

## WHO WE ARE

## AMDA

## AMD IS A GLOBAL SEMICONDUCTOR COMPANY THAT DESIGNS AND DELIVERS:

- > x86 MICROPROCESSORS for servers, notebooks, workstations and desktop PCs, and x86 microprocessors with integrated graphics for notebook and desktop PCs;
- > GRAPHICS PROCESSING UNITS (GPUs) for notebooks, desktop PCs, workstations and the data center; and
- > EMBEDDED AND SEMI-CUSTOM PROCESSORS for game consoles, displays, thin clients, storage systems and other products.

Founded in 1969 as a Silicon Valley start-up, the AMD journey began with dozens of employees focused on leading-edge semiconductor products. From those modest beginnings, AMD has grown into a global company achieving many important industry firsts along the way. We are proud of our culture of bold technology bets, ambitious product roadmaps, deep partnerships and excellence in execution.

We operate in over <u>35 locations</u> worldwide including engineering facilities, sales and business service sites, and corporate offices.

## WHAT WE POWER

## DATA CENTER, CLOUD + HIGH-PERFORMANCE COMPUTING

AMD EPYC™ processors and AMD Instinct™ accelerators power supercomputers as well as cloud services that enable today's digital experiences for remote working and learning, entertainment and communications.

## CONSUMER AND COMMERCIAL PCS

AMD continues to drive innovation in today's PCs with AMD Ryzen™ processors and AMD Radeon™ graphics, bringing performance, efficiency and modern security features to gamers, creators, consumers and enterprises.

#### GAMING

High-performance AMD computing and graphics technologies and software power immersive gaming experiences for high-performance PCs, the latest game consoles and cloud gaming services.

#### **EMBEDDED**

AMD EPYC™ Embedded processors and AMD Ryzen™ Embedded processors serve a broad spectrum of markets, from industrial solutions, networking and communications to aerospace, medical imaging and digital signage.





In 2020 and into 2021, we significantly accelerated the growth of the AMD business and increased our strategic focus on environmental, social and governance (ESG). This included new priorities and goals spanning digital impact, environmental stewardship, supply chain responsibility, and diversity, belonging and inclusion.

AMD in 2020 reached key environmental milestones set in 2014, including the bold "25x20" goal to deliver at least 25 times more energy efficiency by 2020 in our mobile processors. We also reduced our absolute greenhouse gas (GHG) emissions from AMD operations (scope 1 and 2) by 38 percent over the same timeframe – well ahead of our 20 percent goal.

Early in 2020, AMD moved quickly to navigate the challenges of the COVID-19 pandemic, implementing best practices to mitigate the spread of the virus, protect the health and safety of our employees, maintain business continuity for our customers, and support our

## **CEO MESSAGE**

A MESSAGE FROM AMD PRESIDENT AND CORPORATE EXECUTIVE OFFICER, DR. LISA SU

communities by applying our essential technology and resources in the fight.

To accelerate COVID-related research, we created the AMD COVID-19 High Performance Compute (HPC) Fund and donated high-performance systems powered by AMD EPYC™ CPUs and AMD Instinct™ GPUs to key research institutions in Canada, France, Germany, India, Italy, United Kingdom and the United States. With 12 petaflops of total supercomputing capacity donated, the combined compute capacity would rank among the fastest supercomputers in the world.

Through our combined COVID-19 response efforts, we provided more than \$26 million USD to universities, research institutes and community organizations, including donations of technology, personal protective equipment, and corporate and employee giving (as of June 2021).

The pandemic necessitated the rapid acceleration of digital transformation in businesses, governments, schools and the home. It is now clear high-performance computing is essential to our daily lives and how we work, how we learn and how we connect with each other. AMD high-performance computing products now power many of the most important cloud services enabling digital transformation, supporting billions of people around the world every day.

In 2020 we also faced painful reminders of the work still ahead to create a more just and equitable society. AMD remains committed to helping increase the

number of women and underrepresented groups in the technology industry and to support efforts to effect lasting change.

Looking ahead, AMD has set multiple new goals for 2025 and beyond to drive meaningful impact across our value chain. These goals include 70 percent of our employees participating in AMD employee resource groups and/or other AMD inclusion initiatives; increasing energy efficiency by 30x for AMD processors powering servers in Al-training and high-performance computing applications; and pursuing science-based GHG emission reductions for AMD operations. And by 2025, through AMD and AMD Foundation philanthropy and partnerships that enable STEM education, scientific research and the workforce of the future, we aim to benefit 100 million people.

Throughout this report, you can learn about our corporate responsibility programs and initiatives that are driving positive impacts for our society, environment, employees and customers. And as always, AMD will continue delivering the technology and products that are essential to solving our toughest challenges ahead, whatever they may be.

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## AMD CORPORATE RESPONSIBILITY IN ACTION

A MESSAGE FROM SUSAN MOORE, CORPORATE VICE PRESIDENT, CORPORATE RESPONSIBILITY AND INTERNATIONAL GOVERNMENT AFFAIRS. AND PRESIDENT, AMD FOUNDATION

The global challenges of 2020 shared lessons across the world, including the power of resiliency, hope and common vision. The year also reinforced the important role of businesses in contributing toward a more inclusive and sustainable world through environmental, social and governance (ESG) efforts.

AMD recognizes our responsibility to help address global challenges in a way that drives value for our stakeholders. We recognize it is not just what our technology can do that matters, but also how we responsibly develop and deliver it. An important part of our approach includes conducting materiality assessments to evaluate ESG-related impacts on society and our business. We engage our stakeholders to understand their views, clearly communicate our strategies and positions, and be responsive as issues evolve.

Over the past year, in partnership with Ceres and a diverse set of stakeholders, we listened to input and reflected in refreshing our strategic focus areas in ESG. The process has been instrumental in informing our long-term strategic priorities as well as our goals, reporting and transparency efforts. As a result, across our business we have new priorities in digital impact; environmental stewardship; supply chain responsibility; and diversity, belonging and inclusion. With impact-driven efforts in these areas, we can help create a better future for the people who design, make and use our products, and for the communities where we live and work.

