CMC recognizes the importance of sustainability, and we are pleased to present our second Corporate Sustainability Report, which highlights our ongoing focus on operating in a socially responsible and environmentally sustainable manner.

SASB and TCFD Reporting Frameworks
Disclosures in this report are aligned with the principles of the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate related Financial Disclosures (TCFD). These reporting frameworks, spearheaded by the investment community, are important to CMC because they acknowledge the increased demand for companies to disclose sustainability information that is important to stakeholders, including our stockholders, in a more standardized way. These reporting frameworks are intended to help financial stakeholders make choices based on key sustainability indicators in specific sectors.

CMC has reported according to the full slate of applicable and relevant SASB metrics identified for both the Chemical and Semiconductor industries.

More information on the SASB and TCFD reporting disclosures can be found in the appendix of this report.

Reporting Boundaries
This report constitutes our second Corporate Sustainability Report. Our previous Corporate Sustainability Report reflected the period October 1, 2018 to September 30, 2019 and addressed our sustainability posture as of 2020. The data from October 1, 2019 to September 30, 2020 can be found in the 2020 SASB and TCFD framework Indexes, available here.

The data provided here in the referenced SASB and TCFD reports reflects the period October 1, 2020 to September 30, 2021, our Fiscal Year 2021 (FY21).
WHO WE ARE

CMC has been at the forefront of innovation for over 20 years. We believe that being a responsible business is important in its own right, and the key to continued success.

CMC Materials, Inc. (CMC) (Nasdaq: CCMP) is a leading global supplier of consumable materials, primarily to semiconductor manufacturers. Our products play a critical role in the production of advanced semiconductor devices, helping to enable the manufacture of smaller, faster, and more complex electronic devices by our customers. We are also a leading provider of performance materials to pipeline operators, affording them enhanced efficiency and resource conservation.

2,100 EMPLOYEES
45 GLOBAL LOCATIONS
-1,300 ACTIVE PATENTS WORLDWIDE
$1.2B REVENUE - FISCAL YEAR 2021

*Data as of September 30, 2021
**Aurora, IL - Global Headquarters
CMC Materials’ high-performance culture is driven by our shared values.

**Integrity**
It’s non-negotiable. We achieve results the right way.

**Collaboration**
We are collaborative. We partner with our customers and our suppliers, as well as with each other. We work together across regions and functions ensuring we benefit from our diversity across many dimensions.

**Agility**
We are agile and flexible, responding quickly to changing environments. We learn through iteration, and we value learning agility and the ability to pivot to seize opportunity or to solve problems.

**Results Driven**
We are leaders. We strive for excellence and hold ourselves accountable for delivering against our goals in every area of our business.

**Creativity**
We are inventive and are constantly seeking opportunities to innovate to enable our customers and to improve our internal processes. Having a learning mindset is highly valued.

**Be Bold**
We aspire to be better every day, resilient and brave while striving for excellence.
During a time that will be remembered as a test of our resiliency and response to the global Covid-19 pandemic, I was reminded once again that CMC’s employees remain our most valued asset and the foundation of our success. Every day, I am inspired by the creativity of our people and am humbled by how we have cared and continue to care for one another, our customers, and our communities during such uncertain times.

Importantly, I believe that our greatest opportunity to create a positive impact lies ahead. At CMC, we take great pride in the foundation of bold innovation upon which this company was built. For over 20 years we’ve partnered with global customers and suppliers to achieve many industry breakthroughs that have shaped modern life. Moving forward, with innovation as our roots, we continue to focus on safe, responsible, and sustainable operations to grow our business, reduce our environmental footprint, and deliver value to our stakeholders.

David H. Li
President and Chief Executive Officer
Supplying high-performing and innovative solutions that solve our customers’ greatest challenges.

Electronic Materials (EM)

Our chemical mechanical planarization (CMP) slurries and pads, and our electronic chemicals play a critical role in the integrated circuit (IC) manufacturing process for advanced semiconductor devices. These innovations advance the future of technology by enabling our semiconductor manufacturing customers to produce smaller, faster, and more complex IC devices with a greater density of transistors and other electronic components.

In FY21, CMC completed the acquisition of International Test Solutions, a leading supplier of cleaning materials that enable IC manufacturers to maximize uptime and throughput. The acquisition expands CMC’s portfolio of critical, enabling solutions that help solve its customers’ most demanding challenges.

Performance Materials (PM)

Our Performance Materials segment includes a pipeline and industrial materials (PIM) business and precision optics business. We are a leading global supplier of products, services, and solutions for optimizing pipeline throughput and maximizing performance and safety. Our PIM products include drag-reducing agents (DRAs), valve greases, cleaners and sealants, and related equipment supporting pipeline and adjacent industries. We also provide routine and emergency maintenance services as well as training for customers in the pipeline and adjacent industries worldwide.

Through QED, our precision optics business, we serve the precision optics industry with capital equipment, consumables, and services.

Helping to Reduce Valve Leaks

During drilling operations, oil and natural gas leakage is often a result of valves that are not properly sealed. While oil leaks can be readily contained and resolved, natural gas leaks are not as easy to detect and are often left uncontrolled, allowing releases of hazardous substances into the environment.

CMC’s Performance Materials business, Sealweld, focuses on the safe reduction and elimination of pipeline valve leakage through its lubricants and sealants such that valves are properly sealed. For over 50 years, Sealweld has enabled safe and optimal valve operations and trained thousands of field technicians on effective valve maintenance to reduce leaks into the environment.
Our Management Approach to Sustainability

Since our beginning, we have had a Code of Business Conduct (CBC) and Corporate Governance Guidelines. These documents, together with the charters for the committees of our Board of Directors (Board) and governance documents, form the framework for our governance. In accordance with our Corporate Governance Guidelines, our Board is responsible for selecting the Board leadership structure, and our independent directors (as defined by the NASDAQ requirements) possess a diverse mix of skills, professional experiences, viewpoints, and backgrounds.

Our Board has eight persons, of whom seven are independent directors. Our Board maintains three committees—Audit, Compensation, and Nominating and Corporate Governance.

Risk Management

Effective risk management is essential to corporate resilience. Our Board has an oversight role, as a whole and at the committee level, in overseeing management of our risks, including consideration of sustainability and climate-related risks, customer requirements, global operating conditions, and various other factors. Identified risks are then incorporated into our annual goal setting to determine ways to mitigate or reduce the potential impacts, and each of our business units and their respective leadership teams are responsible for implementation.

As assigned by CMC’s Board and the Nominating and Corporate Governance Committee of the Board (as well as the other Committees, as appropriate), climate-related issues are managed within the general purview of the Office of the Secretary and General Counsel, as the chief governance officer for the Company.

Sustainability and Corporate Governance

We believe that strong governance policies and practices provide an important foundation for the long-term success of CMC.

In summary, our corporate governance structures and policies encompass consideration of EHS matters, including sustainability. For more information, please see our SASB and TCFD reports.
CMC maintains a transparent culture of integrity and compliance.

Our Code of Business Conduct, to which all directors, officers, and employees must adhere, sets forth the standards by which we engage our stakeholders and reflects our commitment to compliance with applicable laws. All CMC employees must review and certify their compliance to the CBC annually, as it is the foundation for our common set of values and standards.

Our company also complies with applicable federal and state laws and regulations, NASDAQ listing standards, and our Board follows our Corporate Governance Guidelines.

Supplier Standards
We expect the organizations with which we do business to share our commitment to ethical business practices. We have established codes of conduct for our suppliers in our Supplier Handbook, which reflect the same standards to which we hold ourselves. The Handbook, refreshed in FY21, set forth our expectations in areas such as conflicts of interest, gifts, travel and entertainment, fair competition, bribery and corruption, and human rights. We expect that our partners will comply with these principles, as well as applicable laws, rules, and regulations as part of our business relationship.

