > Health and Safety Performance Metrics
- > Crisis Management
- > Epidemic Disease Control Planning
- > Wellness Program
- > Industry Collaboration

# **Global Health and Safety Standards**

For more than a decade, our Global EHS Standards have established excellence as the benchmark for AMD sites around the world. In addition to requiring all our facilities to meet applicable local, regional and national requirements, our standards go beyond legal parameters and establish best-in-class practices to protect employee safety and health. Health- and safety-related areas addressed under the Global EHS Standards include the following:

- > Legal compliance
- > Employee well-being
- > Injury and illness prevention
- > Emergency preparedness and response
- > Electrical safety
- > Equipment safety
- > Chemical safety
- > Ergonomics

Each AMD site develops and maintains programs to implement these standards. Periodic audits are conducted to review these programs and assist with improvements.

# **Health and Safety Management Systems**

By setting standards and utilizing management systems, AMD ensures that our Global EHS Standards are consistently and efficiently implemented in our operations worldwide. The safety management systems at our ATMP manufacturing facilities in Penang, Malaysia and Suzhou, China, are certified to the Occupational Health and Safety Assessment Series 18001 (OHSAS 18001) Standard. View the certificates on our website.

Our health and safety programs include the following elements:

- > The Global EHS team provides assistance to our site staff at AMD locations around the world to comply with local and regional EHS regulations as well as our Global EHS Standards.
- > We conduct periodic third-party regulatory compliance audits at our manufacturing and large non-manufacturing sites. The Global EHS team and site personnel document and track any corrective actions to closure. The audit program also includes third-party assessment of conformance to AMD's Global EHS Standards.
- > Prior to buying new manufacturing equipment for our ATMP manufacturing facilities, EHS professionals conduct detailed evaluations of all safety features and any potential occupational safety hazards. We work with both the equipment manufacturers and AMD equipment engineers to address any deficiencies, and to monitor the safe installation and operation of all equipment.
- > AMD site personnel review any hazards associated with new chemicals before delivery to or use at AMD sites. They ensure that the necessary controls are in place to transport, use and store the chemicals safely, and minimize risks to employees and the community.
- > Emergency response teams at each site have been trained with first responder capabilities for emergencies such as medical, evacuations, fire, chemical and others as appropriate for site operations. The teams are comprised of employee volunteers from different functional areas of the company.
- > We closely monitor the effectiveness of control measures through workplace inspections, assessments and health surveillance programs designed to ensure that employees who have potential exposure to chemical or physical hazards are not adversely affected by their work

environment.

- > We routinely conduct EHS audits of the hazardous and non-hazardous waste transport, storage and disposal facilities that receive and process AMD waste.
- > AMD employees are trained to carry out their job responsibilities safely and effectively. Our training program matches workers' responsibilities with the appropriate instruction to help them understand how to maintain a safe and healthy workplace.

# **Health and Safety Performance Metrics**

AMD collects and tracks a variety of health and safety performance indicators to assess our programs and monitor trends. To ensure consistency across sites, we track safety data (occupational injury and illness case rates; lost work day case rates) based on U.S. Department of Labor Occupational Safety and Health Association (OSHA) guidelines regardless of where our facilities are located. In this way, we are able to compare and appropriately respond to safety issues at AMD facilities around the world.

AMD's goal is to continually reduce occupational injury and illness case rates. We strive to accomplish this through a variety of programs and processes that have been developed based on industry performance standards, regular review of the effectiveness of our programs and processes, and the commitment of our employees.

Additional details regarding our occupational injury and illness data are provided in our <u>Labor Data</u> <u>Tables</u>.

AMD's goal is to continuously reduce occupational injury and illness case rates. In 2014 our worldwide case rate increased 40 % from 0.10 cases per 100 workers in 2013 to 0.14 in 2014.

In the U.S., AMD's occupational injury and illness case rate increased from 0.21 cases per 100 workers in 2013 to 0.33 cases per 100 workers in 2014 while restricted duty and lost time case rate decreased 100% from 1.1 in 2013 to 0.0 in 2014. AMD's injury and illness rates are significantly below U.S. OSHA rates. Ergonomic related injuries and falls contribute to this increase. AMD will be focusing on ergonomic injuries and falls, and increased communication to raise awareness and educate our employees on injury prevention measures.

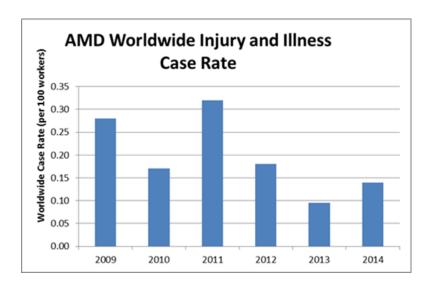


Figure 13: Total Injury and Illness Case Rate (per 100 workers)

## **Crisis Management**

AMD has crisis management plans in place to appropriately respond to global and site emergencies and related business interruptions. These plans include the following

- > A global emergency management system that provides timely notification, response and recovery.
- > A global crisis management team to drive enterprise-wide coordination of disaster response and recovery.
- > Local crisis management teams at critical AMD locations to manage local response through the standardized AMD emergency management system.

# **Epidemic Disease Control Planning**

All major AMD sites have pandemic contingency plans in place and review them on a regular basis. These plans outline the response protocol when there is a threat of a disease outbreak in a region. In 2014, there were no pandemic threats but AMD continued to monitor diseases such as H1N1, H7N9, MERS-CoV, Ebola and other potential threats around the world. To assist with monitoring of global health threats AMD utilizes International SOS pandemic services.

# **Wellness Program**

In addition to safety in the workplace, AMD is also focused on encouraging and incentivizing our employees to improve their overall health and wellness. We communicate important health information to employees in many ways including:

- > Monthly emails featuring health and wellness topics.
- > Health awareness information such as flu prevention on AMD's internal websites.

- > Live presentations on exercise, healthy eating and relaxation techniques.
- > Comprehensive web-based health information offered by health insurance providers.

### **Committees**

A Steering Committee oversees AMD's wellness program. The committee is currently focused on North America where 50 percent of our employees reside, but also coordinates global events such as the World No Tobacco Day. Major sites outside of North America coordinate their own site-specific wellness programs with assistance and support from the Global EHS team. This steering committee is a cross functional team that is charged with optimizing and integrating employee wellbeing into the workplace. The team is supported by onsite wellness committees that focus on five key elements for maintaining a healthy, well-balanced lifestyle: Health, Nutrition, Fitness, Emotional Wellbeing and Career.

## Health

The Wellness program organizes events and provides services to assist health organizations and engage employees in health-related issues. These include the following:

- > Free annual flu immunizations in North America and flu immunizations in Asia offered at a discount price or covered by insurance.
- > Onsite blood drives throughout the year to encourage employee blood donations.
- > Wellness expos and EHS awareness days that provide a variety of services such as biometric testing, health-related products and services information, and discussions about various health and safety topics.
- > Worldwide support of World No Tobacco Day on May 31, 2014, during which AMD educated employees on tobacco-related risks, offered tobacco cessation programs and encouraged a tobacco-free campus for the day.
- > Worldwide support of World Mental Health Day on October 10, 2014 during which AMD supported raising awareness of mental health issues around the world and mobilizing efforts in support of mental health.
- > Emergency medical assistance service for health issues potentially encountered by our employees traveling internationally on business.
- > Onsite ergonomic evaluations as well as computer-based training to educate employees on good ergonomic principles, as well as how to properly adjust their computer, laptops, computer workstations and other equipment to minimize the risk of injury.

In February 2012, AMD launched an enhanced wellness program in the United States. AMD has partnered with WebMD Health Services, a division of WebMD, to offer free health management services to U.S. employees utilizing WebMD's Health Manager<sup>SM</sup>. Employees were offered an incentive of \$100 to take advantage of WebMD Health Manager<sup>SM</sup>.

In 2013, AMD U.S. employees and their spouse/domestic partner who completed WebMD's health questionnaire were eligible to receive \$50. Additionally in 2013, AMD offered a healthcare premium credit to U.S. employees and their spouses who do not use tobacco or who choose to quit.

In 2014, AMD U.S. employees and their spouse/domestic partner who completed WebMD's health questionnaire and a biometric screening received a healthcare premium credit of \$240 each in addition to the premium credit of \$240 for U.S. employees and their spouses who do not use tobacco or who choose to quit.

#### **Nutrition**

Onsite cafeterias offer a wide variety of healthy options such as:

- > Vegetarian and heart-healthy menus
- > Under 500 calories combos
- > Healthy grab-and-go kiosks
- > Organic foods
- > Fresh foods
- > Fruit some locations also have fruit vending machines

Cafeterias at some of our facilities provide menu selections labeled with nutritional content. AMD also promotes healthy eating with a fresh produce home delivery service discounts at some locations.

#### **Fitness**

Physical fitness is encouraged through a variety of programs and benefits:

- > Fully equipped fitness centers available at many locations with free membership
- > Various programs that promote physical activity and weight management
- > Fall and Spring 5K run/walks
- > Health and fitness promotion activities, such as Bike to Work Week, National Fitness Day, World Health Day and other activities promoting fitness
- > Personal training options offered at our onsite fitness centers to help our employees reach their personal fitness goals
- > Collaboration with AMD's Go Green program to promote walking and biking to work

### **Emotional Wellbeing**

Health and emotional wellbeing go hand-in-hand. AMD's global Employee Assistance Program (EAP) counsels employees on many life challenges, such as relationship issues, change and stress management, substance abuse, depression, parenting and eldercare concerns, as well as simply finding a balance between work and home. AMD's EAP offers stress reduction and stress management seminars and webinars, as well as individual counseling. Additionally, many of our locations offer private areas/rooms for employees to relax, meditate or pray.

### Career

Career progression is as important as health and wellness to an engaging, meaningful and rewarding work experience. AMD offers a wide variety of resources through our Learning and Development

department to assist with personal and professional development. For more information about AMD's career development opportunities, see the <u>Careers</u> section on our website.

## **Industry Collaboration**

AMD actively participates in industry efforts to promote safety and health in our industry. AMD participates in, and supports a number of professional groups, such as the American Association of Occupational Health Nurses (AAOHN), the EICC, and the U.S. Semiconductor Industry Association (SIA). Through collaborative efforts like these, we seek to assist our entire industry – competitors, customers and suppliers – to promote a safe and healthy work environment.

### **CHAPTER X: AMD IN THE COMMUNITY**

AMD was founded on the principle of putting people first – our employees, our customers, our shareholders and our neighbors in the communities around the world where we live and work.