We continue to embed ESG performance and transparency into our business. For 2021, increased diversity representation is a component of our company's strategic metrics and milestones to inform our incentive plan. And to accelerate internal coordination, we formalized an ESG Executive Steering Committee. Our next chapter includes welcoming Xilinx as part of the AMD team, upon final regulatory approvals and deal closing, and then reassessing our collective ESG opportunities and goals.

I thank AMD employees for their resiliency and commitment last year. Through their can-do spirit, we delivered for our customers while supporting the well-being of our workforce, supply chain and local communities. I am inspired by the far-reaching potential of AMD technologies to power high-performance computing solutions that help solve global challenges today and in the future.



#### AWARDS AND RECOGNITIONS

Our work is recognized by organizations at the forefront of corporate responsibility, including:











## **OUR COVID-19 RESPONSE**

Since early 2020, AMD has worked diligently to navigate the uncertainty seen in our world. We continue to assess the unfolding situation taking necessary steps to maintain business continuity while protecting the health and safety of our employees, and supporting our customers, supply chain workers and communities. We also actively deploy our technology and resources to fight the pandemic.

#### OUR WORKFORCE

Although certain offices remained open during 2020 with limited capacity to perform essential business functions per local guidelines, most of our employees worked from home. To support them during this challenging time, AMD provided resources and benefits to help balance the demands of work, school, home and parental care. For example, as part of our global Employee Assistance Program, we offered free, confidential short-term counseling, personalized coaching, as well as wellness resources for caregiving, education and parenting. We also engaged our Caregiver Employee Resource Group, a collaborative community of employees that are caring for children or the elderly, to share useful tools, tips and perspectives in balancing work and family successfully.

#### **OUR SUPPLY CHAIN**

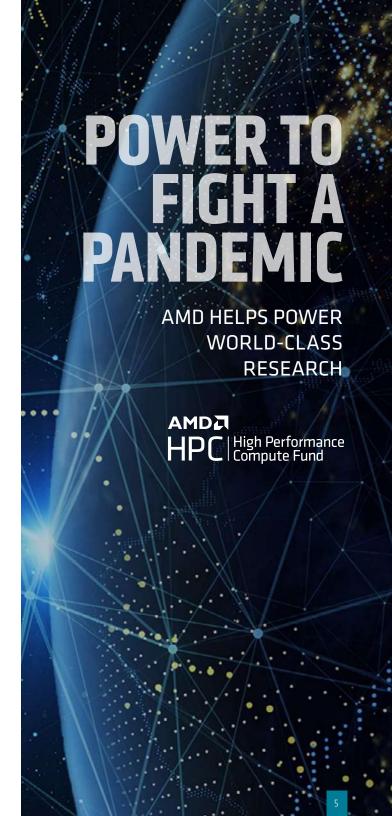
Our partnership with our suppliers is critical to the reliable delivery of our products and the protection of workers. We continually monitor our supply chain and work closely with our suppliers to assess risks, enable training and validate progress. For example, our supply chain operations accommodated

adjusted delivery dates and quantities, and they planned for extended lead times when reasonably possible. We also shifted production load from countries with COVID-19 outbreaks and collaborated with suppliers to reroute materials and finished goods to lanes and locations that best enabled delivery to customers.

#### OUR GLOBAL COMMUNITIES

Through our combined COVID-19 response efforts, we provided more than \$26 million USD to universities, research institutes and community organizations, including donations of technology, personal protective equipment, and corporate and employee giving (as of June 2021).

For example, AMD and employees donated money for COVID-19 medical support and humanitarian relief through grants and special matching gift programs for communities worldwide. We also prioritized and expedited product shipments for our medical customers, including AMD embedded processors used in ventilators and respirators. To accelerate COVID-related medical research, we established the AMD COVID-19 High Performance Compute (HPC) Fund to provide universities and research institutions with HPC technology and resources. We aim to help leading institutions not only deepen their understanding of COVID-19, but also improve their ability to respond to future potential threats to global health.



## SUPPORTING OUR COMMUNITIES







**REDUCTION IN** 

**WASTE GENERATED** 

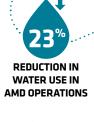
FROM AMD

**OPERATIONS** 

# ENVIRONMENTAL STEWARDSHIP

237 MILLION kWh

OF RENEWABLE ENERGY SOURCED



(2014-2020)



REDUCTION IN GLOBAL
GREENHOUSE GAS EMISSIONS
FROM OUR OPERATIONS
(SCOPE 1 AND 2)

#### **OUR PEOPLE**









#### **RESPONSIBLE SOURCING**

THE AVERAGE SOCIAL AND ENVIRONMENTAL AUDIT SCORE OF AMD SUPPLIERS IS

39% HIGHER THAN THE INDUSTRY AVERAGE

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# CORPORATE RESPONSIBILITY

2020 HIGHLIGHTS

# IN 2021

AMD WAS ELECTED TO THE RESPONSIBLE BUSINESS ALLIANCE BOARD OF DIRECTORS

25,500+ OUR SUPP

OUR SUPPLY CHAIN AUDIT PROGRAM REACHED MORE THAN 25,500 FACTORY WORKERS GLOBALLY

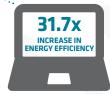
OUR COVID-19
RESPONSE

IN DONATED TECHNOLOGY,
PERSONAL PROTECTIVE
EQUIPMENT, CORPORATE
AND EMPLOYEE GIVING

23

AMD HIGH
PERFORMANCE
COMPUTE FUND
GRANTEES

## PRODUCT ENERGY EFFICIENCY



FOR MOBILE PROCESSORS (2014-2020) WE EXCEEDED OUR 25x20 ENERGY EFFICIENCY GOAL, BY RELENTLESSLY IMPROVING THE PERFORMANCE PER WATT OF OUR MICROPROCESSORS





PETAFLOPS OF DONATED COMPUTING POWER

## OUR APPROACH TO CORPORATE RESPONSIBILITY

At AMD, we develop technology that helps to enable the future. Our high-performance processors power the servers for modern data centers, personal computers, game consoles, industrial devices and more. Our technologies help open possibilities for creators, researchers, inventors and explorers to tackle some of the world's toughest challenges.