Human Rights
We are committed to treating people with dignity, fairness, and respect as a fundamental aspect of our Vision and Values, as articulated in our CBC. As part of this, CMC supports recognized standards for social responsibility and the prevention of human rights abuses. Through the CBC and our Human Rights Policy, we are committed to conducting our business activities in a manner that exhibits our commitment to human rights and social responsibility.

Conflict Zones
CMC bans the use of Conflict Minerals (gold, tantalum, tin, and tungsten) from prohibited sources (e.g., the Democratic Republic of the Congo) in our business, and we are in alignment with the United Nations Global Compact. We do not procure or use Conflict Minerals in our company, whether in manufacturing or as part of any of our products.

Animal Testing
Recently codified in FY21, CMC’s Animal Testing Policy outlines our commitment to the humane treatment of animals. Our process for product development and evaluation prioritizes safety and compliance, and we do this with a commitment to the humane treatment of animals.

Restriction of Hazardous Substance (RoHS)
RoHS restricts the use of specific hazardous materials – lead; mercury; cadmium; hexavalent chromium; polybrominated biphenyls (PBBs); polybrominated diphenyl ethers (PBDEs) – found in electrical and electronic components. As a supplier to the Electronic Industry, CMC Materials is potentially subject to this regulation, regardless, all CMC products are free from these restricted substances.

Ethics & Compliance Anonymous Reporting
We strive to create a workplace environment in which everyone feels comfortable raising concerns – where our teams feel they can speak and be heard. Our anonymous reporting tool allows employees, vendors, customers, and other business partners to ask questions or report suspected violations of the law or company policies. We review and respond to all reports of suspected violations as appropriate and do not tolerate retaliation.
### INTRODUCING

## Five-Year Sustainability Goals

**FY22 – FY26**

We are steadfast in our goals to protect the environment.

CMC has a successful track record of improving sustainable business practices, as shown in our previous five-year goals (FY15 – FY19). We are pleased to introduce our FY22 – FY26 Sustainability Goals, which establish clear expectations for our company related to reducing our overall environmental impact, delivering value to our stakeholders, and enabling a more sustainable future.

We have re-established our original "Essential Four" sustainability goals with a new set of targets, and normalize each parameter by CMC’s total annual revenue ("intensity"). We are committed to achieving each of these targets through internal efficiency, innovation, and investment when necessary.

In FY22, CMC is setting clear expectations related to reducing our overall environmental impact, delivering value to our stakeholders, and enabling a more sustainable future.

### Sustainability Goals

<table>
<thead>
<tr>
<th>Sustainability Goal Metric</th>
<th>FY 2021 Baseline</th>
<th>Reduction Goal</th>
<th>FY 2026 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>GHG Emissions (metric tons/$ million rev.)</td>
<td>31.3 metric tons/M</td>
<td>Reduce GHG emissions intensity by 5% (1.6 metric tons/M)</td>
<td>29.7 metric tons/M</td>
</tr>
<tr>
<td>Energy Consumption (gigajoules/$ million rev.)</td>
<td>337.1 GJ/M</td>
<td>Reduce energy consumption intensity by 5% (16.8 GJ/M)</td>
<td>320.3 GJ/M</td>
</tr>
<tr>
<td>Landfill &amp; Hazardous Waste Disposal (metric tons/$ million rev.)</td>
<td>3.27 metric tons/M</td>
<td>Reduce landfill &amp; hazardous waste disposal intensity by 5% (0.16 metric)</td>
<td>3.10 metric tons/M</td>
</tr>
<tr>
<td>Water Consumption (cubic meters/$ million rev.)</td>
<td>464.4 cubic meters/M</td>
<td>Reduce water consumption intensity by 5% (23.2 cubic meters/M)</td>
<td>441.2 cubic meters/M</td>
</tr>
</tbody>
</table>

Our Sustainability Goals constitute a five percent reduction in each parameter during the period of FY22 – FY26, using FY21 as the baseline.

The Essential Four sustainability goals include:

- Energy consumption intensity
- Greenhouse gas (GHG) emissions intensity (Scope 1 + Scope 2)
- Landfill and hazardous waste disposal intensity
- Water consumption intensity
Environment

As a leading global supplier of consumable materials, primarily to semiconductor manufacturers, we recognize the impact we can have on our environment as well as the significance of climate change, responsible consumption, and production, as well as our role in addressing our stakeholders’ interest in these issues.

Our focus areas include preventing pollution, conserving energy, minimizing waste, and conserving water. For more information, please see the SASB and TCFD Index at the end of this report.
Climate change continues to be one of the defining issues of our time. At CMC, we are dedicated to doing our part.

We acknowledge the implications of climate change and CMC’s Board and executive leadership team provide oversight of the systems that are in place to monitor and mitigate our Scope 1 and 2 GHG emissions from our operations.

**Scope 1 GHG Emissions:** 8,398 metric tons CO2

Scope 1 (direct) GHG emissions are largely associated with the combustion of fossil fuel, in production equipment, such as process boilers and heaters, at certain manufacturing and processing facilities. CMC believes that opportunities may exist to achieve reductions in GHG emission through efforts to improve operating efficiency and replace aging and inefficient equipment.

**Scope 2 GHG Emissions:** 29,098 metric tons CO2

Scope 2 (indirect) GHG emissions are those resulting from generation of electric power that we use in our manufacturing processes. As with Scope 1 emissions, CMC believes that opportunities may exist to achieve reductions in Scope 2 GHG emissions through such measures as improvements to operating efficiency, replacement of aging and inefficient equipment, and evaluation of electricity suppliers with renewable (i.e. non-emitting) generating capacity.

Goal:
Reduce GHG emissions intensity (including Scope 1 and Scope 2 emissions) by 5% over a 5-year period ending in FY26 from a baseline of 31.3 metric tons/$M

**Goal:**
Reduce GHG emissions intensity (including Scope 1 and Scope 2 emissions) by 5% over a 5-year period ending in FY26 from a baseline of 31.3 metric tons/$M

**CMC vs. Electronics Manufacturing Industry**
Average Annual Global Scope 1 GHG Emissions*

<table>
<thead>
<tr>
<th>Year</th>
<th>CMC</th>
<th>Industry Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>8,398</td>
<td>15,720</td>
</tr>
</tbody>
</table>

Risks & Opportunities

CMC recognizes that climate change is a critical issue to monitor and manage, especially given the global nature of our business and associated activities.

We have elevated the importance of sustainability throughout our organization. As stewards of these issues, our executive and operational leaders are responsible for providing critical input to our process for identifying and responding to climate-related risks and opportunities.

CMC continues to evaluate and assess the potential impact on our business of the ongoing transition worldwide to a low carbon, resilient economy as well as physical effects resulting from climate change. We incorporate identified risks into our annual goal setting process to determine ways to mitigate or reduce the potential impacts, and each of our business units and their respective leadership teams are responsible for implementation. Depending on how various climate risks may impact our business, we intend to adjust financial, engineering, and operational plans so that our overall risk profile is reduced.

Opportunities may include (but are not limited to) increasing reliance on semiconductor technology as customer choice moves toward more energy-efficient devices, accelerating pace toward alternative power generating technologies (i.e., wind, solar), and increasing emphasis on efficient use of energy and material resources in our operations (i.e., electricity, water, etc.).

ISO 14001 Certifications

CMC maintains International Organization of Standardization (ISO) certifications across our global manufacturing footprint to demonstrate our ongoing commitment to environmental protection, pollution prevention, regulatory compliance, and continual environmental performance improvements.