AMD supports our global communities via:

- > Employee Volunteering
- > AMD Foundation and Corporate Contributions

## **Employee Volunteering and Giving**

For more than 30 years, AMD has invested money, time and technology in organizations that help to improve social and environmental conditions, and strengthen the communities where we live and work. The process of helping others has enriched the lives of thousands of AMD volunteers around the globe.

AMD encourages our employees and contractors to volunteer, and we support their efforts by coordinating company-sponsored volunteer events; and connecting employees with volunteer opportunities focused on improving the quality of life for those who live and work in or near communities where we operate.

In 2014 AMD remained committed to supporting volunteerism and many AMD employees and contractors continued to engage in their communities. Sixteen AMD sites in Canada, China, India, Malaysia, Singapore and the United States recorded the following accomplishments:

- Volunteered more than 9.200 hours
- > Donated 908 units of blood
- > Participated in 119 company-sponsored volunteer events
- > 1,331 employees volunteered in their communities

Our volunteerism program – AMD Community Corps – is designed to help employees and contractors worldwide make a positive impact in their communities while developing their own professional abilities. In support of this program, we provide an interactive website that facilitates volunteerism – called AMD

Community Corps Connect. The tool allows employees to identify local charities, track volunteer time and network with fellow employees to organize volunteer events.

### **Pro Bono Work**

A committed group of AMD attorneys and paralegals staff the Volunteer Legal Services (VLS) evening legal clinic in Austin, Texas one week a month. VLS is a nonprofit organization chartered to provide legal assistance to low-income residents. In these clinics, the AMD volunteers provide legal advice in a variety of areas including public benefits, housing and consumer problems, and family law. AMD actively promotes pro bono work by its legal staff and, as a result, AMD attorneys routinely take on pro bono cases representing VLS clients from start to finish through the legal system, including negotiating settlements and representing them in court. AMD sees this as a win-win situation. The pro bono work not only supports our local community, it also creates an opportunity for our team to hone and expand its legal skill set.

### **Volunteer Awards**

AMD annually recognizes individual AMD volunteers, community liaisons and site teams who go above and beyond to contribute to their local communities:

**Volunteer Excellence Awards**—recognize individual AMD volunteers who dedicate their time and talents to serve their community. In 2014, nine employees were recognized around the world for their exceptional volunteer efforts.

- > Kaushik Mysore, Austin, Texas, U.S. Supports Meals on Wheels and More.
- > Kathy Wilcox, Boston, MA, U.S. Volunteers with Tahanto Music Parents Association, whose goal is to encourage music programs and appreciation in the school.
- > Gloria Le, Beijing China Volunteers with China Charities Aid Foundation for Children providing much needed support to orphans.
- > Amni Mohamed Zain, Cyberjaya and Selangor Darul Ehsan, Malaysia Volunteers with Eijau Millennium Explorer, whose goal is to help young people to promote their work, ideas, passion through our community enabling them to connect with others.
- > Lim Soke Chin, Penang Malaysia Is active in the Young Enterprise Program, whose goal is to give 16 year old students an opportunity to become entrepreneurs, by creating and managing their own companies.
- > Jeff Zeng Pudong, Shanghai, China Volunteers with the Shanghai Pudong Special Education School.
- > Chrisopher DeCruz, Singapore, Volunteers with the AMD Community Service Committee supporting multiple organizations.
- > Ashish Farmer, Sunnyvale, CA, U.S. Volunteers Friends for Youth, whose mission is to provide mentoring for at risk youth.

### Other 2014 Volunteer Activities

**Global Volunteer Month:** AMDers around the globe showed their true community spirit during the fifth Annual AMD Global Volunteer Month. 632 employees from 15 sites recorded 1,798 hours of volunteer service beautifying streets, planting trees, building homes, mentoring students, providing meals to the elderly and homeless, visiting orphanages, and donating food, clothing, and money to 31 organizations across the globe.

**North America:** AMD partnered with Rackspace and Habitat for Humanity for the "House That Tech Built" project. AMD is one of seven local high-tech companies dedicated to building a new home for a family in need. In Orlando, an AMD team partnered with their local Habitat for Humanity organization to help build an affordable home for a deserving family. Collectively, in North America, more than 50 employees volunteered 420 hours.

**China:** Beijing employees joined forces with China Charities Aid Foundation for Children volunteering at an orphanage helping children with homework, playing games, and donating food, books, clothing and financial resources. Twenty-five employees volunteered more than 75 hours and the team plans to continue with monthly visits. Additionally, four of the children were invited to visit the AMD Beijing office for a luncheon.

In Shanghai, approximately 15 employees visited residents of ChangQuao to share information and knowledge on environmental protection.

**Malaysia:** Volunteers in Penang purchased, prepared, cooked and distributed meals to approximately 120 homeless people in Penang. For the 51 employees who participated, the best moment was seeing the people flood into the dining room to enjoy a home-cooked meal and having them leave happier and satiated.

Additionally, volunteers from AMD Cyberjaya participated in "Feed for the Need," a charity event to provide food and necessities to those less fortunate and to participate in a neighborhood cleanup. Twenty-one employees volunteered 42 hours to support the event. Many participants were first-time volunteers who said that the experience was eye opening and that they enjoyed lending a hand to those less fortunate.

**Taiwan:** Over 100 employees in Taipei, Hsinchu and Kaohsiung volunteered 185 hours collectively for projects focused on environmental clean-up and recycling and planting activities. The volunteers also partnered with the Garden of Hope Foundation clothing drive to donate more than 100 articles of clothing.

**Brazil:** In partnership with Américas Amigas, employees in Sao Paulo participated in Pink October by distributing flyers and armbands to raise awareness for breast cancer prevention and treatment.

**Skill-Based Volunteerism**: encouraging our employees to use volunteerism as a way to improve their professional skills to provide a win-win experience for the charity and the volunteer.

## **Technology Infrastructure Development and Services**

As part of our signature education program, AMD Changing the Game, AMD contributes money, expertise, computer equipment and other services for technology centers in communities around the world. While students are the primary beneficiaries of these contributions, many of the facilities are open to the public and play an important role in the community's access to technology.

## **AMD Foundation and Corporate Contributions**

The AMD Foundation was launched in 2008 with a vision of improving people's lives in AMD communities around the world. Foundation assets are primarily invested in our signature educational program, AMD Changing the Game. And, when natural disasters affect AMD communities around the world, the AMD Foundation supports relief efforts.

AMD and the AMD Foundation donate funds as well as technology and other in-kind services to support a range of nonprofit organizations, schools and universities in our communities throughout the world. The majority of our donations are made to our long-standing community partners, but each year we seek out new opportunities with local organizations that effectively support our local communities.

In 2014, AMD and the AMD Foundation's combined direct and in-kind contributions exceeded \$250,000. Read more about our efforts in the AMD Changing the Game section of this report.

## **CHAPER XI: GOVERNANCE AND ETHICS**

In 2014, AMD continued to shape our business with a systematic approach to managing the risks and opportunities associated with shifting market and industry conditions in our core areas of business. The following sections describe our internal and public policies and programs that address these risks.

# **Ethics and Compliance**

## **Approach**

AMD is committed to achieving the highest standards of ethics and integrity in all aspects of our business. We implement processes to ensure that our practices are consistent with our policies. We believe the integrity of an organization begins with every employee's commitment to our core values and their responsibility to act in concert with those values.

## Responsibilities, Policies and Resources

AMD's Senior Vice President and General Counsel oversees the management of corporate responsibility-related policies, practices and infrastructure. AMD's corporate ethics and governance policies, oversight structures and processes include the following:

- > Board of Directors
- > Corporate Responsibility Council

- > Principles of Corporate Governance
- > AMD's Worldwide Standards of Business Conduct
- > Code of Ethics
- > Corporate Compliance Committee
- > Stock Ownership Guidelines
- > AMD AlertLine
- > Internal Audit
- > Global Internal Controls and Compliance Organization
- > Risk Management
- > AMD Political Action Committee

### **Board of Directors**

AMD's Board of Directors is responsible for selecting the Chief Executive Officer (CEO), monitoring the operating performance and financial condition of the Company and overseeing the Company's adherence to corporate standards. AMD's Chairman of the Board and AMD's CEO are currently two separate roles performed by different individuals. AMD's Chairman of the Board is "independent" in accordance with applicable law and the New York Stock Exchange (NYSE) standards.

As of December 27, 2014, AMD's Board consisted of 12 directors and four committees. The committees are the Audit and Finance Committee, the Compensation Committee, the Nominating and Corporate Governance Committee, and the Innovation and Technology Committee. Committee members and their Chairs are appointed by the Board annually. In accordance with AMD's principles of corporate governance, a majority of members of the Board must meet the criteria for independence as required by applicable law and NYSE standards. The Board evaluates its own performance annually.

More information regarding AMD's Board of Directors is available on our <u>website</u>. Executive compensation is linked to performance as outlined in our 2015 Proxy statement, available on the <u>SEC website</u>.

AMD's Nominating and Corporate Governance Committee assists the Board in discharging its responsibilities regarding the following:

- > Identification of qualified candidates to become Board members.
- > Selection of nominees for election as directors at the next stockholders' annual meeting (or special meeting of stockholders at which directors are to be elected).
- > Selection of candidates to fill any vacancies on the Board.
- > Development of corporate governance guidelines, recommendations to the Board on changes to the <u>Principles of Corporate Governance</u>, and oversight of the evaluation of the Board and management.

In addition, the Nominating and Corporate Governance Committee performs the following duties:

- > Reviews the Board's performance, composition and organization.
- > Leads a process for non-employee directors to evaluate the performance of our CEO.
- > Provides input regarding the evaluation of other Section 16 officers.
- > Retains a search firm for the purpose of obtaining information regarding potential candidates for Board membership.

For more information, please see our 2015 Proxy Statement. Interested parties who wish to communicate with our Board of Directors or with non-employee directors may send their communications in writing to our Secretary, 7171 Southwest Parkway, M/S 100, Austin, Texas 78735, or send an email to Corporate.Secretary@amd.com. Our Secretary will forward these communications to our Chairman of the Board.

### **Corporate Responsibility Council**

AMD's Corporate Responsibility function resides organizationally under the Public Affairs group, which is part of the Legal Department at AMD. The Corporate Responsibility Council is a cross-functional team made up of executives from key departments, including finance, global supply management, engineering and business development. The Council establishes corporate responsibility strategy and policy and routinely evaluates the company's economic, environmental and social performance. The Council also routinely meets with external stakeholders to gain perspectives on the company's performance, transparency, emerging issues and areas for improvement.