That's why we are focused on creating the next generation of products that will positively benefit society and the planet. We aspire to embed environmental stewardship across our business, ensure safe and responsible workplaces in our global supply chain and promote stronger communities where we live and work.

Corporate responsibility (CR) represents an integral aspect of our business, which aims to generate shared value with our employees, customers, suppliers, investors and communities. We use materiality assessments to help us to prioritize ESG issues within our approach and goal setting, and to guide our engagement with <a href="key\_stakeholders">key\_stakeholders</a>. Taking into account our <a href="2020 materiality">2020 materiality</a> results, we are elevating four strategic focus areas that are both important to stakeholders and critical to the success of our business. Our approach is grounded in business ethics, security and transparency.

## DIGITAL IMPACT **PURPOSE DRIVEN HIGH-PERFORMANCE** COMPUTING **ENVIRONMENTAL SUPPLY CHAIN** RESPONSIBILITY **STEWARDSHIP** DIVERSITY, BELONGING & INCLUSION

#### OUR STRATEGIC FOCUS AREAS

- > DIGITAL IMPACT We are passionate about designing products that help improve people's lives through high-performance computing solutions spanning healthcare, education, manufacturing, scientific research and other critical needs.
- > ENVIRONMENTAL STEWARDSHIP We are steadfast in our commitments to sustainability by sourcing renewable energy, engaging our employees and suppliers on environmental initiatives, and helping end-users reduce energy use and emissions.
- > SUPPLY CHAIN RESPONSIBILITY We work with our suppliers to deliver high-quality products while also helping ensure that working conditions are safe, workers are treated with respect and manufacturing processes are environmentally responsible.
- > DIVERSITY, BELONGING AND INCLUSION Innovation is at the core of our culture. We encourage and support creative minds from diverse backgrounds to work together in an engaging and open environment.

## **DIGITAL IMPACT**

#### WHY IT MATTERS

Computing is ubiquitous and more powerful than ever. Every single day, whether it's in the electronics we rely on at home and work, the advanced data centers and networks that connect us all, or the supercomputers used to drive research and innovation in numerous fields, computing makes the previously impossible possible.

Semiconductor technology creates the potential for new insights, experiences and solutions with the power to transform lives and communities for the better. For example, our advances in high-performance computing (HPC) help society unlock opportunities around scientific research; science, technology, engineering and math (STEM) education; energy and climate; healthcare; and other exciting fields.

However, such advances also bring the potential for abuse and unintended consequences. The same technologies that promote equity and increase efficiency can also be deployed in ways that potentially disadvantage or exploit vulnerable communities or contribute to environmental degradation.

#### OUR APPROACH

Understanding our customers' and industry partners' goals and sharing their visions are critical to how we operate. With these insights, we can see the challenges and opportunities ahead, which allows us to continue to develop groundbreaking innovations and help improve lives. However, technology alone cannot achieve societal progress. It's the people that put high-performance computing to work and spark new ideas that benefit society as a whole. That is why we engage and collaborate with our customers, industry and other stakeholders to design world-class high-performance computing solutions to tackle some of the toughest challenges facing society and mitigate potential negative impacts of technology.

#### **OUR 2025 GOAL:**

100 million people will benefit from AMD and AMD Foundation philanthropy and partnerships that enable STEM education, scientific research and the workforce of the future (2020-2025)<sup>1</sup>

We plan to achieve our goal by fostering strategic relationships with researchers, educators and students that are positioned to expand horizons and develop the groundbreaking innovations of tomorrow. Whether it is donating technology to help students' sense of discovery or to help scientists responsibly push the boundaries of what is possible, we believe that when processing power meets brainpower, the future comes alive.



For each year during the goal period, data includes a) students, faculty or researchers with direct access to AMD-donated technology, funding or volunteers; and b) individuals with a reasonable likelihood of receiving research data formulated through AMD-donated technology and potentially gaining useful insights or knowledge.

#### KEY ACTIVITIES AND INITIATIVES

We see great potential for high-performance computing (HPC) to benefit society and the planet. Through our digital impact initiatives, strategic investments and partnerships, we aim to help others tackle important global challenges.

#### SCIENTIFIC RESEARCH

Together with industry and research partners, AMD is helping to deliver a new generation of supercomputers<sup>2</sup> that cross the exascale performance barrier for the first time, with the ability to perform more than 10 to the 18th or more (or one quintillion) calculations per second. These pathbreaking machines will enable researchers to employ exponentially more powerful models and simulations with the potential to create breakthroughs in areas such as climate science, biomedical engineering and the development of new materials.

We are also helping to put the power of HPC solutions to work on advancing scientific research. Most recently, for example, our technology is being used to accelerate COVID-19 vaccine development and therapeutics. The AMD COVID-19 High Performance Compute Fund³ launched in April 2020 provides universities and research institutions with computing resources to accelerate medical research on COVID-19 and other diseases.

> Learn more about AMD COVID-19 HPC Fund

#### STEM EDUCATION

AMD is passionate about enabling the imagination and creativity of the next generation. Technology in their hands encourages exploration and learning that opens doors to new possibilities. That is why we partner with schools and local nonprofit organizations to provide AMD-based equipment to outfit four AMD Learning Labs to help inspire students to pursue STEM education. We currently have labs in Markham, Canada; Shanghai, China; as well as Austin, Texas and San Jose, California in the United States. These labs provide opportunities for underserved students to gain hands-on experience with computer hardware and software. For some students, this may lay the groundwork for a future technical career, while for others it can support the development of reasoning and other skills they can use to thrive in a range of pursuits.