We have adopted nationally and internationally recognized EHS management systems, including ISO 14001 – Environmental Standards. In FY21, our sites in Pueblo, Colorado and Hollister, California achieved ISO 14001 certification.

Chlorine Reduction

Solid waste incineration plays an important role in waste management, due to the advantages of volume reduction, heat recovery, and power generation. At many of CMC’s customer sites, the waste from consumable CMP pads is commonly disposed of by incineration. Understanding the risks of certain raw materials during incineration, CMC evaluated the raw materials that may be hazardous and noted the presence of chlorine. Our Research & Development teams are actively working to develop an equally high-performing, low-chlorine pad, to minimize chlorine emissions into the environment.
Energy

Our energy efficiency initiatives are intended to provide optimal total cost-of-ownership for our customers and to reduce our carbon footprint. From investment in alternative energy systems and electric vehicle charging stations to energy efficient lighting installations and improving performance of HVAC systems, we are committed to lowering our operational energy consumption.
Our energy efficiency initiatives are intended to provide optimal total cost-of-ownership for our customers and to reduce our carbon footprint. From investment in alternative energy systems and electric vehicle charging stations to energy efficient lighting installations and improving performance of HVAC systems, we are committed to lowering our operational energy consumption.

Beginning with this Fiscal Year 2021 report, CMC is reporting consolidated electric power consumption data for the consolidated global business of CMC Materials, Inc. (including legacy Cabot Microelectronics and KMG Chemicals). CMC also incorporates energy conservation measures into our manufacturing process through various methods. Examples include energy assessments of manufacturing processes and systems, regular tuning and maintenance of process boilers and heaters, and replacement/upgrade of facility lighting with high-efficiency LED systems, among others.

**Goal:**
Reduce energy consumption intensity by 5% (16.8 GJ/$M) over a 5-year period ending in FY26 from a baseline of 337.1 GJ/$M in FY21
Waste

CMC employees are continuously seeking opportunities to minimize, reduce, reuse, and recycle waste, while increasing productivity and reducing environmental impact.
WASTE

Our waste management efforts target the reduction of hazardous and non-hazardous waste generation. Our approach adds value by reducing the risk of environmental harm, as well as costs associated with waste management.

Our EM segment has put strong recycling and re-use programs in place to meet our reduction goal. This includes the recycling of specific electronic chemicals, including propylene glycol monomethyl ether acetate (PGMEA), a photoresistor thinner, and N-Methylpyrrolidone (NMP), a solvent, which are used during the semiconductor material manufacturing process. This recycled waste is then reused by other industries for various industrial purposes.

We recycle high cost, high purity packaging to further reduce waste. This includes local recycling of drums, intermediate bulk containers (IBCs), canisters, and diptubes.

Goal: Reduce landfill and hazardous waste disposal intensity by 5% over a 5-year period ending in FY26 from a baseline of 3.27 metric tons/$M

In Aurora, Illinois, our CMP pads plant initiated a recycling effort where all waste, except for cafeteria waste, is expected to be recycled. This resulted in a 50 percent increase in recycled materials over the previous year and over 1 million pounds of total waste recycled over three years at our Aurora campus.

YoY total generation of hazardous waste reduction performance

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual Amount Generated (metric tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>4,389</td>
</tr>
<tr>
<td>2021</td>
<td>2,963</td>
</tr>
</tbody>
</table>

In total hazardous waste generated YoY 33% Reduction

U.S. Garment Recycling

Personal Protective Equipment (PPE) is an essential part of the health and safety of CMC employees. While working with hazardous chemicals, CMC uses DuPont™ Tyvek® protective suits to protect employees from potential hazards. To minimize waste, we participate in Tyvek’s® protective apparel recycling program which offers the chance to divert garments away from landfills and give them a second life in products like containers, lumber pallets, and park benches. Garment recycling is also inclusive of hairnets and shoe covers, which are also made from the Tyvek® product.

*Note: CMC does not recycle garments involved in a chemical splash.*
Water

Water is a critical input to CMC’s operations, and we pay close attention to responsible water consumption and management.
WATER

We assess and manage water use from our operations and continue to explore short and long-term opportunities to reduce and recycle water. We also complete the CDP’s Water Disclosure submission annually.

CMC complies with federal, state, and local regulations related to water and we use a low amount of water compared to our large-scale customers.

CMC recently completed an effort to reduce global water use in our production facilities by five percent globally between FY15- FY19. During this time, water use was reduced by 19 percent through efforts to recapture, reuse, and reduce the amount of water used in manufacturing processes. For future years, we intend to continue to evaluate opportunities to further reduce overall water consumption and increase water use efficiency.

Goal:
Reduce overall water consumption intensity by 5% over a 5-year period ending in FY26 from a baseline of 464.4 cubic meters/$M in FY21

11% Reduction
In total water consumed YoY

YoY reduction in water consumption
Actual Amount Used (cubic meters)

Goal:
Reduce overall water consumption intensity by 5% over a 5-year period ending in FY26 from a baseline of 464.4 cubic meters/$M in FY21

11% Reduction
In total water consumed YoY

YoY reduction in water consumption
Actual Amount Used (cubic meters)
Product Sustainability & Environmental Stewardship

Designed with sustainability in mind.

CMC is committed to offering products to our customers that minimize environmental, health and safety (EHS) impacts when possible. To accomplish this goal, CMC has developed and utilizes an integrated process to evaluate the composition of our products for applicable regulatory requirements. This process begins in the early stages of product research and development and extends throughout the production and supply chain. We consider alternative components with a focus on reduction or elimination of EHS hazards. Where possible, CMC prioritizes the use of non-hazardous and non-toxic components, and we avoid using substances that are classified as prohibited or banned under various global substance lists.

Product Development
CMC’s product development process includes a comprehensive review of EHS and product regulatory/stewardship requirements. We conduct product testing in certain circumstances to support risk characterization, and we develop and maintain product safety communication, including safety data sheets and product labels, as required by applicable regulatory requirements throughout the global jurisdictions where we do business.

Management of Change
CMC also uses a Management of Change process to evaluate changes in product composition, including changes to existing components as well as introduction of new components, for potential regulatory or other EHS concerns. We collaborate with our raw material suppliers – as well as with our customers and clients – to communicate significant changes in product composition, as well as information about product hazards and risks, in a clear and timely manner.

Continuous Improvement
It all matters. From small changes, such as packaging label reductions, to large changes, such as site-wide recycling programs, we continually evaluate opportunities to improve our existing products, technologies, and production processes or create new ones to help reduce CMC’s and our customers’ impact on the environment. Our innovation process is aligned with our Six Sigma program for continuous improvement and demands the ongoing development of our products and technologies in response to customer and sustainability requirements.

Raw Materials
Companies in the semiconductor industry rely on numerous critical materials as key inputs for finished products. Many of these inputs have few or no available substitutes and are often sourced from deposits concentrated in few countries, many of which are subject to geopolitical uncertainty. In addition, growing global demand and increased competition can result in price increases and supply risks. CMC effectively manages these issues by identifying and securing multiple sources of its materials from diverse locations and entities.

A critical material in our CMP slurry is cerium oxide/ceria (not elemental cerium). We have secured a diverse number of supply locations to address a potential supply disruption risk, and we are confident of our ability to maintain a secure supply of this important material.
HEALTH AND SAFETY

Through solid leadership and employee engagement, we are continuously finding and implementing new ways to improve safety performance.

Safety Culture

The health and safety of our employees, contractors, customers, and members of the communities in which we operate, is our priority. Our safety culture has been built through dedication, continuous improvement, and active employee engagement.

Our major operations in the United States, Japan, Singapore, South Korea, Taiwan, France, and the United Kingdom are certified under current ISO 45001 occupational health and safety standards, which require that we implement and operate according to various procedures that demonstrate injury reduction and other health and safety and sustainability objectives.