### **Principles of Corporate Governance**

AMD's Board has developed a set of principles of corporate governance as a framework for our oversight activities. These principles are intended to protect and advance the long-term interests of stockholders while being mindful of the shared interests of the Company's other stakeholders, including employees, customers, suppliers, creditors and the communities in which we operate. In accordance with AMD's Principles of Corporate Governance, a majority of members of the Board must meet the criteria for independence as required by applicable law and The NASDAQ Stock Market standards. Our Board of Directors has determined that all directors who served during our 2014 fiscal year, other than Dr. Lisa Su, our President and CEO, Mr. Rory Read, our former President and CEO, Mr. Marty Edelman, and Mr. Ahmed Yahia, were independent in accordance with SEC and NYSE rules, and all of our director nominees for the 2015 Annual Stockholder Meeting, other than Ms. Su, Mr. Edelman and Mr. Yahia, are independent in accordance with SEC and Nasdaq Stock Market rules. AMD transferred its stock exchange listing from NYSE to The NASDAQ Stock Market, effective after market close on December 31, 2014.

### **AMD's Worldwide Standards of Business Conduct**

AMD's <u>Worldwide Standards of Business Conduct</u> support our commitment to high ethical standards and compliance with laws, regulations and company policies. These standards apply to all members of AMD's Board of Directors and employees worldwide, and are one of the key components of the company's compliance and ethics program. They reiterate our values and outline guidelines on a broad

range of workplace, business practice and conflicts of interest principles such as employment and labor practices, privacy, employee safety and health, business and accounting practices, political activities and contributions, insider trading, antitrust laws and the anti-corruption laws. The Standards were updated in March 2015, and are currently available in eight languages: English, Japanese, German, Malay, Chinese (Mandarin), Spanish, Portuguese and Russian. All employees worldwide receive access to, and training on, the Standards.

### **Code of Ethics**

AMD's <u>Code of Ethics</u> supports the commitment of our corporate officers and key finance executives to the highest ethical standards and compliance with laws, regulations and company policies applicable to corporate financial transactions, reporting and disclosure. Our executives are vested with the responsibility – and in some cases, the authority – to protect, balance and preserve the interests of our stakeholders. AMD's executives fulfill this responsibility, in part, by prescribing and enforcing appropriate policies and procedures for the company's finance organization, and by enforcing and adhering to the principles set forth in the Code of Ethics.

### **Corporate Compliance Committee**

AMD's Corporate Compliance Committee is the internal group responsible for oversight of AMD's Worldwide Standards of Business Conduct and related policies/procedures (e.g., Foreign Corrupt Practices Act and conflict of interest rules). The committee provides regular ethics and compliance activity reports, as well as status updates to the Board of Directors.

## **Stock Ownership Guidelines**

AMD believes that officers and members of the Board of Directors should own and hold common stock of the company to further align their interests and actions with the interests of AMD stockholders. Therefore, the Board of Directors adopted <a href="Stock Ownership Guidelines">Stock Ownership Guidelines</a>. The guidelines vary according to officer level and specify the number of shares members of the Board and officers must own within specified time frames.

#### AMD AlertLine

The AMD AlertLine is a multilingual web portal and telephone service that accepts anonymous reports about suspected illegal activity or violations of AMD's Worldwide Standards of Business Conduct, as permitted by law. The AMD AlertLine is available to all AMD employees worldwide, 24 hours a day and seven days a week. The Board of Directors receives summaries of all calls. Reports may also be submitted via the web at amd.alertline.com (for use by locations outside the European Union) or amdeu.alertline.com (European Union only).

### **Internal Audit**

The Internal Audit department provides objective assurance and consulting to support of AMD's operational and financial performance. The Internal Audit department brings a systematic, disciplined approach to activities such as risk management, systems and process controls, and governance processes. This drives efficiency and consistency in our business processes, and helps the organization accomplish its objectives. The department has unrestricted access to all functions, property, records and

personnel to conduct their reviews and make recommendations for improving or changing business practices and/or policies. Perhaps most importantly, the Internal Audit department provides a fresh perspective on improving the quality and consistency of our systems, processes and operations across the company.

### **Global Internal Controls and Compliance Organization**

AMD's Global Internal Controls and Compliance Organization (GICCO) implements internal controls and processes based on an assessment of risks to financial statements and related assertions. GICCO coordinates compliance with the requirements of the Sarbanes-Oxley Act of 2002 (SOX) to ensure that financial risks are addressed by controls that are formalized and available for external and internal audits. AMD's approach to SOX compliance is based on risk assessment. We evaluate SOX audit findings for financial reporting purposes and the annual Internal Control Assessment Document. GICCO further educates and trains employees about the SOX requirements to help AMD ensure the reliability of financial reporting and compliance with laws and regulations.

#### Risk Management

AMD has a systematic approach to managing risk of loss, disruption or interruption of mission critical activities that are aligned with our strategic business initiatives. Our business resilience and preparation is routinely reviewed, and our management plans are updated accordingly.

AMD faces a variety of potential risks and disruptions to our operations and business that are discussed in our 2014 Annual Report on Form 10-K and updated by subsequent filings with the SEC. Our risk management processes include an integrated approach to policies, procedures and management systems such as: EHS, Quality, and Business Continuity Management (BCM). For example, our crisis management plans are designed to provide a quick, decisive and coordinated response in order to protect people and the environment, and – to the extent possible – maintain normal business operations in unforeseen situations. Please see the Risks and Opportunities Associated with Climate Change section of this report for more information on climate change.

The Board's role in risk oversight of the Company is consistent with our leadership structure, with our CEO and other members of management having responsibility for day-to-day risk management activities and processes, and our Board and its committees being actively involved in overseeing risk management for AMD. The Board and management consider "risk" for these purposes to be the possibility that an undesired event could occur that might adversely affect the achievement of our objectives. In fulfilling its oversight role, our Board focuses on understanding the nature of our enterprise risks, including reputational risk and risks in our operations, finances and strategic direction, as well as the adequacy of our risk assessment and risk management processes. In addition, our Board implements its oversight function primarily through management reports and committees of the Board.

At least annually, our Board discusses with management the appropriate level of risk relative to our corporate strategy and business objectives, and reviews with management our existing risk management processes and their effectiveness. The Board also receives periodic management updates on our business operations, financial results and strategy, corporate responsibility strategy and programs, and discusses and provides feedback with respect to risks related to these topics as appropriate. In addition,

the Board receives full reports from the committee chairs regarding the committee's considerations and actions related to the specific risk topics over which the committee has oversight.

The Audit and Finance Committee—Assists the Board in overseeing our enterprise risk management process; reviews our portfolio of risk; discusses with management significant financial, reporting, regulatory and legal compliance risks in conjunction with enterprise risk exposures as well as risks associated with our capital structure; reviews the Company's policies with respect to risk assessment and risk management, and the actions management has taken to limit, monitor or control financial and enterprise risk exposure. The Audit and Finance Committee meets with members of our Internal Audit department to discuss any issues that warrant attention.

The Compensation Committee—Oversees risk management as it relates to our compensation policies and practices. The Compensation Committee conducts annual reviews of management's assessment on whether our compensation programs may create incentives for our employees to take excessive or inappropriate risks that could have a material adverse effect on AMD.

The Nominating and Corporate Governance Committee—Considers potential risks related to the effectiveness of the Board, including succession planning for the Board and our overall governance.

The Innovation and Technology Committee—Assists the Board in its oversight responsibilities relating to technical and market risks associated with product development and investment, as well as risk mitigation policies and procedures relating to products based on new technology or significant innovations to existing technology.

#### **AMD Political Action Committee**

As part of AMD's commitment to citizenship and community participation, AMD established the employee-driven Political Action Committee (AMD PAC) in 2005. Federal law permits corporations to establish and operate a Political Action Committee allowing eligible U.S. employees and shareholders to pool their voluntary contributions to support candidates and political committees. The federal AMD PAC is a means for our interested and eligible employees and individual shareholders to participate in the political process, and help support U.S. candidates for elective office who share the AMD PAC's views on policies important to AMD and the semiconductor industry.

A voluntary Advisory Board comprised of AMD employees manages the bipartisan AMD PAC. This Advisory Board has established and follows contribution guidelines that consider, among other factors, the candidates' geographic representation of AMD employees, leadership on prioritized policy matters and voting history. An annual report is available to all members of the AMD PAC, which contains the total amount of contributions, the identity of all recipients of disbursements and the amount disbursed to each recipient.

AMD complies with all applicable laws and regulations with regard to political fundraising and contributions. According to U.S. law, corporations cannot contribute directly to federal candidates or national political committees. AMD is committed to full disclosure and transparency related to AMD PAC contributions. The AMD PAC regularly files public reports with the U.S. Federal Elections Commission (FEC) that contain information about contributions, expenditures and other operational

matters. These reports may be found on the <u>FEC website</u>. AMD PAC disbursement amounts can be found in the <u>Economic Data Tables</u>.

## **Public Policy**

As a global company, we believe corporate responsibility includes being an informed, active participant in the development of public policies that affect our business and our industry in the countries and communities in which we operate. Good public policy begins with diverse stakeholders participating in open and transparent proceedings to carefully examine issues and offer different perspectives that promote effective solutions.

#### **Policies and Practice**

AMD's commitment to public policy participation includes working with governments and authorities, NGOs, trade associations and other groups to deepen our understanding of issues and diverse perspectives, as well as to share our experience and expertise as part of an informed public policy development process. We are actively engaged in a number of public policy efforts that are pertinent to our business, our industry and users of AMD technology everywhere. Some of these public policy priorities for AMD include:

- > Environmental Protection
- > Conflict Minerals
- > Energy Efficiency and Greenhouse Gas Emissions
- > Secure Technology
- > Competition and Market Access
- > Principal Industry and Business Associations

#### **Environmental Protection**

AMD works with customers, public entities and industry peers around the world to promote environmental protection opportunities associated with our products throughout their lifecycle. For example, recent activities around the world have addressed "green" procurement, the restriction of hazardous substances (RoHS) in electronic products, management of conflict minerals, resource efficiency and the handling of electronics waste. Specific activities include RoHS and WEEE regulations in the EU, India and China, the roadmap for a resource efficient Europe, nanomaterial reporting initiatives, and global REACH and other chemical regulations.