When local schools were closed due to the pandemic, the Boys & Girls Clubs' Silicon Valley Alviso Club was open and supporting hundreds of kids. The AMD Learning Labs was essential in advancing STEM programming as members learned various technical skills such as 3D modeling, robotics and programming with Scratch and Python. Access to computers helps to reduce the digital divide and improve Club members' chances of graduating from high school, moving on to post-secondary education and discovering a career in STEM.

> Learn more about AMD Learning Labs



- 2. https://www.amd.com/en/products/exascale-era
- 3. https://www.amd.com/en/corporate/hpc-fund

#### AMD TECHNOLOGY ENABLING A BETTER WORLD

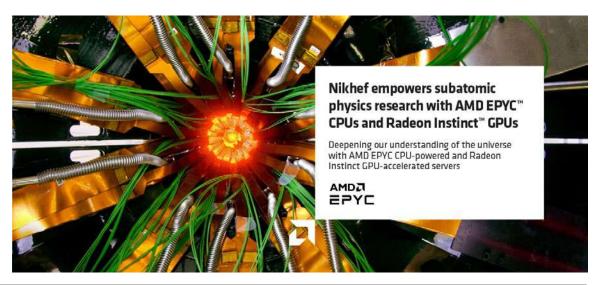
At AMD, we dare to imagine a better world and we take inspiration from our customers to deliver innovative solutions to the challenges and possibilities of our digital age. We do not create technology for technology's sake; we innovate for our customers and what they can achieve. The following case studies provide examples of applications of our core technology that benefit society.

#### CASE STUDY:

## NIKHEF EMPOWERS SUBATOMIC PHYSICS RESEARCH WITH AMD TECHNOLOGIES

Dutch National Institute, Nikhef, is at the forefront of delivering processing capabilities for subatomic physics research and concentrates on deepening our understanding of the universe. The Institute is using AMD EPYC™ CPUs to enhance its data throughput for the next generation of subatomic physics research workloads. It's also deployed AMD Radeon Instinct™ GPUs to accelerate machine learning.

> Read Case Study



#### CASE STUDY:

## MYCOMPUTERCAREER ENHANCES EDUCATION WITH AMD RYZEN MOBILE

MyComputerCareer has a vision about how to improve education in information technology skills. And providing the best possible laptop for students is central to its core strategy. Through laptop provider Lenovo and service company vision21 solutions, MyComputerCareer found that AMD Ryzen™ Mobile Processors delivered exactly what was needed to give students the best possible opportunity to complete their studies successfully.

> Read Case Study



### **ENVIRONMENTAL STEWARDSHIP**

#### WHY IT MATTERS

According to the World Economic Forum's 2021 Global Risks Report, "climate action failure" is the most impactful, and second most likely, long-term risk facing the world today.<sup>4</sup> This is not only a future challenge – the related issues are already manifesting. Globally, 2020 was the hottest year on record, effectively tying 2016, the previous record.<sup>5</sup>

An immediate and meaningful global response is required to address the climate crisis. The technology sector plays a critical role by maximizing product energy efficiency and enabling solutions that provide energy and greenhouse gas emissions (GHG) reduction opportunities for all sectors of society. Accelerating the transition to a sustainable low-carbon economy will produce multiple benefits for economic growth, public health, increasing resilience to natural disasters and the health of the global environment.<sup>6</sup>

#### OUR APPROACH

As designers of microprocessors during a period of amazing growth in technology, we embrace the responsibility to protect our planet and the opportunity to help others save energy and reduce GHG emissions. Our environmental programs and initiatives extend across our value chain, including AMD operations, supply chain manufacturing and product stewardship. And we set ambitious goals and publicly report on our progress annually.

We also engage with industry peers, government regulators, civil society organizations and other groups to advance environmental stewardship across our value chain. The collective efforts and innovations stemming from the technology sector exceed what any of us could do as individual organizations.

> <u>Learn more about our Stakeholder Engagement</u>

#### **OUR 2025/2030 ENVIRONMENTAL GOALS:**

- > AMD Operations (scope 1 and 2) -
  - 50 percent reduction in GHG emissions from AMD operations from 2020-2030
- > AMD Product Energy Efficiency (scope 3) -
  - 30x increase in energy efficiency for AMD processors and accelerators powering servers for artificial intelligence-training and high-performance computing from 2020-2025
- > AMD Supply Chain Manufacturing (scope 3) -
  - 100 percent of AMD manufacturing suppliers have public GHG emissions reduction goals by 2025
  - 80 percent of AMD manufacturing suppliers source renewable energy by 2025



- https://reports.weforum.org/global-risks-report-2021/. Climate Action Failure is defined by WEF as "Failure of governments and businesses to enforce, enact or invest in effective climate-change adaptation and mitigation measures, preserve ecosystems, protect populations and transition to a carbon-neutral economy."
- 5. https://www.nasa.gov/press-release/2020-tied-for-warmest-year-on-record-nasa-analysis-shows
- 6. https://www.itic.org/policy/environment-sustainability

#### ENVIRONMENTAL PERFORMANCE

#### **2020 GOALS AND PROGRESS**

We are proud to state that thanks to the engagement and support of our employees and suppliers, we were able to achieve our 2020 operations and product goals. In addition, three out of five of our supplier goals were met and all performance metrics were well ahead of the industry average based on a standard manufacturing index (MI).<sup>7</sup>

#### **OUR 2014-2020 GOALS AND PERFORMANCE:**

AMD Operations -

> 38 percent reduction in our absolute GHG emissions (scope 1 and 2), exceeding our goal of 20 percent

Wafer Suppliers -

- > Direct GHG Emissions (scope 1): 73 percent below SIA average per MI, nearly achieving our goal of 75 percent
- > Electricity Use: 28 percent below SIA average per MI, missing our goal of 40 percent
- > Water Use: 54 percent below SIA average per MI, exceeding our goal of 40 percent
- > Hazardous Waste Recycling Rate: 80 percent below SIA average per MI, exceeding our goal of 65 percent
- > Injury and Illness Case Rate: 20 percent below 2019 rate, achieving our goal to reduce year over year

Product Use -

> 31.7x increase in the energy efficiency of our mobile processors, exceeding our target of 25x

#### **OPERATIONS**

AMD operates in over 35 locations worldwide, including engineering facilities, sales and business service sites, and corporate offices. Across our facilities and the local communities in which we operate, we strive to apply the highest level of integrity and stewardship for environmental performance.