In FY21, our Riddings, United Kingdom site was ISO 45001 certified with more global site certifications to come in FY22.

Health & Safety Programs

CMC manages an extensive and progressive health and safety program to identify, characterize, mitigate, and eliminate hazards throughout our production, research, and office facilities worldwide.

Our Global EHS organization utilizes a wide-ranging set of foundation programs (EHS Program Elements), which outline the critical protocols and practices that we have developed and implemented to protect our employees from health and safety hazards, including those encountered in clean room, laboratory, and production environments.

We conduct industrial hygiene surveys of our facilities to confirm that employees' exposure to hazardous agents are minimized or eliminated, and we conduct regular workplace assessments with the participation of our employees and management to capture the perspective of those who are directly engaged in work practices where hazards are encountered. Goals for employee health and safety are developed collaboratively between the Global EHS team and our business organizations to improve engagement, adoption, and identify priorities for the improvement of program and workplace conditions.

“At CMC, safety is in our DNA. EHS excellence is fundamental to who we are – all employees are expected to understand, promote, and assist in the implementation of our EHS policy and the accompanying principles. Team members at our Pueblo, Colorado site identified potential improvements to our bottling line equipment to enhance its efficiency and the safety of those around it. A cross-functional team of operators, engineers, maintenance personnel, and site leadership assembled to plan and execute these safety enhancements to the equipment without disruption to production or customer fulfillment. This bottling line equipment is just one example of how CMC perpetually seeks to optimize the safety of our operations. This initiative demonstrates our strong safety culture and serves as a learning opportunity to share best practices around our company.
DIVERSITY, INCLUSION, BELONGING, AND EQUAL OPPORTUNITY

Our globally united employees are our most valued asset and the foundation of our success. We are committed to an inclusive environment where all voices are heard, all cultures respected, and that a variety of perspectives and backgrounds are not only welcome – they are essential to our success.

CMC’s longstanding commitment to diversity, inclusion & belonging (DI&B) is rooted in our vision and values.

We are an Equal Opportunity employer and strive to reflect the diversity of the communities in which we operate. This means more than recruiting diverse talent; it also means creating an environment of inclusion and belonging which fosters creativity and innovation, strengthens our global workforce, and drives our ability to fulfill our mission. Learn more about DI&B at CMC here.

Gender Diversity
By embracing diverse perspectives, we accelerate the creation of high-performing and innovative solutions that solve our customers’ challenges.

We continue to make progress on women’s representation in leadership positions. In FY20, our Board of Directors was 29% female, growing to 38% female representation in FY21. Female representation among our executive officers grew from 29% in FY20 to 50% in FY21.

Female Representation:
38% Board of Directors
50% Executive Officers

Global Workforce Gender Diversity

Hiring and Promotion Policies
At CMC, we believe that talent is one of our most important assets and strive to make the optimal decisions each and every time that we fill a position. We use our internal talent pool to match against positions and give our current employees development and mobility opportunities. For positions that we fill externally, we post on our career portal and follow our standard hiring process to make the best selection.
Support of Women in STEM

At CMC, we recognize the importance and benefit of a diverse workplace to maintain our industry leadership and be exemplary role models within our communities, especially for future leaders within our organization. Science and Technology is the foundation of who we are, and CMC regularly invests in STEM activities through university partnerships, internships, and job shadowing programs, as well as initiatives with local STEM organizations in our communities.

CMC employs hundreds of scientists that are both women and men of diverse backgrounds and experiences. The diversity of our journeys makes us stronger, but achieving that diversity is not trivial, particularly if just focused on the individual. The path for each individual is different, complex, and presents its own challenges.

During the month of March, we recognize International Women’s Day, as well as Women’s History Month, and educate one another about the challenges that women have overcome, as well as the barriers that women continue to face when it comes to equality around the world.

To gain a deeper understanding of these challenges, specifically for women in STEM professions, in FY21 CMC presented the Tribeca Film Festival 2020 Official Selection film Picture A Scientist directed by Sharon Shattuck and Ian Cheney. This film, made available to all CMC employees and their families, chronicles the groundswell of researchers who are writing a new chapter for women scientists and to understand the unconscious bias in all of us.

Diversity, Inclusion & Belonging Council

CMC’s Leadership Team is focused on hiring and recruitment, procurement, philanthropy, and employee engagement, as well as driving a culture of diversity and inclusion across our company.

Percent of employees who are foreign nationals: 6.6%
Percent of employees who are located offshore: 0%

As of September 30, 2021, CMC Materials employed a total of 2,084 employees, and 142 of those employees are defined as foreign nationals (14.7%). Approximately 100 of these employees are Malaysian citizens who commute to work at our sites in Singapore. The balance of these employees work at CMC facilities or locations outside of their home country under the authorization of Visas or other appropriate work authorization, and these authorizations all are secured in compliance with all applicable legal and regulatory requirements.
COMMUNITY ENGAGEMENT

We understand the value of partnering with the communities in which we live and operate, and we recognize that thriving and resilient communities are essential for a sustainable future.

CMC Materials is proud to support the local communities where we live and work, and we participate broadly in trade organizations, advocacy groups, and local community organizations around the globe. Thousands of hours are donated each year by CMC employees from all over the world to make a difference in our local communities. We prioritize our community engagement efforts to focus on initiatives that protect the environment, promote Science, Technology, Engineering, and Math (STEM) education and support those in need. We seek to create a better future for our employees, their families, and their communities through monetary donations and in-kind contributions, including volunteer time, to many worthy causes. Community initiatives in FY21 included mask donations to support Covid-19 relief, Employee Resource Group volunteer events at local food banks, Humanitarian Service Projects including Children and Senior Gift Giving programs, Texas region relief following the February 2021 winter storm, and the donation of surplus vehicles to Cars for Kids.

Safety Shoe Recycling Program

Our Aurora, Illinois “Going Green” team organized our annual safety shoe recycling program for “Soles4Souls”. This non-profit turns unwanted, gently-used shoes into opportunity, by keeping them from going to waste and putting them to good use – providing relief, creating jobs, and empowering people to break the cycle of poverty. CMC has been a Soles4Souls partner for almost nine years, donating 80-100 pairs of shoes annually.
SUPPORTING & PROMOTING STEM EDUCATION

We are passionate about inspiring and supporting the next generation of big thinkers.

CMC works with nonprofit organizations and communities across the country to provide investments and human capital that enable learning experiences in Science, Technology, Engineering, and Math fields. We continue to be a proud partner of the John C. Dunham STEM School in Aurora, Illinois, the North Lawndale STEM School in Chicago, Illinois, Aurora University, and the Fermilab Science Fair.

CMC understands that innovation requires diverse perspectives and talent. Through our internship program with universities in our local communities we’ve worked with students to provide a foundational experience to begin their professional careers.

CMC was a proud sponsor and judge of the 2021 Chicago Student Invention Convention (CSIC), an event that celebrates the belief that innovation is for everyone. This CSIC program has brought invention education and STEM skills to over 20,000 K-8th grade Chicago area students in mostly underserved schools. Future STEM leaders and entrepreneurs used creative problem-solving, design thinking, and engineering skills to create an original solution to solve a problem they care about. Beyond prizes, competition award categories connect student inventors to real-world resources. Some winners see their inventions get patented and prototyped, while others connect with industry leaders to take their ideas to the next level. All students hear feedback from invention judges who provide constructive comments and help them envision themselves as future problem-solvers.
CMC Materials, Inc. (CMC) is pleased to provide the information included in this report, which is intended to be aligned with the principles of SASB and TCFD. These reporting frameworks are important to CMC because it allows us to provide sustainability-related information to investors and shareholders in a more standardized way.