In support of these initiatives, AMD engages in the development of international standards, in some cases taking a leadership role, for example, in environmental standardization as part of the International Electrotechnical Commission Technical Committee 100 (IEC TC 100) for audio, visual and multimedia equipment. AMD is also participating in the Working Group supporting the revision of the IEEE 1680.1 standard for Environmental Assessment of Personal Computer Products. Computer products meeting the current version of this standard are recognized in the Electronic Product Environmental Assessment Tool (EPEAT) ratings and registry. AMD is also participating in the IEEE 1680.4 Working Group developing a standard for servers.

#### **Conflict Minerals**

AMD has taken a leadership role on the Conflict Minerals issue. For more information, please see the Conflict Minerals section of Chapter V: Supplier Responsibility.

### **Energy Efficiency and Greenhouse Gas Emissions**

AMD works with private and public stakeholders to promote energy-efficient technology. Our efforts include working with policymakers and others in the Americas, Europe and Asia to:

- > Develop regulations and standards for energy-efficient computers, data center equipment and operations.
- > Sponsor dialogue between public and private organizations to increase understanding of trends in energy-efficient computing.
- > Create tools and metrics to measure the GHG emissions of computing products.

AMD participates in the development of voluntary energy efficiency standards for computers and servers, such as the U.S. EPA's ENERGY STAR® program, by providing technical and market analysis and product testing data during development of specifications for computing products. We continue to work with stakeholders around the world to drive the creation of energy efficiency metrics for computing products. For example, AMD is actively engaged in the development of requirements for computers and servers in a number of worldwide regulatory initiatives, including in the EU's Energy Related Products (ErP) Directive and China's minimum energy performance standards.

AMD supports the creation of tools and metrics to measure the carbon footprint of computer products associated with the production of GHG emissions including:

- > Working with MIT on independent research for our integrated circuits, and with other stakeholders on the development of the PAIA tool for computer products. The overarching goal is to develop consensus within the global ICT sector on common methodologies for measuring energy consumption and carbon emissions arising from the production, transport and selling processes of ICT goods, networks and services.
- > Engaging in the development of IEC and ISO international standards, including general industry standards for electronic products, as well as more specific Product Category Rules for computers.
- > Supporting the development of new information addressing data center and server energy efficiency by engagement within The Green Grid, and through our participation in the Standard Performance Evaluation Corporation (SPEC) Power Committee. .
- > Partnering on research to assess the energy benefits of server technology for hyperscale data centers.

Learn more about AMD's efforts in environmental protection and energy-efficient computing in the <a href="Product Stewardship">Product Stewardship</a> section of this report.

### **Secure Technology**

The incredible growth of data flowing through the Internet is driving an explosion of new technologies and products. With these rapidly accelerating changes comes a corresponding increase in security vulnerabilities and risks to sensitive data as it is being transported or stored.

To address evolving data security threats, AMD's technology enables security features at all levels of IT systems – from the processor, to hardware and software applications. AMD's open standards approach maximizes interoperability while minimizing lock-in to a single vendor of hardware systems and software. This open approach also supports a platform for the development of additional features and innovative security applications.

The evolution of security risks in cyberspace, however, cannot be solved by any one company. Within the computing industry, protection must exist throughout the entire IT stack (i.e., devices and applications working together to protect against security threats). Security solutions not only rest individually within software, hardware and networking technologies, but in the complex relationships between IT manufacturers, network providers, application developers, standards bodies, government regulators and end users.

Innovation and open competition at every level of IT architecture is vital if the technology industry is to help protect personal and business-critical information. Together with customers and peers, we are actively engaged in technology research and development, industry organizations and interactions with governments to address security issues and standards at a global level and to promote strong IT security protection.

AMD supports the following Cybersecurity Principles for Industry and Government:

- Leverage public-private partnerships and build upon existing initiatives and resource commitments. By
  partnering with government, the IT industry has provided leadership, resources, innovation and
  stewardship in every aspect of cybersecurity for more than a decade. Cybersecurity efforts are
  most effective when leveraging and building upon these existing initiatives, investments and
  partnerships.
- Reflect the borderless, interconnected and global nature of today's cyber environment. Cyberspace is a
  global and interconnected system that spans geographic borders and traverses national
  jurisdictions. The United States should exercise leadership in encouraging the use of bottom-up,
  industry-led, globally accepted standards, best practices and assurance programs to promote
  security and interoperability.
- 3. Adapt rapidly to emerging threats, technologies and business models. IT is an innovative and dynamic sector with rapidly changing and evolving technologies. Cybersecurity efforts must be equally dynamic and flexible to effectively leverage new technologies and business models and address new, ever-changing threats.
- 4. Incorporate risk management. Security is not an end state. Rather, it is a means to achieve and ensure continued trust in various technologies that comprise the cyber infrastructure. Cybersecurity efforts must facilitate an organization's ability to properly understand, assess and take steps to manage ongoing risks in this environment.

- 5. Focus on awareness. Consumers, businesses, governments and infrastructure operators are all stakeholders in cybersecurity. Cybersecurity efforts must help these stakeholders be aware of risks to their property, reputations, operations and sometimes businesses, and better understand their important role in helping to address these risks.
- 6. Focus on bad actors and their threats. In cyberspace, as in the physical world, adversaries use instruments (in this case, technology) to carry out crime, espionage or warfare. Cybersecurity policies must enable governments to better use current laws, and information sharing practices to respond to cyber criminals, threats and incidents domestically and internationally.

### **Competition and Market Access**

Competition in the marketplace is fundamental to the ability of individuals and companies to innovate, bring new technologies and choice to technology consumers, and accelerate access to technology in developing regions of the world. Non-discriminatory access to markets, including the reduction or elimination of tariff and non-tariff barriers, is a crucial element of technology innovation and open competition in the global economy.

AMD is a strong advocate for policies that are designed to protect consumers from anti-competitive business practices and to ensure open markets. We strongly believe that competition and market access is a part of business ethics and should be considered as a key element in evaluating corporate responsibility.

We work with government procurement authorities around the world to promote competitive and transparent purchasing practices that are performance-based and consistent with the World Trade Organization's Government Procurement Agreement, the global standard for fair and open government procurement policies. These efforts are helping to bring the benefits of competition – innovation, choice and cost savings – to many governments around the world, and to the taxpayers who support them.

#### **Principle Industry and Business Associations**

AMD personnel participate in a variety of industry group trade associations and standards-setting bodies to help shape emerging policies that could affect AMD and the semiconductor industry. Company personnel participate on committees at all levels and in a wide variety of groups, establishing national and international standards, evaluating the potential impact of proposed regulatory initiatives and promoting sustainable business practices.

Some major associations, industry initiatives and technical standards-setting bodies that AMD participates in include:

- > International Electrotechnical Commission (IEC) Technical Committees
- > The Electronic Industry Citizenship Coalition (EICC) AMD serves as chairman emeritus
- > ECMA International
- > Information Technology Industry Council (ITI) AMD is Vice Chair of the board
- > DigitalEurope

- > The Green Grid
- > Information Technology Association of Canada (ITAC)
- > U.S. Semiconductor Industry Association (SIA) AMD's CEO and President is on the board
- > World Semiconductor Council (WSC)
- > Semiconductor Equipment and Materials International (SEMI)
- > United States Information Technology Office (USITO) AMD is on the board
- > American Chamber of Commerce of Brazil (AmCham-Brasil)

## **DATA TABLES**

# **LABOR**

	2010	2011	2012	2013	2014
Employee Data					
Number of Employees	11,068	11,093	10,340	10,671	9,690
Americas	52%	50%	50%	51%	45%
Asia-Pacific/China/Japan	45%	48%	48%	46%	53%
Europe/Africa	3%	2%	2%	3%	3%
Senior Management <sup>1</sup>					
Male	89%	89%	87%	85%	88%
Female	11%	11%	13%	15%	12%
Employee Total (Female)	31%	29%	28%	28%	29%
Americas (Female)	20%	19%	20%	20%	20%
Asia-Pacific/China/Japan (Female)	43%	38%	36%	36%	36%
Europe/Africa (Female)	30%	28%	26%	21%	22%
Employee Total (Age)					
Generation Y (born 1980-2000)	28%	33%	38%	42%	44%
Generation X (born 1965-1979)	50%	48%	46%	43%	42%
Baby Boomers (born 1946-1964)	21%	18%	15%	14%	14%
Traditionalists (born 1927-1945)	<1%	<1%	<1%	<1%	<1%
Employee Type					
Exempt	83%	87%	88%	84%	88%
Non-Exempt	17%	13%	12%	16%	12%
Employee Change	7%	0%	(7%)	3%	-9%
Americas	7%	(5%)	(11%)	(1%)	-11%
Asia-Pacific/China/Japan	8%	5%	(2%)	7%	-7%
Europe/Africa	(1%)	14%	(22%)	12%	-8%
Employee Turnover	12%	24%	28%	16%	20%
Americas	8%	21%	28%	8%	20%
Asia-Pacific/China/Japan	16%	27%	27%	8%	21%
Europe/Africa	15%	10%	43%	5%	17%
New Hires	2,342	2,729	2,151	2,061	1,030
Americas	40%	33%	37%	38%	33%
Asia-Pacific/China/Japan	55%	64%	61%	56%	65%
Europe/Africa	4%	3%	2%	6%	2%

I – Director level and above

### **LABOR** continued

	2010	2011	2012	2013	2014
New Hires by Age					
Generation Y (born 1980-2000)	43%	55%	59%	65%	67%
Generation X (born 1965-1979)	44%	37%	33%	27%	25%
Baby Boomers (born 1946-1964)	13%	8%	8%	8%	7%
Traditionalists (born 1927-1945)	<1%	<1%	<1%	0%	<1%
Return to work rates after parental Leave					
Male	98%	95%	95%	95%	98%
Female	75%	81%	69%	67%	91%
Well-Being <sup>1,2</sup>					
Worldwide Injury and Illness Case Rate (per 100 workers)	0.17	0.32	0.18	0.10	0.14
AMD U.S. Injury and Illness Case Rates (per 100 workers)	0.20	0.58	0.14	0.2	0.3
OSHA Case Rate - Private Industry	3.5	3.5	3.4	n/a	n/a
OSHA Case Rate - Computer/Electronic Product Mfg.	1.5	1.4	1.4	n/a	n/a
OSHA Case Rate - Scientific/Technical Services	1.0	1.0	0.9	n/a	n/a
U.S. Lost Work Days Case Rate (per 100 workers) <sup>3</sup>	0.03	0.03	0.00	1.10	0.00
Volunteerism <sup>4</sup>	21%	18%	15%	14%	14%6
AMD Volunteers	1,573	1,534	1,202	1,185	1,331
AMD Volunteer Hours <sup>5</sup>	12,000	12,693	7,735	9,043	9,208
Number of Volunteer Events	197	253	196	146	119
Units of Blood Donated	1,336	1,332	1,005	1,219	908