#### **2014-2020 OPERATIONAL PERFORMANCE SUMMARY:**

17%
REDUCTION
IN ENERGY
CONSUMPTION

38%
REDUCTION
IN GHG
EMISSIONS

23%
REDUCTION
IN WATER
USE

58%
REDUCTION
IN WASTE
GENERATED

> See ESG data tables for our complete data and footnotes.

In 2020, performance against our 20 percent GHG emissions reduction goal (scope 1 and 2) was a 38 percent reduction from the 2014 goal baseline, and 20 percent below 2019. Our 2020 scope 1 and 2 GHG emissions underwent third-party review (limited assurance). We continued to procure renewable energy in 2020, sourcing 34 million kWh in renewable energy certificates (RECs) in the U.S. (Green-E certified wind) and China (iRECs wind), which represented 28 percent of our global energy use, enough to power approximately 4,420 homes in the U.S. for a year.<sup>8</sup>

> Read about our environmental efforts across AMD operations

#### SUPPLY CHAIN

We work with our manufacturing suppliers to advance environmental sustainability across a variety of metrics. Silicon wafer manufacturing represents the bulk of our environmental footprint within the company's supply chain. Starting in 2014, we partnered with our wafer suppliers to establish "best-in-class" environmental, health and safety (EHS) goals for AMD wafer production through 2020. We report progress toward these goals annually, which as of 2020 resulted in 73 percent, 54 percent and 28 percent less direct GHG emissions, water use and electricity use, respectively, compared to the industry average. In 2020, our foundry suppliers also achieved an 80 percent hazardous waste recycling rate and a 20 percent annual reduction in the injury and illness case rates.

Looking ahead to 2025, we continue to work with our wafer foundry suppliers on several performance indicators and goals, and we are expanding goals to cover our full set of manufacturing suppliers.

> Read about our environmental efforts with suppliers

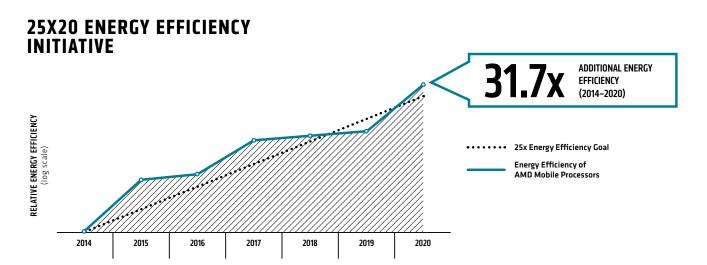
- A manufacturing index is an industry-standard measure of production calculated by square centimeters of silicon x masking layers x wafers per year. The AMD goals compare the Semiconductor Industry Association (SIA) average MI to AMD MI.
- 8. Based on entering 34 million kWh into EPA Greenhouse Gas Equivalency Calculator.
- Manufacturing suppliers are those suppliers who contribute materials and/or services that directly impact and become a part of AMD products. This
  includes wafer, outsourced assembly, and test (OSAT), direct materials (substrates, lids, capacitors, memory) and boards inclusive of components.
- A manufacturing index is an industry-standard measure of production calculated by square centimeters of silicon x masking layers x wafers per year. The AMD goals compare the Semiconductor Industry Association (SIA) average MI to AMD MI.

#### PRODUCT STEWARDSHIP

Maximizing the computing performance delivered per watt of energy consumed is a vital aspect of our business strategy. Our products' cutting-edge chip architecture, design and power management features have resulted in significant energy efficiency gains. In 2020, in pursuit of our aggressive AMD 25x20 Energy Efficiency Initiative, we achieved a 31.7x improvement in energy efficiency for our mobile processors from 2014-2020. The results of achieving this goal reflect a doubling of historical efficiency trends predicted by Koomey's Law, but a solution as a supercent reduction

in typical energy use and an 80 percent reduction in compute time for a given task from 2014-2020.<sup>13</sup>

Building on the momentum of 25x20, AMD is setting a new bold goal to increase the energy efficiency of AMD processors and accelerators powering servers for Al-training and high-performance computing by 30x from 2020-2025.¹⁴ Furthermore, we have launched AMD EPYC™ processor total cost of ownership (TCO) calculator tools to illustrate how AMD powered servers can help reduce GHG emissions compared to the competition and may require fewer servers.



<sup>14.</sup> Includes AMD high-performance CPU and GPU accelerators used for Al training and High-Performance Computing in a 4P hosted configuration. Goal calculations based on performance scores as measured by standard performance metrics (HPC: Linpack DGEMM kernel FLOPS with 4k matrix size. Al training: lower precision floating point math GEMM kernels such as FP16 or BF16 FLOPS operating on 4k matrices) divided by the rated power consumption of a representative accelerated compute node including thee CPU host + memory, and 4 GPU accelerators.



<sup>11.</sup> Testing by AMD Performance Labs as of April 15, 2020. Processors tested: AMD FX-7600P, AMD FX-8800P, AMD FX-9830P, AMD Ryzen 7 2700U, AMD Ryzen 7 2800H, AMD Ryzen 7 3750H, and AMD Ryzen 7 4800H. 25x20 program tracked against ENERGY STAR Rev 6.1 8/12/2014 and 3DMark® 2011 P-Score and Cinebench R15 nT. Results may vary with drivers and BIOSes. RVM-108

<sup>12.</sup> AMD achieved a 31.7x increase in typical use energy efficiency from 2014-2020, or ~2x compared to what would be the historical rate of increase (doubling every 1.57 years) during the same timeframe of 14 to PM3H-43

<sup>13.</sup> Annual processor electricity use (kWh), based on ENERGY STAR typical use energy consumption (TEC), in 2020 equals 84% less than the 2014 amount. The normalized performance increase, based on a 50:50 weighted metric for Cinebench R15 and 3DMark11, is 5x higher from AMD's 2014 notebook processor compared to the 2020 design. This equates to 80% less average compute time for a given task.