While we have been publicly providing environmental metrics showing our progress on reducing greenhouse gas emissions, disposal of solid waste and other environmental metrics on our website, reporting against this framework enables us to evaluate our sustainability performance in a broader and more comprehensive manner.

**Reporting Boundaries:** The information provided by CMC in this report is for the period from October 1, 2020 to September 30, 2021.
CMC Materials has included SASB information according to the materiality outlined in the semiconductor and chemical industry standards.

<table>
<thead>
<tr>
<th>Code /ID Reference</th>
<th>Topic</th>
<th>Accounting Metric</th>
<th>Unit of Measure</th>
<th>CMC Response</th>
<th>Report Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>RT-CH-000.A</td>
<td>Production by Reportable Segment</td>
<td>Production metrics for each of the entity’s reportable segments</td>
<td>Cubic meters (m³) and/or metric tons (t)</td>
<td>Silurian: 91,247 cubic meters (aggregate production)</td>
<td>Goals &amp; Performance (page 9)</td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
<td>Pods: 171.5 metric tons (aggregate production)</td>
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<td>Electronic Chemicals: 101,088 cubic meters (aggregate production)</td>
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<td>Wood Treatment: 16,961 metric tons (aggregate production)</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pipeline &amp; Industrial Materials: 23,476 cubic meters (aggregate production)</td>
<td></td>
</tr>
<tr>
<td>RT-CH-110a.1</td>
<td>Greenhouse Gas Emissions</td>
<td>Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations</td>
<td>Metric tons (t) CO₂-e, Percentage (%)</td>
<td>Total Scope 1 GHG emissions = 8,398 metric tons of CO₂</td>
<td>Climate (page 11)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0% of Scope 1 GHG emissions are covered under an emissions-limiting regulation or program that directly limits emissions</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>CMC calculates its Scope 1 GHG emissions as the product of the total quantity of each type of fuel consumed within CMC’s global operations (including distillate oil and natural gas) and their respective fuel-specific CO2 emission factor to determine total CO2 emissions for each fuel type. These CO2 emission totals are summed to provide a total global Scope 1 GHG emission total for CMC. Note that CMC’s GHG emission totals are considered to be equal to CO2 because the emissions are associated with fossil fuel combustion are substantially CO2, and the contribution from other GHG species constitutes an insignificant portion of total GHG emissions.</td>
<td></td>
</tr>
<tr>
<td>RT-CH-110a.2</td>
<td>Greenhouse Gas Emissions</td>
<td>Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets emissions-limiting regulations</td>
<td>n/a</td>
<td>CMC Materials, Inc. (CMC) notes that the U.S. has resumed its previous status as a Party to the Paris Climate Agreement and has officially resumed its participation as of February 19, 2021. The Clean Air Act has been interpreted to authorize regulation of greenhouse gas (“GHG”) emissions, and the U.S. EPA has used its existing regulatory authority to develop and promulgate regulations to require reductions in GHG emissions from various categories of sources, such as when major source permits are required due to emissions of other pollutants. Because of the lack of any comprehensive legislation addressing GHGs, a number of U.S. federal laws related to GHG emissions have been considered by the U.S. Congress from time to time and various state, local, and regional regulations and initiatives have been enacted or are being considered related to GHGs. Member States of the EU each have an overall cap on GHG emissions, which are approved by the European Commission, and implement the EU Emissions Trading Directive as a commitment to the Kyoto Protocol. GHG emissions are regulated by Member States through the EU Emission Trading System and the EU Effort Sharing Decision/Regulation depending upon the industry sector. Organizations apply to the Member State for an allowance of GHG emissions. These allowances are tradable so as to enable companies that manage to reduce their GHG emissions to sell their excess allowances to companies that are not reaching their emissions objectives. Failure to purchase sufficient allowances will require the purchase of allowances at a current market price. Any laws or regulations that may be adopted to restrict or reduce emissions of GHGs could cause an increase to our raw material costs, require us to incur increased operating costs, and have an adverse effect on demand for our products and our financial performance and results of our business. In addition to GHG and climate change regulatory developments and legislation, we continue to evaluate and assess the potential impact on our business of the ongoing transition worldwide to a low-carbon, resilient economy as well as physical effects resulting from climate change.</td>
<td>Goals &amp; Performance (page 9), Climate (page 11)</td>
</tr>
</tbody>
</table>
Energy (page 14)

Water (page 18)

Scope 1 GHG emissions associated with CMC's business activities are largely associated with the combustion of fossil fuel in production equipment, such as process boilers, at certain manufacturing and processing facilities. CMC believes that opportunities may exist to achieve reductions in GHG emission through efforts to improve operating efficiency and replace aging and inefficient equipment.

CMC will continue to evaluate opportunities to further reduce energy use and associated GHG emissions. Following the successful completion of our Fiscal Year 2014-19 five-year GHG emissions reduction goal, we have established goals to demonstrate our continuing commitment and progress toward reducing our overall climate and environmental impact. Using Fiscal Year 2021 as our baseline, CMC has committed to a five percent reduction in our global GHG emissions intensity, as measured by total Scope 1 and Scope 2 GHG emissions per $ million in annual revenue, by the end of Fiscal Year 2026. This commitment represents a reduction of 1.6 metric tons/$ million from our Fiscal Year 2021 baseline GHG emissions intensity of 31.3 metric tons/$ million.

SASB INDEX

<table>
<thead>
<tr>
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<th>Topic</th>
<th>Accounting Metric</th>
<th>Unit of Measure</th>
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</tr>
</thead>
<tbody>
<tr>
<td>RT-CH-120a.1</td>
<td>Air Emissions</td>
<td>Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SO2, (3) volatile organic compounds (VOCs), (4) hazardous air pollutants (HAPs)</td>
<td>Metric tons (t)</td>
<td>Total emissions of oxides of nitrogen (NOx) = not reported for FY21 Total emissions of oxides of sulfur (SOx) = not reported for FY21 Total emissions of non-methane, volatile organic compounds (VOCs) = not reported for FY21 Total emissions of hazardous air pollutants (HAPs) = not reported for FY21</td>
<td>n/a</td>
</tr>
<tr>
<td>RT-CH-130a.1</td>
<td>Energy Management</td>
<td>(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy</td>
<td>Gigajoules (GJ), Percentage (%)</td>
<td>1. Total amount of energy consumed (electricity + fuel oil + natural gas) = 404,503 gigajoules 2. Percent of consumed energy supplied from grid electricity = 60.3 percent 3. Percent of consumed energy supplied from renewable energy = &lt; 0.01 percent 4. Self-generated = 248.3 GJ 1 kwh = 0.0036 GJ for electricity use 1 therm = 0.1055 GJ for natural gas use 1 gallon = 0.1318 GJ for fuel oil use</td>
<td>Energy (page 14)</td>
</tr>
<tr>
<td>RT-CH-140a.1</td>
<td>Water Management</td>
<td>(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress</td>
<td>Thousand cubic meters (m³), Percentage (%)</td>
<td>Total water withdrawn from all sources = 577.2 thousand cubic meters Total water withdrawn from non-fresh water sources = 0 cubic meters 0% Total water consumed in operations = 577.2 thousand of cubic meters Percentage of water withdrawn from areas with High or Extremely High Baseline Water Stress = 0% Percentage of water consumed from areas with High or Extremely High Baseline Water Stress = 0% None of CMC's global manufacturing facilities are in regions classified as having High or Extremely High Baseline Water Stress, according to the provided definition.</td>
<td>Water (page 18)</td>
</tr>
</tbody>
</table>
Two (2) instances of non-compliance were experienced in Fiscal Year 2021. During Fiscal Year 2021, facilities owned and operated by CMC Materials, Inc. experienced the following incidents of non-compliance with respect to water quality permits, standards, and regulations that resulted in formal enforcement actions:

- The Milan (Milan, Italy) chemical processing facility was cited by the local wastewater authority for alleged exceedances of biological oxygen demand and chemical oxygen demand discharge limits as a result of sampling conducted in February 2021. CMC has taken steps to improve controls and sensors associated with a chemical addition system, which will improve control of chemical addition rates and ensure that the BOD and COD limits are not exceeded in the future. Final resolution of the matter remains pending with the authority.