### Notes:

Not available = n/a

- I. Minor (first aid level) injuries are not included.
- 2. Our reporting guidelines are based on OSHA reporting criteria.
- 3. Lost days are calculated based on scheduled work days.
- 4. Numbers include contributions from AMD employees and contractors.
- Volunteer hours in 2014 include individual employee volunteer hours in addition to hours recorded for companysponsored volunteer activities. Numbers for prior years included company-sponsored events only.
- 6. AMD no longer tracks volunteer participation by contractors

## **ECONOMIC**

	2010	2011	2012	2013	2014
Total Revenue (In millions)	\$6,494	\$6,568	\$5,422	\$5,299	\$5,506
Research & Development (In millions) <sup>1</sup>	\$1,405	\$1,453	\$1,354	\$1,201	\$1,072
Net Income (In millions)1	\$47 I	\$49 I	\$(1,183)	\$ (83)	\$ (403)
Social Investment					
AMD Foundation	\$1,675,809	\$2,649,564	\$2,646,333	\$234,93 I	\$17,500
AMD, Inc. (USD)	\$1,525,151	\$1,561,711	\$560,245	\$351,539	\$224,553
Cash and In-Kind by Region					
Americas	\$ 2,878,218	\$3,849,609	\$3,032,294	\$410,813	\$ -
Europe/Africa	\$ -	\$125,623	\$51,903	\$ -	\$ -
Asia-Pacific/China/India	\$322,742	\$236,043	\$122,381	\$175,657	\$8,560
Cash and In-Kind by Category					
Education	\$2,532,538	\$2,935,483	\$2,172,949	\$300,621	\$29,103
Basic Needs <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -
Community Development	\$ 668,423	\$1,275,792	\$1,033,628	\$285,849	\$195,450
Environmental Benefits					
Cash for Previous Metal Reclaim (USD)	\$1,855,641	\$2,547,657	\$1,468,585	\$1,168,281	\$625,677
Cash for Tray Reuse and Recycle (USD)	n/a	\$711,496	\$270,162	\$ 375,395	\$289,148
AMD Political Action Committee (PAC)					
Disbursements <sup>3</sup>	\$2,500	\$3,500	\$3,500	\$2,000	\$2,500

## Notes:

Not available = n/a

<sup>1.</sup> Economic data for current and past years are updated annually to reflect AMD's most recent financial reports.

<sup>2.</sup> In 2010, the Basic Needs category was combined with the Community Development category.

<sup>3.</sup> Totals shown are U.S. disbursements made by the AMD PAC and available on the FEC website at <a href="http://www.fec.gov/disclosure.shtml">http://www.fec.gov/disclosure.shtml</a>.

## **ENVIRONMENTAL**

	2010	2011	2012	2013	2014
Energy					
Energy Use (Direct and Indirect, TJ)	1325	1368	1357	1217	1040
Energy Use (Direct and Indirect, GWh)	368	380	377	338	289
ATMP Energy Use (GWh)	179	185	124	129	140
Penang	47	61	60	67	76
Singapore <sup>2</sup>	90	74	n/a	n/a	n/a
Suzhou	42	50	63	61	64
Normalized ATMP Energy Use (kWh/Pl) <sup>3</sup>	0.96	1.00	n/a	n/a	n/a
Non-Manufacturing Energy Use (GWh)	189	196	253	210	149
Austin	78	85	85	67	25
Markham	33	35	36	32	32
Singapore <sup>2</sup>	n/a	n/a	57	32	21
Sunnyvale	33	31	33	31	18
Others sites combined	45	45	42	47	53
Renewable Energy Use (GWh)4,5	67	74	62	54	30
Non Renewable Energy Use (GWh)	301	306	315	284	259
Total Energy/Revenue (kWh/\$)	0.07	0.07	0.08	0.07	0.05
Energy Conservation (MWh)	n/a	5,282	7,934	30,795	55,829
Austin	n/a	168	473	1,676	23,815
Markham	n/a	4	13	n/a	n/a
Sunnyvale	n/a	117	235	1,074	1,269
Penang	n/a	570	665	15,821	10,701
Singapore <sup>2</sup>	n/a	3,045	134	1,015	11,028
Suzhou	n/a	1,378	6,271	4,709	6,375
Electricity (Indirect Energy Use, TJ)	1,253	1,303	1,303	1,174	1015
Electricity Use (Indirect Energy, GWh)	348	362	362	326	282
ATMP Electricity Use (GWh)	178	185	124	129	140
Penang	47	61	60	67	76
Singapore <sup>2</sup>	90	74	n/a	n/a	n/a
Suzhou	41	50	63	61	64
Non-Manufacturing Electricity Use (GWh)	170	177	182	165	121
Austin	67	74	79	61	25
Markham	29	30	32	29	29
Singapore <sup>2</sup>	n/a	n/a	57	32	21
Sunnyvale	29	27	29	28	15

	2010	2011	2012	2013	2014
Others sites combined	45	45	42	47	52
Energy Use (Direct, TJ)	73	68	52	45	25
Energy Use (Direct, GWh)5	20.2	18.8	14.4	12.4	7.0
ATMP Direct Energy Use (GWh)	1	<	<	<	<
Penang	<	<	<	<	<
Singapore <sup>2</sup>	<	<	n/a	n/a	n/a
Suzhou	1	<	<	<	<
Non-Manufacturing Direct Energy Use (GWh)	19.6	18.7	14.3	12.3	7.0
Austin	11.7	10.3	6.5	5.4	<
Markham	4	5	4	3	3.5
Singapore <sup>2</sup>	n/a	n/a	<	<	<
Sunnyvale	4	4	4	3.6	3.1
Others sites combined	<	<	<	<	<
GHG Emissions					
Scope I GHG Emissions (MTCO2e)	26,628	45,014	41,175	60,721	55,121
ATMP Scope I GHG Emissions	21,857	38,729	26,025	51,279	51,233
Penang	54	153	3,217	25,480	30,919
Singapore <sup>2</sup>	17,553	21,163	n/a	n/a	n/a
Suzhou	4,249	17,413	22,808	25,799	20,314
ATMP Normalized Scope 1 GHG Emissions (kgCO <sub>2</sub> e/PI) <sup>6</sup>	0.12	0.21	0.20	n/a	n/a
Non-Manufacturing Scope I GHG Emissions	4,771	6,285	15,150	9,443	3,888
Austin	2,931	2,206	1,494	1,580	903
Markham	708	3,044	727	606	737
Singapore <sup>2</sup>	n/a	n/a	11,555	6,024	1,486
Sunnyvale	1,693	792	757	676	652
All other sites combined	454	340	278	698	581
Scope 2 GHG Emissions (MTCO <sub>2</sub> e)	163,699	140,384	146,623	158,805	145,832
ATMP Scope 2 GHG Emissions	118,133	97,692	106,569	85,421	89,382
Penang	17,939	25,235	32,382	33,091	39,368
Singapore <sup>2</sup>	68,105	38,128	32,411	n/a	n/a
Suzhou	34,330	41,777	52,330	50,013	51,738
ATMP Normalized Scope 2 GHG Emissions (kgCO <sub>2</sub> e/PI)6	0.526	0.575	0.651	n/a	n/a

	2010	2011	2012	2013	
Non-Manufacturing Scope 2 GHG Emissions	42,692	40,053	72 204	E4 4E0	46,346
(MTCO <sub>2</sub> e)	42,672	40,053	73,384	56,450	סדכ,סד
Austin	0	485	13,447	10,529	0
Markham	5,093	4,141	1,359	1,397	994
Singapore <sup>2</sup>	n/a	n/a	29,224	15,932	9,432
Sunnyvale	7,706	5,085	4,914	5,284	2,872
All other sites combined	29,892	30,342	24,440	23,233	33,047
Total (Scope 1 and 2) GHG Emissions (MTCO <sub>2</sub> e)	167,012	191,637	199,979	206,477	195,533
ATMP Total GHG Emissions	119,549	145,298	111,446	140,661	145,300
ATMP Normalized Total GHG Emissions (kgCO <sub>2</sub> e/PI) <sup>6</sup>	0.64	0.78	0.85	n/a	n/a
ATMP Total GHG Emissions Avoided6	n/a	n/a	n/a	13,085	13,708
Penang	n/a	n/a	n/a	9,224	6,239
Suzhou	n/a	n/a	n/a	3,861	7,469
Goal (% Total GHG Emissions Avoided)6	n/a	n/a	n/a	10%	10%
Goal Performance (% Total GHG Emissions Avoided)6	n/a	n/a	n/a	8.5%	8.6%
Non-Manufacturing Total GHG Emissions 11	47,463	46,338	47,755	43,860	39,315
Goal	47,910	47,910	47,910	47,910	47,910
Singapore <sup>2</sup>	n/a	n/a	40,779	21,956	10,918
Total GHG Emissions/Revenue (kgCO <sub>2</sub> /\$)	0.03	0.03	0.04	0.04	0.04
Scope 3 GHG Emissions (MTCO <sub>2</sub> e)	286,840	441,345	466,036	527,349	n/a
Contract Manufacturers <sup>7</sup>	239,605	388,624	424,189	487,784	n/a
Business Travel	10,664	18,647	14,484	13,776	13,679
Employee Commutes	13,666	13,913	11,323	11,409	10,618
Product Logistics/Shipping	22,905	20,161	16,040	14,380	13,578
Water <sup>8</sup>					
Water Use <sup>9</sup> (million liters)	877	890	868	910	790
ATMP Water Use (million liters)	547	577	504	576	593
Penang	325	320	329	372	396
Singapore <sup>2</sup>	140	121	n/a	n/a	n/a
Suzhou	82	136	175	203	197
ATMP Normalized Water Use (liters/PI)	2.94	3.11	3.84	n/a	n/a
ATMP Water Use Avoided (million liters)6	n/a	n/a	n/a	14.1	34.5
Penang	n/a	n/a	n/a	8.3	17.7
Suzhou	n/a	n/a	n/a	5.8	16.8