## **SUPPLY CHAIN RESPONSIBILITY**

#### WHY IT MATTERS

Supply chains continue to be one of the most important levers for businesses to create a positive impact in the world. The COVID-19 pandemic highlighted the interdependency of global supply chains across industries and magnified risks that can arise from the many interconnected challenges. The link between ethical and sustainable supply chains, resilience and value to the business is clear, now more than ever. By working together, companies and their suppliers can make a significant impact in advancing human rights, fair labor practices and environmental progress.

With the growing number of electronic devices being used globally comes the responsibility to ensure that we are conducting our business ethically. We are committed to delivering high-quality products and to helping ensure that working conditions throughout our supply chain are safe, workers are treated with respect and dignity, and the manufacturing processes of our products are environmentally responsible.

OUR APPROACH

As a fabless semiconductor company, our manufacturing operations are wholly outsourced to a carefully selected network of suppliers. The scope of the AMD Supply Chain Responsibility program encompasses the manufacturing of our products by suppliers located in Asia, Europe and the United States as well as the sourcing of raw materials.

We aim to work with our manufacturing suppliers<sup>15</sup> to advance supply chain resiliency, respect for human rights and environmental sustainability. We take a partnership approach with our suppliers to promote continuous improvement and to drive positive change across our value chain.

We share our expectations with our manufacturing suppliers in our annual Supplier Acknowledgement Letter. Our standard contractual 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. Training is made available to suppliers through the e-Learning Academy of the Responsible Business Alliance (RBA). Topics cover social and environmental issues and are assigned to suppliers based on identified knowledge gaps.

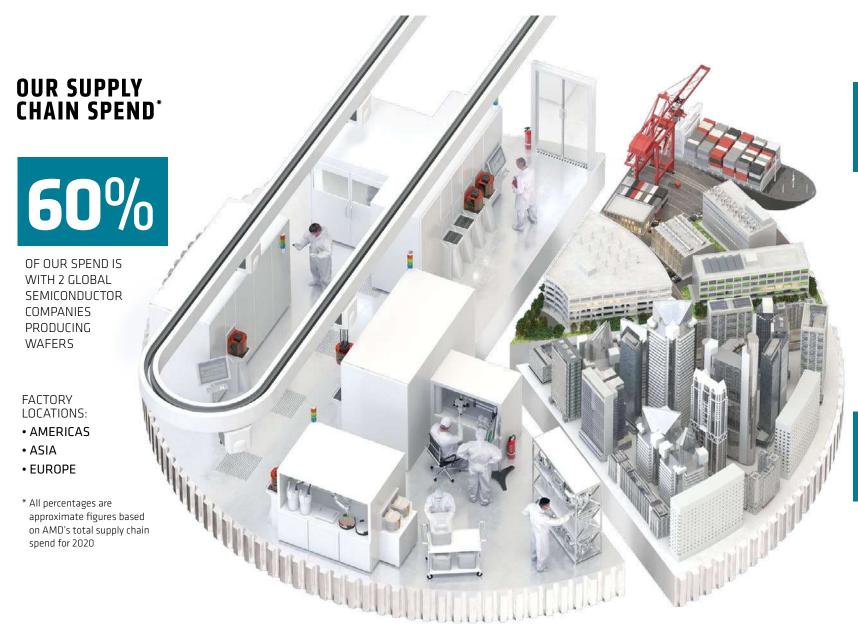
Over the next five years, we plan to expand our work with suppliers to drive a positive impact for the people who work across our value chain and the planet which we all share.

#### **OUR 2025 GOALS:**

- > 100 percent of AMD supplier manufacturing factories will have a Responsible Business Alliance (RBA) audit or equivalent
- > 80 percent of AMD manufacturing suppliers by spend will participate in a capacity building activity
- 15. Manufacturing suppliers are those suppliers who contribute materials and or services that directly impact and become a part of AMD products. This includes wafer, outsourced assembly, and test (OSAT), direct materials (substrates, lids, capacitors, memory), and boards inclusive of components.



Our <u>value chain</u> starts with the design process at AMD. Our wafer foundry suppliers source raw materials and create a silicon wafer. The wafer is fabricated into chips, assembled into a package, tested and shipped as a semiconductor ready to be used by our customers. The majority – approximately 60 percent – of our supplier spend is with two foundries that supply these wafers. Another 23 percent of our spend is with approximately 70 factories that manufacture a range of inputs needed to create our products. This concentration of supplier spend allows us to take a long-term approach with key suppliers, which is paramount to our success.



23%

OF OUR SPEND IS WITH ABOUT 35 SUPPLIERS THAT PROVIDE DIRECT MATERIALS AND SERVICES

#### FACTORY LOCATIONS:

- 80 PERCENT ASIA
- 15 PERCENT AMERICAS
- 5 PERCENT EUROPE

17%

OF OUR SPEND IS WITH MORE THAN 2,950 COMPANIES THAT PROVIDE INDIRECT MATERIALS AND SERVICES

## ALIGNING WITH INDUSTRY STANDARDS

We hold ourselves to high ethical standards and expect our suppliers to do the same. AMD adopts the RBA Code of Conduct as our <u>Supplier Code of Conduct</u> ("The Code"). The Code is aligned with international norms and standards including the United Nations Universal Declaration of Human Rights (UDHR). It outlines our standards for labor, health and safety, environment, ethics and management systems. The <u>AMD Worldwide Standards of Business Conduct</u> outline our expectations for our ethical conduct and extend to our business partners. We further expect that each supplier will, in turn, communicate to their suppliers the same expectations and implement reasonable mechanisms to monitor their compliance.

> How we engage with industry groups

#### SUPPLIER RISK ASSESSMENTS AND AUDITS

At AMD, we take a risk-based approach to managing our supply chain. We utilize third-party risk analytics to conduct an overall supply chain risk analysis. Through our annual analysis, we gain deeper insights into inherent geographical risks in our supply chain on labor, health and safety, environment, business ethics and management systems. We use the results of the analysis to assign risk assessment tools and prioritize suppliers within our audit program.