- The Pueblo (Colorado, U.S.) chemical processing facility was cited by the local wastewater authority for alleged exceedances of a sulfate discharge limit in May 2019 and June 2019. In response, CMC has purchased, installed, and commissioned a sulfate removal system to treat the facility’s process wastewater and prevent future exceedances of permit sulfate limits. Final testing and demonstration of the system was completed in August 2020, and the local authority provided a formal acknowledgment of acceptance and official close-out of the enforcement action in October 2021.

CMC has identified no significant risks associated with our ability to secure access to adequate supplies of water for operational purposes or the ability to discharge process wastewater appropriately and compliantly. CMC does not anticipate that access to process water supplies, or the ability to discharge process wastewater, are at significant risk. Our facilities are located where they have adequate and reliable access to water supplies via local municipal utility providers or from on-site wells that we control. Many of our facilities do not discharge process wastewater, and those that do have process wastewater discharges have reliable access to local municipal wastewater management utilities.

CMC will continue to evaluate opportunities to further improve the efficiency of water consumption within our manufacturing processes and facilities. Following the successful completion of our Fiscal Year 2014-19 five-year water use reduction goal, we have established goals to demonstrate our continuing commitment and progress toward reducing our overall impact on water resources. Using Fiscal Year 2021 as our baseline, CMC has committed to a five percent reduction in our global water consumption intensity, as measured by total water consumed per $ million in annual revenue, by the end of Fiscal Year 2026. This commitment represents a reduction of 23.2 cubic meters/$ million from our Fiscal Year 2021 baseline water consumption intensity of 464.4 cubic meters/$ million.

CMC’s efforts to reduce our water use globally have not resulted in negative lifecycle impacts or tradeoffs.
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>RT-CH-150a.1</td>
<td>Water Management</td>
<td>Hazardous Waste Management</td>
<td>Metric tons (t), Percentage (%)</td>
<td>Amount of hazardous waste generated: 2,963 metric tons&lt;br&gt;Percent of generated hazardous waste that was recycled: 35.3 percent</td>
<td>Waste (page 16)</td>
</tr>
<tr>
<td>RT-CH-210a.1</td>
<td>Community Relations</td>
<td>Discussion of engagement processes to manage risks and opportunities associated with community interests</td>
<td>n/a</td>
<td>CMC is proud to support the local communities where we live and work, and we participate broadly in trade organizations, advocacy groups, and local community organizations around the globe. Thousands of hours are donated each year by CMC employees from all over the world to make a difference in our local communities. In particular, we prioritize our community engagement efforts to focus on initiatives that help protect the environment, promote Science, Technology, Engineering, and Math (STEM) education and support those in need.</td>
<td>Community Engagement (pages 23 - 24)</td>
</tr>
<tr>
<td>RT-CH-320a.1</td>
<td>Workforce Health &amp; Safety</td>
<td>(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees</td>
<td>Rate</td>
<td>Total recordable incident rate, direct employees: 1.13&lt;br&gt;Total recordable incident rate, contract employees: 0.00&lt;br&gt;Fatality rate, direct employees: 0.00&lt;br&gt;Fatality rate, contract employees: 0.00</td>
<td>n/a</td>
</tr>
<tr>
<td>RT-CH-320a.2</td>
<td>Workforce Health &amp; Safety</td>
<td>Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks</td>
<td>n/a</td>
<td>CMC’s facilities and operations are subject to various laws and regulations, both at a federal and state or local level, relating to various occupational safety and health matters. Governmental authorities can enforce compliance with their regulations, and violators may be subject to civil, criminal, and administrative penalties, injunctions, or a combination of these. We believe that our facilities are in substantial compliance with applicable health and safety laws and regulations. CMC manages an extensive and progressive health and safety program to identify, characterize, mitigate, and eliminate hazards throughout our production, research, and office facilities worldwide.</td>
<td>Health &amp; Safety (page 201)</td>
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</tbody>
</table>

CMC’s Occupational Health and Safety Management System meets ISO 45001 standards to define and track our global health and safety performance at multiple of our manufacturing sites around the world. Our Global Environmental, Health and Safety (EHS) organization also utilizes an extensive set of foundational programs (EHS Program Elements), which outline the critical protocols and practices that we have developed and implemented to protect our employees from health and safety hazards, including those encountered in clean room, laboratory, and production environments.

We conduct industrial hygiene surveys of our facilities to confirm that employee exposure to hazardous agents is minimized or eliminated, and we conduct regular workplace assessments with the participation of our employees and management to capture the perspectives of those who are directly engaged in work practices where hazards are encountered. Job safety analyses are conducted for routine and non-routine tasks, and we identify safe work plans that include consideration of elimination, substitution, and engineering control of hazards, as well as appropriate personal protective equipment requirements.

Goals for employee health and safety are developed collaboratively between the Global EHS team and our business organizations to improve engagement and adoption and identify priorities for improvement of program and workplace conditions.
Through our Performance Materials Division, CMC produces and sells products that we have designed to improve use-phase efficiency for our customers, according to the definition provided. Specifically, our drag reducing agents (DRA) are focused on the midstream oil and gas sector and offer benefit to our customers by reducing the pressure loss in a pipeline due to turbulent flow within it. This allows pipeline operators to maximize product flow while maintaining safe operating pressure and reducing energy consumption. Similarly, we develop, manufacture, and sell products used for maintaining and extending the operational lifespan of lubricated isolation valves. CMC achieved revenue from these and related products of $106,810,000 in Fiscal Year 2021.

Our Electronic Chemical business is involved in the processing and sale of various chemicals – including acids, bases, and solvents, among others – that are used in the manufacture of semiconductors. The nature of these chemicals that enables them to conduct manufacturing techniques such as cleaning, etching and removal of material in a controlled & specified manner also will result in their classification as environmental or health hazards under applicable regulatory criteria.

Percent of products containing GHG Category 1 and 2 substances, by revenue: not reported for FY21

Percent of products containing GHG Category 1 and 2 substances that have undergone a hazard assessment: not reported for FY21

The manufacture, sale, and distribution of products by CMC may, in some cases, involve the controlled use of materials, chemicals, and substances. Our products, therefore, are subject to various regulatory requirements to ensure proper characterization and communication of potential environmental, health, and safety (EHS) risks, including personal exposure, chemical spills, discharges, or releases of toxic or hazardous substances or gases, fires, and other hazards to our customers and to the appropriate regulatory authorities.

Governmental regulatory authorities have required, and may require in the future, that certain testing and associated data be provided on our products in the many countries where CMC does business. For example, under the Toxic Substances Control Act (TSCA) and its associated amendments, the United States Environmental Protection Agency may require registrants to submit a wide range of scientific data to support registrations in the United States.

Similarly, the Registration, Evaluation and Authorization of Chemicals (REACH) program imposes requirements on CMC regarding manufacture, import, and sale of certain products in the European Union, including the requirement of chemical manufacturers and importers to demonstrate the safety of their products. We were required to pre-register certain products and file comprehensive reports, including testing data, on chemical substances and perform chemical safety assessments.
CMC is committed to offering products to our customers that minimize EHS impacts when possible. To accomplish this goal, CMC has developed and utilizes an integrated process to evaluate the composition of our products for applicable regulatory requirements. This process begins in the early stages of product research and development and extends throughout the production and supply chain. We consider alternative components with a focus on reduction or elimination of EHS hazards. Where possible, CMC prioritizes the use of non-hazardous and non-toxic components, and we avoid using substances that are classified as prohibited or banned under various global substance lists.