	2010	2011	2012	2013	2014
Goal (% Water Use Avoided)6	n/a	n/a	n/a	10%	10%
Goal Performance (% Water Use Avoided)6	n/a	n/a	n/a	2.4%	5.5%
Non-Manufacturing Water Use (million liters)	320	313	364	334	196
Austin	159	160	122	118	П
Markham	63	66	46	53	41
Singapore <sup>2</sup>	n/a	n/a	87	57	17
Sunnyvale	87	71	84	65	72
Other sites combined	10	16	24	41	56
Non-Manufacturing Normalized Water Use (liters/employee) <sup>10</sup>	51,200	45,754	39,910	40,331	24,432
Goal (liters/employee)	42,989	42,989	42,989	42,989	42,989
Non-Manufacturing Water Conservation (million liters)	n/a	19.7	35.2	18.9	51
Austin	n/a	4.2	29.5	11.5	7.6
Markham	n/a	0	0.6	2.5	2.5
Singapore <sup>2</sup>	n/a	3.4	5.1	4.3	40
Sunnyvale	n/a	n/a	n/a	0.6	0.9
Contract Manufacturing <sup>7</sup> (million liters)	n/a	3,506	5,152	5,098	n/a
Water Use/Revenue (liter/\$)	0.14	0.14	0.16	0.17	0.14
Waste					
Non-Hazardous Waste (NHW) Generated (metric	2,070	2,126	1,730	2,049	1,670
tons)	2,070	2,120	1,750	2,017	1,070
ATMP NHW Generated	753	744	497	528	496
Penang	226	227	187	195	146
Singapore <sup>2</sup>	263	216	n/a	n/a	n/a
Suzhou	263	301	309	333	350
Non-Manufacturing NHW Generated	1,317	1,382	1,233	1,521	1,175
Austin	588	375	291	584	244
Markham	244	363	327	256	349
Singapore <sup>2</sup>	n/a	n/a	161	130	90
Sunnyvale	485	644	455	551	493
NHW Recycled	1,050	1,209	1,109	1,597	1,238
ATMP NHW Recycled	318	367	261	382	358
Non-Manufacturing NHW Recycled	732	841	848	1,215	881
NHW Landfilled	1,020	917	621	452	432
ATMP NHW Landfilled	434	377	236	145	138

	2010	2011	2012	2013	2014
Non-Manufacturing NHW Landfilled	585	540	385	306	294
NHW Landfill Diversion Rate (%)	51%	57%	64%	78%	74%
Goal (Landfill Diversion Rate (%))	70%	70%	70%	70%	70%
Contract Manufacturing NHW Generated7	n/a	7,156	5,738	5,991	Not Available
Hazardous Waste (HW) Generated (metric tons)	49	96	151	147	282
ATMP HW Generated	49	95	147	146	280
Penang	47	93	95	72	201
Singapore <sup>2</sup>	I	I	n/a	n/a	n/a
Suzhou	1	<	52	74	80
Non-Manufacturing HW Generated	1	I	3	1	I
Austin	<	I	<	<	<
Markham	<	<	2	0	<
Singapore <sup>2</sup>	n/a	n/a	1	<	<
Sunnyvale	<	<	1	<	<
HW Recycled/Reused	46	93	102	76	203
ATMP HW Recycled/Reused	46	93	99	76	203
Non-Manufacturing HW Recycled/Reused	<	I	3	<	0
HW Treated Off-Site	3	2	49	69	74
ATMP HW Treated Off-Site	2	2	48	68	73
Non-Manufacturing HW Treated Off-Site.	0.6	0.2	I	<	<
HW Landfilled	0.13	0.10	0	0	0
ATMP HW Landfilled	0.13	0.10	0	0	0
HW Landfilled	-	_	0	0	0
Total Waste Generated (NHW+HW)	2119	2,222	1,881	2,196	1,953
Total Waste Generated per Revenue (g/\$)	0.33	0.34	0.35	0.41	0.35
Contract Manufacturing HW Generated7	n/a	15,049	13,609	18,196	n/a
Product Scrap for Precious Metal Reclaim	122	157	99	144	113
Trays Reused	n/a	214	95	93	65
Trays Recycled	n/a	29	42	95	29

	2010	2011	2012	2013	2014
Wastewater					
Waste Water Discharge (million liters) <sup>12</sup>	320	364	391	235	92
Austin	61	41	38	45	9
Penang	122	139	143	119	61
Singapore <sup>2</sup>	56	49	35	23	7
Suzhou	81	136	175	48	15
Wastewater generated per Revenue (liters/\$)	0.05	0.06	0.07	0.07	0.02
Air Emissions <sup>13</sup>					
Ozone Depleting Substances (MTCO <sub>2</sub> e)	19,820	38,802	35,192	54697	50509
Compliance					
Number of Environmental Non-Compliances <sup>14</sup>	2	0	1	3	2
Number of Health or Safety Non-Compliances	0	1	0	0	0
Fines (\$)	0	360	6,000	2,801	0

#### Notes:

- n/a = not available.
- Values shown in italics represent corrected data and are different from values shown in previous CR Reports.
- 2009 data does not include wafer manufacturing contributions from assets transferred to GLOBALFOUNDRIES in March 2009.
- 2. Singapore transitioned from a manufacturing site to a non-manufacturing in 2012, and reported separately.
- 3. PI The Production Index is derived from the number of units produced and cycle time which is an indicator of processing complexity. Starting in 2013, AMD no longer normalizes using PI.
- 4. AMD's campus in Austin TX is 100% powered by renewable wind energy. In 2014, a total of 32 GWh of renewable wind energy was also applied to sites in Fort Collins, Co, and Orlando, Fl..
- 5. There was no renewable direct energy used in 2014.
- 6. In 2013. AMD reset the two environmental goals focused on manufacturing facilities. The reset was largely prompted by the inaccuracy of our normalizing factor (PI) in assessing environmental performance.
- Data provided by AMD contract manufacturers and proportioned based on AMD product manufactured. TSMC Scope I GHG emissions include perfluorocarbon (PFC) emissions only.
- 8. AMD is not aware of any water sources significantly affected by withdrawal of water at any location.
- This includes water use from facilities at eleven (11) sites. AMD is working on increasing the number of sites for which water data is collected.
- 10. Non-manufacturing normalized water data (liters/employee) is normalized using the number of employees at those sites for which water data is collected.
- 11. Singapore emissions not included in Non-Manufacturing GHG Emissions Goal performance. Singapore was a manufacturing facility until 2012.
- 12. All wastewater from sites are discharged into municipal wastewater treatment plants.
- 13. Fugitive emissions of greenhouse gases are included as part of total carbon equivalent emissions.
- 14. In 2014 non-compliances were due to 1.) City of Austin Texas waste water self-monitoring report was submitted after the due date. 2.) York Municipality, Ontario Canada advised AMD of waste water discharge sampling results exceeding bylaw limits

## **GRI TABLES**

GRI Application Level: We have reviewed our 2014 disclosures against the GRI G4 guidelines and declared our reporting to be 'in accordance' Core. The details of how our 2014 disclosures address the GRI G4 guidelines are further defined in the GRI Index table below.

### **General Standard Disclosures**

Strategy	and Analysis		
Indicator	Description	Reported	Cross-reference/Direct Answer
G4-I	Statement from the most senior decision-maker of the organization.	•	Message from the CEO
G4-2	Description of key impacts, risks and opportunities.	•	Risk Management and Risks and Opportunities Related to Climate Change
Organiza	tional Profile	•	
G4-3	Name of the organization.	•	AMD At A Glance
G4-4	Primary brands, products and/or services.	•	AMD At A Glance
G4-5	Location of organization's headquarters.	•	AMD At A Glance
G4-6	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	•	AMD At A Glance
G4-7	Nature of ownership and legal form.	•	AMD At A Glance
G4-8	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries).	•	AMD At A Glance
G4-9	Scale of the reporting organization.	•	AMD At A Glance. 2014 Annual Report on Form 10-K
G4-10	Total workforce by employment type, employment contract and region, broken down by gender.	•	Labor Data Tables
G4-11	Percentage of employees covered by collective bargaining agreements.	•	AMD estimates that up to 4% of employees are covered by national or industry collective bargaining agreements.
G4-12	Describe the organizations supply chain.	•	Supplier Responsibility
G4-13	Significant changes during the reporting period regarding size, structure or supply chain.	•	Transparency Supplier Responsibility
G4-14	Whether and how precautionary approach or principle is addressed by the organization.	•	Risk Management Risks and Opportunities Related to Climate Change
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	•	Supplier Responsibility Human Rights
	List memberships of associations and national or international advocacy organizations in which the organization:		
G4-16	Holds a position on the governance body     Participates in projects or committees     Provides substantive funding beyond routine membership dues	•	Principle Industry and Business Associations

	Views membership as strategic		
Identified	Material Aspects and Boundaries	1	
Indicator	Description	Reported	Cross-reference/Direct Answer
G4-17	a. List all entities included in the organization's consolidated financial statements or equivalent documents.      b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	•	Transparency 2014 Annual Report on Form 10-K
	The organization can report on this Standard Disclosure by referencing the information in publicly available consolidated financial statements or equivalent documents.		
G4-18	a. Explain the process for defining the report content and the Aspect Boundaries.		CR Resources and Process Transparency

Indicator	Description	Reported	Cross-reference/Direct answer
Stakehol	der Engagement		
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	•	Transparency
G4-22	Explanation of the effect of any restatements of information provided in earlier reports, and the reasons for such restatement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	•	Transparency 2014 Annual Report on Form 10-K
G4-21	organization.  • If the Aspect is material outside of the organization, identify the entities, groups of entities or elements for which the Aspect is material. In addition, describe the geographical location where the Aspect is material for the entities identified.  • Any specific limitation regarding the Aspect Boundary outside the organization.	•	See the Materiality section of CR Resources and Process Transparency Stakeholder Engagement Panel
	For each material Aspect, report the Aspect Boundary outside the organization, as follows:  • Whether the Aspect is material outside of the		
	<ul> <li>G4-I7 for which the Aspect is not material or</li> <li>The list of entities or groups of entities included in G4-I7 for which the Aspects is material</li> <li>Any specific limitation regarding the Aspect Boundary within the organization</li> </ul>		Stakeholder Engagement Faner
G4-20	For each material Aspect, report the Aspect Boundary within the organization, as follows:  • Whether the Aspect is material within the organization.  • If the Aspect is not material for all entities within the organization (as described in G4-17), select one of the following two approaches and report either:  — The list of entities or groups of entities included in	•	See the Materiality section of CR Resources and Process Transparency Stakeholder Engagement Panel
G4-19	List all the material Aspects identified in the process for defining report content.	•	See this GRI G4 content index - Specific standard disclosures.
G4-18	<ul><li>a. Explain the process for defining the report content and the Aspect Boundaries.</li><li>b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.</li></ul>	•	CR Resources and Process Transparency Stakeholder Engagement Panel GRI
	The organization can report on this Standard Disclosure by referencing the information in publicly available consolidated financial statements or equivalent documents.		
G4-17	consolidated financial statements or equivalent documents.  b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	•	Transparency 2014 Annual Report on Form 10-K