> See our 2020 Supplier Audit Summary Results

#### RESPECTING HUMAN RIGHTS

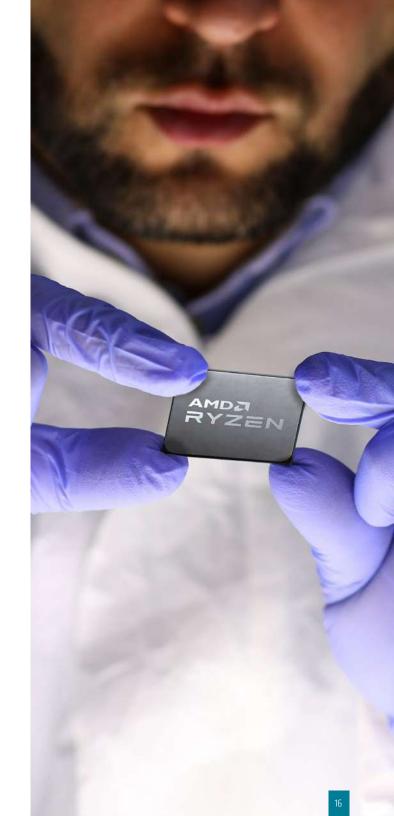
At AMD, we respect human rights throughout our company, operations and supply chain. We work to uphold the relevant fundamental rights and freedoms of all people across our business and value chain. In 2021, we updated our Human Rights Policy to reflect our commitment to the United Nations Guiding Principles on Business and Human Rights (UNGPs). The policy extends to our supply chain, and the AMD Supplier Code of Conduct further incorporates human rights requirements set out in international norms and standards. We also are a signatory to the United Nations Global Compact, the world's largest corporate sustainability initiative, affirming our commitment to aligning our strategy and operations to ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption.

> Read our Human Rights Policy

## RESPONSIBLE MINERALS SOURCING

We are committed to the responsible sourcing of minerals used in our products. Tin, tantalum, tungsten and gold (3TG), defined as conflict minerals under U.S. law, are used in everyday consumer goods and are integral to electronic products. The mining, sale and use of minerals from Conflict-Affected and High-Risk Areas (CAHRAs), including the Democratic Republic of Congo and its adjoining countries, have been associated with negative social and environmental impacts. Although AMD does not directly purchase minerals from raw material providers, we support ethical, social and environmental sourcing through ongoing multi-stakeholder programs and dialogue.

> Learn about our Responsible Minerals Program



## **DIVERSITY, BELONGING AND INCLUSION**

#### WHY IT MATTERS

Diversity and inclusion are key drivers that contribute to our ability to build great products that accelerate next-generation computing experiences. Research shows that businesses with diverse teams are more innovative, make better decisions and achieve higher performance. And inclusion initiatives foster a work environment that enables all employees to participate and thrive, which in turn creates a sense of community and purpose – what we at AMD call "belonging."

As the technology industry and our role in society continue to grow, we must support the next generation of innovators whose diverse backgrounds can help create technological solutions for some of the world's toughest challenges. In particular, Black and Hispanic workers remain underrepresented in the science, technology, engineering and math (STEM) workforce compared with their share of all workers. Women are also significantly underrepresented in STEM occupations, making up a quarter or fewer of workers in computing and engineering. While the tech sector has taken steps to make progress in recent years, it still has significant work to do.

At AMD, we see it as a welcome challenge and meaningful opportunity to create a more diverse workforce bolstered by a flourishing culture of belonging and inclusion.

#### OUR APPROACH

We are committed to growing diversity, belonging and inclusion (DB&I) in our workforce to help embrace different viewpoints and experiences, foster innovation, challenge the status quo when needed and drive business performance. This includes increasing the percentage of global female hires in engineering roles and the percentage of underrepresented group hires within our U.S. workforce year over year. For 2021, we have made these efforts a component of our company's strategic metrics and milestones to inform our incentive plan. Underpinning our aspirations is a strong inclusive culture that reaches across all aspects of our business.

#### **OUR 2025 GOAL:**

70 percent of our employees participate in AMD employee resource groups and/or other AMD inclusion initiatives by 2025<sup>17</sup>

#### ADDITIONAL STEPS TO ACHIEVE OUR DB&I GOALS INCLUDE:

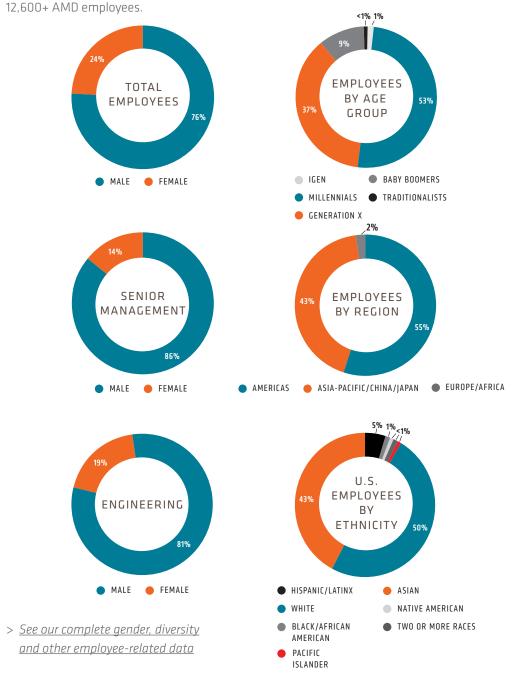
- > Listening to our employees in our annual Employee Satisfaction Survey and curated groups;
- > Deepening our relationships in the U.S. with historically Black colleges and universities and Hispanic-serving institutions;
- > Working to reduce unconscious bias in the workplace by educating our global workforce on the power of multiple voices in the interviewing and promotions processes;
- > Evaluating employee compensation programs annually so that colleagues performing similar work in the same geography at the same level have equitable compensation opportunities;
- > Ensuring that every AMDer across the globe has the opportunity to amplify their unique voice to contribute to our company's success; and



- 16. https://www.pewresearch.org/science/2021/04/01/stem-jobs-see-uneven-progress-in-increasing-gender-racial-and-ethnic-diversity
- 17. These are voluntary initiatives in which an employee chooses to actively participate in one or more employee engagement programs that foster a culture of belonging, psychological safety and meaningful connection to AMD.