CMC also uses a Management of Change process to evaluate changes in product composition, including changes to existing components as well as introduction of new components, for potential regulatory or other EHS concerns. We collaborate with our raw material suppliers – as well as with our customers and clients – to communicate significant changes in product composition, as well as information about product hazards and risks, in a clear and timely manner.

CMC’s product development process includes a comprehensive review of EHS and product regulatory/stewardship requirements. We also conduct product testing in certain circumstances to support risk characterization, and we develop and maintain product safety communication, including safety data sheets and product labels, as required by applicable regulatory requirements throughout the global jurisdictions where we do business.

<table>
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<tbody>
<tr>
<td>RT-CH-410c.1</td>
<td>Genetically Modified Organisms</td>
<td>Percentage of products by revenue that contain genetically modified organisms (GMOs)</td>
<td>Percentage (%) by revenue</td>
<td>To the best of our knowledge, CMC does not manufacture, market, or sell products that contain genetically modified organisms (GMOs).</td>
<td>n/a</td>
</tr>
<tr>
<td>RT-CH-530a.1</td>
<td>Management of the Legal &amp; Regulatory Environment</td>
<td>Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry</td>
<td>n/a</td>
<td>CMC does not engage in lobbying activities related to government regulations and/or policy proposals that address environmental and social factors affecting the industry. However, CMC actively monitors legislative and regulatory issues that could have an impact on the company from an environmental and social perspective. Monitoring of these rulemaking developments allows CMC to develop strategies and responses so that we can prepare for, respond to, and support compliance with legislation in an organized manner. We review evolving trends and developments in environmental and social issues and related regulations on an ongoing basis with CMC senior and operational leadership, including our Enterprise Risk Management Committee, our executive leadership team, and our Board of Directors. Like other companies involved in environmentally sensitive businesses, our operations and properties are subject to extensive and stringent federal, state, local, and foreign environmental, health, and safety (EHS) laws and regulations, including those concerning, among other matters:</td>
<td>Compliance and Integrity (page 8)</td>
</tr>
</tbody>
</table>
The United States Environmental Protection Agency (U.S. EPA) and other federal and state agencies in the U.S., as well as comparable agencies in other countries where we have facilities or sell our products, such as Canada or Mexico, have the authority to promulgate regulations that could have a material adverse impact on our operations. These EHS laws and regulations may require permits for certain types of operations, require the installation of expensive pollution control equipment, place restrictions upon operations or impose substantial liability for pollution and other EHS concerns resulting from our operations. Compliance with EHS laws and regulations has resulted in ongoing costs for us and could restrict our ability to modify or expand our facilities, continue production, require us to install costly pollution control equipment, or incur significant other expenses, including environmental compliance costs.

We have incurred, and expect to continue to incur, significant costs to comply with EHS laws or to address liabilities for contamination resulting from past or present operations. Federal, state, and foreign governmental authorities may seek fines and penalties, as well as injunctive relief, for violation of EHS laws and regulations, and could, among other things, impose liability on us to cleanup or mitigate environmental, natural resources or other damages resulting from a release of pesticides, hazardous materials or other chemicals into the environment. We maintain insurance coverage for sudden and accidental environmental damages.

The distribution, sale, and use of our products is subject to prior governmental approvals and thereafter ongoing governmental regulation. Our products are subject to laws administered by federal, state, and foreign governments, including regulations requiring registration, approval, and labeling. The labeling requirements restrict the use and type of application for our products. More stringent restrictions could make our products less desirable which would adversely affect our sales and profitability. All venues where our penta products are used also require registration prior to marketing or use.

Such legislative and regulatory issues include environmental, safety, and social policies that could affect our business in multiple ways such as increased stringency of discharge/emission limits for releases of air pollutants, wastewater, and waste generation, and worker health and safety, as applied to our production facilities. We also face potential impacts from requirements that impact the manufacture, sale, and distribution our products, such as those related to product labeling and safety data sheets, product safety registrations, and chemical disclosure.

Governmental regulatory authorities have required, and may require in the future, that certain scientific testing and data production be provided on our products. Because scientific analyses are constantly improving, we cannot determine with certainty whether new or additional tests may or may not be required by regulatory authorities. While good laboratory practice
standards specify the minimum practices and procedures that must be followed to ensure the quality and integrity of data related to these tests submitted to the U.S. EPA, there can be no assurance that the U.S. EPA will not request certain tests or studies be repeated. In addition, more stringent legislation or requirements may be imposed in the future. We can provide no assurance that the cost of such compliance will not adversely affect our profitability. Our products could also be subject to other future regulatory action that may result in restricting or completely banning their use which could have an adverse effect on our performance and results of operations.

CMC Materials, Inc. (CMC) notes that the U.S. has resumed its previous status as a Party to the Paris Climate Agreement and has officially resumed its participation as of February 19, 2021. The Clean Air Act has been interpreted to authorize regulation of greenhouse gas (“GHG”) emissions, and the U.S. EPA has used its existing regulatory authority to develop and promulgate regulations to require reductions in GHG emissions from various categories of sources, such as when major source permits are required due to emissions of other pollutants. Because of the lack of any comprehensive legislation addressing GHGs, a number of U.S. federal laws related to GHG emissions have been considered by the U.S. Congress from time to time and various state, local, and regional regulations and initiatives have been enacted or are being considered related to GHGs.

Member States of the EU each have an overall cap on GHG emissions, which are approved by the European Commission, and implement the EU Emissions Trading Directive as a commitment to the Kyoto Protocol. GHG emissions are regulated by Member States through the EU Emission Trading System and the EU Effort Sharing Decision/Regulation depending upon the industry sector. Organizations apply to the Member State for an allowance of GHG emissions. These allowances are tradable so as to enable companies that manage to reduce their GHG emissions to sell their excess allowances to companies that are not reaching their emissions objectives. Failure to purchase sufficient allowances will require the purchase of allowances at a current market price.

Any laws or regulations that may be adopted to restrict or reduce emissions of GHGs could cause an increase to our raw material costs, require us to incur increased operating costs, and have an adverse effect on demand for our products and our financial performance and results of our business. In addition to GHG and climate change regulatory developments and legislation, we continue to evaluate and assess the potential impact on our business of the ongoing transition worldwide to a low-carbon, resilient economy as well as physical effects resulting from climate change.