G4-24	List of stakeholder groups engaged by the organization.	•	Stakeholder Engagement
G4-25	The basis for identification and selection of stakeholders with whom to engage.	•	Stakeholder Engagement
G4-26	The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	•	See the Materiality section of CR Resources and Process Stakeholder Engagement
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.  Report the stakeholder groups that raised each of the key topics and concerns.	•	See the Materiality section of CR Resources and Process Stakeholder Engagement
Report	Profile		
G4-28	Reporting period for information provided.	•	Transparency
G4-29	Date of most recent previous report.	•	Transparency
G4-30	Reporting cycle (such as annual, biennial).	•	Transparency
G4-31	Provide the contact point for questions regarding the report or its contents.	•	CorporateResponsibility@amd.com
G4-32	Table identifying the location of the Standard Disclosures in the report.	•	GRI Content Index Table
G4-33	<ul> <li>a. The organization's policy and current practice with regard to seeking external assurance for the report.</li> <li>b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided.</li> <li>c. The relationship between the organization and the assurance providers.</li> <li>d. Whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.</li> </ul>	•	Transparency
Governa	ance		
G4-34	The governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	•	Governance and Ethics
Ethics &	Integrity		
G4-56	The organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	•	Governance and Ethics

#### **Specific Standard Disclosures Economic** Indicator Description Reported Cross-reference/Direct answer **Economic performance** G4-DMA Management approach • **Governance and Ethics** AMD collaborates with governments around the world to help accelerate innovation, create and retain jobs, provide educational assistance and job training and implement other public economic development programs. AMD does not receive significant financial assistance from government other than assistance associated with AMD investments in equipment and facilities, G4-ECI Direct economic value generated and distributed. employment or research and development that are publicly provided by federal, state and local governments around the world. We do not report on this indicator on a companywide basis because our accounting practices do not separate out government-specific incentives. See Public Policy for more information on our interactions with governments. Also see Economic Data Tables and 2014 Annual Report on Form 10-K. Risk and Opportunities Related to Climate Financial implications and other risks and opportunities G4-EC2 for the organization's activities due to climate change. Change AMD does not offer defined benefit Coverage of the organization's defined benefit plan retirement plans. Please see Compensation G4-EC3 and Benefits for a description of our obligations. programs. AMD collaborates with governments around the world to help accelerate innovation. create and retain jobs, provide job training and implement other public economic development programs. AMD does not receive significant financial assistance from government other than assistance associated with AMD investments in equipment and G4-EC4 Financial assistance received from government. facilities, employment or research and development that are publicly provided by federal, state and local governments around the world. We do not report on this indicator on a company-wide basis because our accounting practices do not separate out government-specific incentives. See Public Policy for more information on our interactions with governments. **Market Presence** G4-DMA **Governance and Ethics** Management approach AMD consistently pays more than the Ratios of standard entry-level wage by gender

minimum wage in every country in which we

operate. Please see Compensation and

Benefits.

G4-EC5

compared to local minimum wage at significant

locations of operation.

G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	•	The majority of AMD's senior management comes from the local communities where we operate. AMD targets local talent pools via job boards, alumni associations, University Relations activities. See <u>Talent Management</u> and <u>University Relations and Student Experience</u> .
Indirect	Economic Impacts		
G4-DMA	Management approach	•	Governance and Ethics
G4-EC7	Development and impact of infrastructure investments and services supported.	•	Technology Infrastructure Development and Services.
G4-EC8	Significant indirect economic impacts, including the extent of impacts.	•	Products: AMD has studied environmental impacts through the lifecycle of our products. The company is focused on designing energy-efficient products. AMD also evaluates the positive impacts associated with the use of our products. Examples of the societal contributions from AMD products are published in this report and on our corporate responsibility website. See AMD Technology - Enabling a Better World  Education: To evaluate the progress and effectiveness of AMD Changing the Game, the AMD Foundation tracks a number of key performance indicators. See Table 4.  See AMD Changing the Game
Procurer	ment Practices		
G4-DMA	Management approach	•	Governance and Ethics
G4-EC9	Proportion of spending on local suppliers at significant locations of operation.	•	AMD has no specific policy related to spending on locally based suppliers at significant locations.  AMD is a "buying member" of Supplier Connection, an initiative to allow small businesses to more easily apply to become suppliers to large companies.
Environn	nental		
Energy			
G4-DMA	Management approach	•	Global Environmental Goals and Performance
G4-EN3	Energy consumption within the organization	•	Environmental Data Tables
G4-EN4	Energy consumption outside of the organization	•	Environmental Data Tables
G4-EN6	Reduction of energy consumption	•	Environmental Data Tables
G4-EN7	Reductions in energy requirements of products and services	•	Environmental Data Tables  AMD's 25x20 Energy Efficiency Initiative  Global Environmental Goals and Performance
Water	·		
G4-DMA	Management approach	•	Global Environmental Goals and Performance
G4-EN8	Total water withdrawal by source.	•	Environmental Data Tables

G4-EN9	Water sources significantly affected by withdrawal of water.	•	Environmental Data Tables
G4-ENI0	Percentage and total volume of water recycled and reused.	•	Environmental Data Tables
Emission	s		
G4-DMA	Management approach	•	Global Environmental Goals and Performance
G4-ENI5	Direct greenhouse gas (GHG) emissions. (Scope I)	•	Environmental Data Tables
G4-EN16	Energy indirect greenhouse gas (GHG) emissions. (Scope 2)	•	Environmental Data Tables
G4-EN17	Other indirect greenhouse gas (GHG) emissions. (Scope 3)	•	Environmental Data Tables
G4-EN21	NOx, SOx, and other significant air emissions	•	Environmental Data Tables
Effluents	and Waste		
G4-DMA	Management approach	•	Global Environmental Goals and Performance
G4-EN22	Total water discharge by quality and destination.	•	Environmental Data Tables
G4-EN23	Total weight of waste by type and disposal method.	•	Environmental Data Tables
Compliar	nce		
G4-DMA	Management approach	•	Global Environmental Goals and Performance
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	•	Environmental Data Tables
Transpor	t		
G4-DMA	Management approach	•	Global Environmental Goals and Performance
	Significant environmental impacts of transporting		Environmental Data Tables
G4-EN30	products and other goods and materials used for the organization's operations, and transporting members of the workforce.	•	Addressing Other Indirect Emissions Product Packaging
Social: La	abor Practices and Decent Work		
Employm	nent		
G4-DMA	Management approach	•	AMD Employees
G4-LAI	Total number and rate of new employee hires and employee turnover by age group, gender and region.	•	Labor Data Tables
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	•	Full time U.S. employees, including those who work at least 30 hours per week, are eligible for all benefits, including medical, prescription drugs, dental, vision, employee assistance and wellness, life insurance, disability insurance, vacation, paid holidays and a defined contribution retirement saving plan. Co-ops are eligible for most benefits other than disability, vacation and the retirement savings plan. Employees who work less than 30 hours per week are only eligible for the retirement savings and disability plans. For more information see Compensation and Benefits.
G4-LA3	Return to work and retention rates after parental leave, by gender.	•	<u>Labor Data Tables</u>