#### OUR GLOBAL WORKFORCE

AMD publishes workforce diversity statistics as part of our annual corporate responsibility reporting. The diversity summary data below is based on calendar 2020 data and a total of



#### TALENT ATTRACTION AND RETENTION

There is currently intense competition for talent in the semiconductor industry, with companies vying to attract and retain skilled individuals who will help them achieve their long-term goals. Our goal is to be an employer of choice, with passionate, innovative, fully engaged employees. AMD is proud to be an equal opportunity employer that is committed to creating an inclusive environment for employees across the globe.

> Learn about our Recruitment, Total Rewards and Employee Education

#### EMPLOYEE ENGAGEMENT

We know that AMDers do their best when they are fully engaged and able to bring their full selves to work. For example, our YouTube series "I Am AMD" highlights our employees sharing their stories and why they feel they belong at AMD. This series features AMDers in various roles across the company bringing their passion for technology and their unique backgrounds together to create an amazing work environment and innovative products.



Our employee resource groups (ERGs) encourage employee engagement and are an important part of our company's culture. ERGs create a space for employees who share a common identity and their allies to meet and support one another in building their community and sense of belonging in the workplace.

> Learn more about our Employee Resource Groups



#### LISTENING TO OUR EMPLOYEES

AMD employees are our most important stakeholder group. We know that employees 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 most recent AMDer Survey was completed in 2020. We invited 100 percent of our employees to participate and 96 percent responded.

**95**%

of our employees are proud to work for AMD (2020).

#### EMPLOYEE HEALTH AND SAFETY

For more than a decade, our Global Environmental, Health and Safety (EHS) Standards have established excellence as the benchmark for AMD sites around the world. In addition to requiring all of our facilities to meet applicable local, regional and national regulations, we set standards that go beyond legal requirements and establish premier practices to protect employee safety and health. Health and safety-related areas addressed under the Global EHS Standards include injury and illness prevention, employee well-being, ergonomics, emergency preparedness and response as well as electrical, equipment and chemical safety.

## **COMMUNITY INVOLVEMENT**

## STRENGTHENING AMD COMMUNITIES WORLDWIDE

For nearly four decades, AMD has invested money, time and technology in organizations that help strengthen communities worldwide. Additionally, our employees continue to make their communities a better place by donating their time, talent and money to charitable causes. We work closely with community organizations to measure the shared value created through our work. We annually survey our employees worldwide to understand their overall satisfaction, specifically asking them about their impressions of our community engagement programs.

Through our AMD Community Corps program, employee volunteers contribute to local communities through company-sponsored volunteerism and employeedirected donations. We provide grants to non-profit organizations in our global site communities based on recommendations from employee-led community affairs councils, local needs and strategic fit. Our corporate giving efforts focus on education, community development and environmental stewardship.

2020 was a year of uncertainty and change as COVID-19 impacted lives across the world. Amid the backdrop of the pandemic, AMD and employees increased philanthropic community support and donations for COVID-19 relief and other needs throughout our site communities worldwide. These donations included more than \$318,000 USD for social justice programs in the United States addressing equity issues along with other funding for disaster relief and recovery related to wildfires in Colorado and California. Additionally, we offered matching gift programs to further amplify the

generosity of our employees. Our efforts resulted in more than \$2.5 million USD in combined corporate and employee donations in 2020.

## AMD 2020 COMMUNITY VOLUNTEERING

7,050+
VOLUNTEER
HOURS

3,110 NUMBER OF VOLUNTEERS

NUMBER OF AMD-SPONSORED EVENTS

Despite unexpected stresses in their lives throughout 2020, employees shifted to participating in the company's virtual volunteer program. More than 3,100 employees volunteered over 7,050 hours in 2020, including judging science fairs, participating in STEM activities, conducting online coding classes and raising money for local food banks. Employees also spearheaded item drives to stock community pantries, connected with seniors to reduce isolation and loneliness, and wrote notes of encouragement to individuals experiencing hardships.

> Read more about our volunteering efforts



#### CASE STUDY:

## PARTNERING WITH CENTRAL TEXAS FOOD BANK TO HELP FEED OUR NEIGHBORS IN NEED

AMD places a high value on giving back with our time and resources. This not only strengthens the communities in which we live, but also strengthens our employees and teams, giving them ways to connect outside the office and gain perspective.

Together, AMD and our employees are helping to ensure that our communities are fed – whether rolling up sleeves to plant and harvest food-producing gardens, distributing food to families, or hosting food drives for local food banks. One meaningful example of this work and impact is through the company's long and enduring relationship with the Central Texas Food Bank in Austin, Texas.

In 2020, we were recognized by the Central Texas Food Bank with the Hunger Hero Award for more than 30 years of partnership in the fight against hunger. In 1994, the Central Texas Food Bank broke ground on a visionary facility and AMD contributed \$190,000 USD to help make that vision a reality. Twenty years later, we again stepped up with a capital campaign gift when the Central Texas Food Bank needed an even bigger building to accommodate the continued growth of a booming tech town.

AMD corporate donations are only one part of this story. The heart of this successful partnership is the AMD employees who step up and make sure families are fed during the worst of times – hurricanes, recessions and most recently, a pandemic. In the last ten years, AMDers have volunteered more than 4,500 hours and they donated nearly 419,000 pounds of food – enough to feed a family of four three meals per day for nearly eighty years. With company-sponsored food drives and matching gift programs, AMD and our employees have contributed more than \$2 million in financial support since 2004 to fund essential programs and help end hunger in Central Texas.

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