Fercentage of total workforce represented in formal joint management worker health and safety or committees that help monitor and advise on occupational health and safety programs.  G4-LAS  G4-LAS  G5-LAG  G4-LAG  G5-LAG  G4-LAG  G5-LAG  G4-LAG  G5-LAG  G6-LAG  G6-LAG  G6-LAG  G6-LAG  G6-LAG  G6-LAG  G6-LAG  G6-LAG  G7-LAG	Occupati	onal Health and Safety		
Section   Sect	G4-DMA	Management approach	•	Employee Health, Safety and Wellness
Sesenteeism, and number of work-related fatalities, by region and by gender.	G4-LA5	joint management-worker health and safety committees that help monitor and advise on	•	Employee Health, Safety and Wellness
G4-DMA Management approach  Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  G4-LA11 performance and career development reviews, by gender.  G4-DMA Management approach  G4-DMA Management approach  G4-DMA Management approach  Composition of governance bodies and breakdown of employees regular other indicators of diversity.  G4-DMA Management approach  G5-DMA Management approach  G6-DMA Management approach  G7-DMA Management approach  G7-DMA Management approach  G8-DMA Management approach  G8-DMA Management approach  G8-DMA Management approach  G8-DMA Management approach  G9-DMA Management appr	G4-LA6	absenteeism, and number of work-related fatalities, by	•	Labor Data Tables
G4-LA10 that support the continued employability of employees and assist them in managing career endings.  G4-LA11 performance and career development reviews, by gender.  G4-LA12 Percentage of employees receiving regular performance and career development reviews, by gender.  Diversity and Equal Opportunity  G4-DMA Management approach  GG4-LA12 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity.  Social: Human Rights  Investment  G4-DMA Management approach  Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  Management approach  Total hours of employees trained.  Social: Human Rights  Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees worldwide for a total of 10,000 hours of training. All employees worldwide for a total of 10,000 hours of training. All employees worldwide for a total of 10,000 hours of training. All employees worldwide for a total of 10,000 hours of training. All employees worldwide for a total of 10,000 hours of training. All employees worldwide for a total of 10,000 hours of training. All employees worldwide for a total of 10,000 hours of training. All employees for a total of 10,000 hours of training. All employees for a total of 10,000 hours of training. All employees worldwide for a total of 10,000 hours of training. All employees worldwide for a total of 10,000 hours of training. All employees for a total of 10,000 hours of training. All employees for a total of 10,000 hours of training. All employees for the formal for the formal for the formal formal for the	Training	and Education		
## Continued employability of employees and assist them in managing career endings.  ## Continued employability of employees and assist them in managing career endings.  ## Continued Equal Opportunity  ## Employees Pay for Performance  ## Labor Data Tables  ## AMD Employees  ## AMD Employees  ## AMD Employees  ## AMD Employees worldwide receive access to and training on AMD's Worldwide Standards of Business Conduct. Training typically takes about one hour per employee and must be completed during the employee's first 90 days of service and/or every three years thereafter. AMD has approximately 10,000 employees worldwide for a total of 10,000 hours of training. All employees worldwide for a total of 10,000 employees worldwide for a total of 10,0	G4-DMA	Management approach	•	AMD Employees
Employees Pay for Performance	G4-LA10	that support the continued employability of employees	•	Employee Education and Training
G4-DMA Management approach  G4-LA12 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity.  Social: Human Rights  Investment  G4-DMA Management approach  Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  G4-HR2 Management approach  G4-DMA Management approach  G4-DMA Management approach  G4-HR3 Total number of incidents of discrimination and corrective actions taken.  G5-DMA Management approach  AMD Employees  All employees worldwide receive access to and training on AMD's Worldwide Standards of Business Conduct. Training typically takes about one hour per employee and must be completed during the employee's first 90 days of service and/or every three years thereafter. AMD has approximately 10,000 employees worldwide for a total of 10,000 hours of training. All employees worldwide also receive an annual reminder email regarding the Standards, including a link to AMD's Worldwide Standards of Business Conduct. See AMD's Wo	G4-LAII	performance and career development reviews, by	•	Employees Pay for Performance
G4-LA12  Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity.  Social: Human Rights  Investment  G4-DMA  Management approach  Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  Mon-discrimination  G4-DMA  Management approach  AMD Employees  All employees worldwide receive access to and training on AMD's Worldwide Standards of Business Conduct. Training typically takes about one hour per employee and must be completed during the employee's first 90 days of service and/or every three years thereafter. AMD has approximately 10,000 employees worldwide for a total of 10,000 hours of training. All employees worldwide also receive an annual reminder email regarding the Standards, including a link to AMD's Worldwide Standards of Business Conduct. See AMD's Worldwide Standards of Business Conduct.  Non-discrimination  G4-DMA  Management approach  AMD Employees  No incidents of discrimination were found or alleged via any court or administrative agencies during or related to 2014.	Diversity	and Equal Opportunity		
employees per employee category according to gender, age group, minority group membership and other indicators of diversity.  Social: Human Rights  Investment  G4-DMA Management approach  Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees worldwide rearrange worldwide and rearrange worldwide for a total of 10,000 hours of training. All employees worldwide standards of service and/or every three years thereafter. AMD has approximately 10,000 employees worldwide for a total of 10,000 hours of training. All employees worldwide also receive an annual reminder email regarding the Standards, including a link to AMD's Worldwide Standards of Business Conduct. See AMD's Worldwide Standards of Business Conduct.  Non-discrimination  G4-DMA Management approach  Total number of incidents of discrimination and corrective actions taken.  **MD Employees**  No incidents of discrimination were found or alleged via any court or administrative agencies during or related to 2014.	G4-DMA	Management approach	•	AMD Employees
Investment  G4-DMA Management approach  Management approach  AMD Employees  All employees worldwide receive access to and training on AMD's Worldwide Standards of Business Conduct. Training typically takes about one hour per employee and must be completed during the employee's first 90 days of service and/or every three years thereafter. AMD has approximately 10,000 employees worldwide for a total of 10,000 hours of training. All employees worldwide also receive an annual reminder email regarding the Standards, including a link to AMD's Worldwide Standards of Business Conduct. See AMD's Worldwide Standards of Business Conduct.  Non-discrimination  G4-DMA Management approach  Management approach  Management approach  Monicidents of discrimination were found or alleged via any court or administrative agencies during or related to 2014.	G4-LA12	employees per employee category according to gender, age group, minority group membership and	•	AMD does not currently report on employee
G4-DMA  Management approach  All employees worldwide receive access to and training on AMD's Worldwide Standards of Business Conduct. Training typically takes about one hour per employee and must be completed during the employee's first 90 days of service and/or every three years thereafter. AMD has approximately 10,000 employees trained.  Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees worldwide for a total of 10,000 hours of training. All employees worldwide also receive an annual reminder email regarding the Standards of Business Conduct. See AMD's Worldwide Standards of Business Conduct. See AMD's Worldwide Standards of Business Conduct.  Non-discrimination  G4-DMA  Management approach  AMD Employees  No incidents of discrimination were found or alleged via any court or administrative agencies during or related to 2014.	Social: H	uman Rights		
All employees worldwide receive access to and training on AMD's Worldwide Standards of Business Conduct. Training typically takes about one hour per employee and must be completed during the employee's first 90 days of service and/or every three years thereafter. AMD has approximately 10,000 employees worldwide for a total of 10,000 hours of training. All employees worldwide also receive an annual reminder email regarding the Standards, including a link to AMD's Worldwide Standards of Business Conduct. See AMD's Worldwide Standards of Business Conduct. See AMD's Worldwide Standards of Business Conduct.  Non-discrimination  G4-DMA Management approach  Total number of incidents of discrimination and corrective actions taken.  All employees worldwide standards of service and/or every three years thereafter. AMD has approximately 10,000 employees worldwide for a total of 10,000 hours of training. All employees worldwide also receive an annual reminder email regarding the Standards of Business Conduct. See AMD's Worldwide Standards of Business Conduct. See AMD's Worldwide Standards of Business Conduct. See AMD Employees  No incidents of discrimination were found or alleged via any court or administrative agencies during or related to 2014.	Investme	nt		
and training on AMD's Worldwide Standards of Business Conduct. Training typically takes about one hour per employee and must be completed during the employee's first 90 days of service and/or every three years thereafter. AMD has approximately 10,000 employees trained.  Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  AMD is worldwide Standards, including a link to AMD's Worldwide Standards of Business Conduct. See AMD's Worldwide Standards of Business Conduct.  Non-discrimination  G4-DMA  Management approach  AMD Employees  No incidents of discrimination were found or alleged via any court or administrative agencies during or related to 2014.	G4-DMA	Management approach	•	AMD Employees
G4-DMA Management approach  Total number of incidents of discrimination and corrective actions taken.  Management approach  Mo incidents of discrimination were found or alleged via any court or administrative agencies during or related to 2014.	G4-HR2	procedures concerning aspects of human rights that are relevant to operations, including the percentage of	•	and training on AMD's Worldwide Standards of Business Conduct. Training typically takes about one hour per employee and must be completed during the employee's first 90 days of service and/or every three years thereafter. AMD has approximately 10,000 employees worldwide for a total of 10,000 hours of training. All employees worldwide also receive an annual reminder email regarding the Standards, including a link to AMD's Worldwide Standards of Business Conduct. See AMD's Worldwide Standards of
Total number of incidents of discrimination and corrective actions taken.  No incidents of discrimination were found or alleged via any court or administrative agencies during or related to 2014.	Non-disc	rimination		
G4-HR3  Total number of incidents of discrimination and corrective actions taken.  • alleged via any court or administrative agencies during or related to 2014.	G4-DMA	Management approach	•	AMD Employees
Freedom of association and collective bargaining	G4-HR3		•	alleged via any court or administrative
	Freedom	of association and collective bargaining		

			AMD Employees
G4-DMA	Management approach	•	Supplier Responsibility
		_	Human Rights
			AMD is unaware of any such operation during or related to 2014.
G4-HR4	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	•	The Company's Worldwide Standards of Business Conduct strictly forbid child labor and forced/compulsory labor practices, and respect the rights of employees to associate freely. AMD has adopted the EICC Code of Conduct and is committed to complying with all applicable laws in all locations.
Child lab	or		
			AMD Employees
G4-DMA	Management approach	•	Supplier Responsibility
			Human Rights
			AMD is unaware of any such operation during or related to 2014.
G4-HR5	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	•	The Company's Worldwide Standards of Business Conduct strictly forbid child labor and forced/compulsory labor practices, and respects the rights of its employees to associate freely.
			AMD has adopted the EICC Code of Conduct and is committed to complying with all applicable laws in all locations.
Forced a	nd compulsory labor		
			AMD Employees
G4-DMA	Management approach	•	Supplier Responsibility
			Human Rights
			AMD is unaware of any such operation during or related to 2014.
G4-HR6	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	•	The Company's Worldwide Standards of Business Conduct strictly forbid child labor and forced/compulsory labor practices, and respects the rights of its employees to associate freely.
			AMD has adopted the EICC Code of Conduct and is committed to complying with all applicable laws in all locations.
Assessm	ent		
			AMD Employees
G4-DMA	Management approach	•	Supplier Responsibility
			Human Rights
G4-HR9	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	•	We have adopted the EICC Code of Conduct and the Institute for Supply Management (ISM) Principles of Social Responsibility. In 2014, we communicated our expectations to our top-tier suppliers that they conform to the Code, ISM principles or equivalent standards. In 2014, 100% of our major supplier facilities completed the EICC SAQ and no high-risk supplier facilities were
	assessments.		standards. In 2014, 100% of our major supplier facilities completed the EICC

			AMD completed the EICC SAQ for both our manufacturing facilities located in Suzhou, China and Penang, Malaysia.  Supplier Responsibility
Social: So	ociety		
Local Co	mmunities		
G4-DMA	Management approach	•	AMD in the Community
G4-SOI	Percentage of operations with implemented local community engagement, impact assessments and development programs.	•	All major AMD sites have organized community involvement.  AMD in the Community  AMD Changing the Game
Anti-Cor	ruption		
G4-DMA	Management approach	•	Governance and Ethics
G4-SO3	Total number and percentage and total number of business units analyzed for risks related to corruption.	•	AMD's Internal Audit Department performs comprehensive risk analyses (including regarding corruption) of all AMD sites/departments.  Internal Audit
G4-SO4	Communication and training on anti-corruption policies and procedures.	•	All employees worldwide receive copies of and training on AMD's Worldwide Standards of Business Conduct, which includes strict anti-corruption provisions. Training typically takes about one hour per employee and must be completed during the employee's first 90 days of service, and on a three-year cadence thereafter.
			AMD's Worldwide Standards of Business Conduct
Public Po	olicy		
G4-DMA	Management approach	•	Public Policy
G4-SO6	Total value of financial and in-kind contributions to political parties, politicians and related institutions by country.	•	Economic Data Tables
Anti-con	npetitive Behavior		
G4-DMA	Management approach	•	Public Policy
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices, and their outcomes.	•	There were no legal actions for anti- competitive behaviors, anti-trust and monopoly practices brought against the Company in 2014. Any material legal proceedings involving AMD would be discussed in our SEC Form 10-K.
Complia	nce		
G4-DMA	Management approach	•	Global Environmental Goals and Performance

G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	•	Environmental Data Tables	
Social: Pi	Social: Product Responsibility			
Customer Health and Safety				
G4-DMA	Management approach	•	Product Stewardship	
G4-PRI	Percentage of significant products and services categories subject which health and safety impacts of products and services are assessed for improvement.	•	AMD seeks to minimize the potential adverse impact to human health and the environmental at each stage of our product's life, from design to disposal.  Product Stewardship	

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