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<tbody>
<tr>
<td>RT-CH-540a.1</td>
<td>Operational Safety, Emergency Preparedness &amp; Response</td>
<td>Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)</td>
<td>Number, Rate</td>
<td>Total Tier 1 Process Safety Incident Count (PSIC) = 0, Process Safety Total Incident Rate (PSTIR) = 0.0, Process Safety Incident Severity Rate (PSISR) = 0.0</td>
<td>n/a</td>
</tr>
<tr>
<td>RT-CH-540a.2</td>
<td>Operational Safety, Emergency Preparedness &amp; Response</td>
<td>Number of transport incidents</td>
<td>Number, Rate</td>
<td>Total reportable transport incidents = 0</td>
<td>n/a</td>
</tr>
</tbody>
</table>
### SASB INDEX

<table>
<thead>
<tr>
<th>Code /ID Reference</th>
<th>Topic</th>
<th>Accounting Metric</th>
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</tr>
</thead>
<tbody>
<tr>
<td>TC-SC-000.A</td>
<td>Total Production Metrics</td>
<td>n/a</td>
<td>As a manufacturer and supplier of chemicals, materials, and products used in the manufacture of semiconductors (and not a manufacturer of semiconductors), this reporting metric does not apply to CMC.</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>TC-SC-000.B</td>
<td>Percentage of Production from Owned Facilities</td>
<td>Percentage (%)</td>
<td>As a manufacturer and supplier of chemicals, materials, and products used in the manufacture of semiconductors (and not a manufacturer of semiconductors), this reporting metric does not apply to CMC.</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>TC-SC-110a.1</td>
<td>Greenhouse Gas Emissions</td>
<td>Metric tons (t) CO₂-e</td>
<td>Total Scope 1 GHG emissions = 8,398 metric tons of CO₂</td>
<td>Climate (page 11)</td>
<td></td>
</tr>
<tr>
<td>TC-SC-110a.2</td>
<td>Greenhouse Gas Emissions</td>
<td>n/a</td>
<td>CMC Materials, Inc. (CMC) notes that the U.S. has resumed its previous status as a Party to the Paris Climate Agreement and has officially resumed its participation as of February 19, 2021. The Clean Air Act has been interpreted to authorize regulation of greenhouse gas (&quot;GHG&quot;) emissions, and the U.S. EPA has used its existing regulatory authority to develop and promulgate regulations to require reductions in GHG emissions from various categories of sources, such as when major source permits are required due to emissions of other pollutants. Because of the lack of any comprehensive legislation addressing GHGs, a number of U.S. federal laws related to GHG emissions have been considered by the U.S. Congress from time to time and various state, local, and regional regulations and initiatives have been enacted or are being considered related to GHGs. Member States of the EU each have an overall cap on GHG emissions, which are approved by the European Commission, and implement the EU Emissions Trading Directive as a commitment to the Kyoto Protocol. GHG emissions are regulated by Member States through the EU Emission Trading System and the EU Effort Sharing Decision/Regulation depending upon the industry sector. Organizations apply to the Member States for an allowance of GHG emissions. These allowances are tradable so as to enable companies that manage to reduce their GHG emissions to sell their excess allowances to companies that are not reaching their emissions objectives. Failure to purchase sufficient allowances will require the purchase of allowances at a current market price. Any laws or regulations that may be adopted to restrict or reduce emissions of GHGs could cause an increase to our raw material costs, require us to incur increased operating costs, and have an adverse effect on demand for our products and our financial performance and results of our business. In addition to GHG and climate change regulatory developments and legislation, we</td>
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</table>

No emissions reported for other GHG species
No emissions reported for perfluorinated compounds

CMC calculates its Scope 1 GHG emissions as the product of the total quantity of each type of fuel consumed within CMC's global operations (including distillate oil and natural gas) and their respective fuel-specific CO2 emission factor to determine total CO2 emissions for each fuel type. These CO2 emission totals are summed to provide a total global Scope 1 GHG emission total for CMC. Note that CMC's GHG emission totals are considered to be equal to CO2 because the emissions are associated with fossil fuel combustion are substantially CO2, and the contribution from other GHG species constitutes an insignificant portion of total GHG emissions.
continue to evaluate and assess the potential impact on our business of the ongoing transition worldwide to a low-carbon, resilient economy as well as physical effects resulting from climate change.

Scope 1 GHG emissions associated with CMC’s business activities are largely associated with the combustion of fossil fuel in production equipment, such as process boilers, at certain manufacturing and processing facilities. CMC believes that opportunities may exist to achieve reductions in GHG emission through efforts to improve operating efficiency and replace aging and inefficient equipment.

CMC will continue to evaluate opportunities to further reduce energy use and associated GHG emissions. Following the successful completion of our Fiscal Year 2014-19 five-year GHG emissions reduction goal, we have established goals to demonstrate our continuing commitment and progress toward reducing our overall climate and environmental impact. Using Fiscal Year 2021 as our baseline, CMC has committed to a five percent reduction in our global GHG emissions intensity, as measured by total Scope 1 and Scope 2 GHG emissions per $ million in annual revenue, by the end of Fiscal Year 2026. This commitment represents a reduction of 1.6 metric tons/$ million from our Fiscal Year 2021 baseline GHG emissions intensity of 31.3 metric tons/$ million.

TC-SC-130a.1 Energy Management in Manufacturing

<table>
<thead>
<tr>
<th>Code /ID Reference</th>
<th>Topic</th>
<th>Accounting Metric</th>
<th>Unit of Measure</th>
<th>CMC Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>TC-SC-130a.1</td>
<td>Energy Management in Manufacturing</td>
<td>(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable</td>
<td>Gigajoules (GJ), Percentage (%)</td>
<td>1. Total amount of energy consumed (electricity + fuel oil + natural gas) = 404,503 gigajoules 2. Percent of consumed energy supplied from grid electricity = 60.3 percent 3. Percent of consumed energy supplied from renewable energy = &lt; 0.01 percent</td>
</tr>
</tbody>
</table>

1 kwh = 0.0036 GJ for electricity use 1 therm = 0.1055 GJ for natural gas use 1 gallon = 0.1318 GJ for fuel oil use

TC-SC-140a.1 Water Management

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>TC-SC-140a.1</td>
<td>Water Management</td>
<td>(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress</td>
<td>Thousand cubic meters (m³), Percentage (%)</td>
<td>Total water withdrawn from all sources = 557.2 thousand cubic meters Total water withdrawn from non-fresh water sources = 0 cubic meters 0% Total water consumed in operations = 557.2 thousand of cubic meters Percentage of water withdrawn from areas with High or Extremely High Baseline Water Stress = 0% Percentage of water consumed from areas with High or Extremely High Baseline Water Stress = 0%</td>
</tr>
</tbody>
</table>

None of CMC’s global manufacturing facilities are in regions classified as having High or Extremely High Baseline Water Stress, according to the provided definition.
CMC’s facilities and operations are subject to various laws and regulations, both at a federal and state or local level, relating to various occupational safety and health matters. Governmental authorities can enforce compliance with their regulations, and violators may be subject to civil, criminal, and administrative penalties, injunctions, or a combination of these. We believe that our facilities are in substantial compliance with applicable health and safety laws and regulations. CMC manages an extensive and progressive health and safety program to identify, characterize, mitigate, and eliminate hazards throughout our production, research, and office facilities worldwide.

CMC’s Occupational Health and Safety Management System meets ISO 45001 standards to define and track our global health and safety performance at multiple of our manufacturing sites around the world. Our Global Environmental, Health and Safety (EHS) organization also utilizes an extensive set of foundational programs (EHS Program Elements), which outline the critical protocols and practices that we have developed and implemented to protect our employees from health and safety hazards, including those encountered in clean room, laboratory, and production environments.

We conduct industrial hygiene surveys of our facilities to confirm that employee exposure to hazardous agents is minimized or eliminated, and we conduct regular workplace assessments with the participation of our employees and management to capture the perspectives of those who are directly engaged in work practices where hazards are encountered. Job safety analyses are conducted for routine and non-routine tasks, and we identify safe work plans that include consideration of elimination, substitution, and engineering control of hazards, as well as appropriate personal protective equipment requirements.

Goals for employee health and safety are developed collaboratively between the Global EHS team and our business organizations to improve engagement and adoption and identify priorities for improvement of program and workplace conditions.

CMC does not have any existing legal proceedings associated with employee health and safety violations, and during the reporting period of Fiscal Year 2021, CMC incurred no monetary losses for legal proceedings associated with employee health and safety violations.
## SASB INDEX

<table>
<thead>
<tr>
<th>Code /ID Reference</th>
<th>Topic</th>
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</table>
| TC-SC-330a.1       | Recruiting & Managing a Global & Skilled Workforce | Percentage of employees that are (1) foreign nationals and (2) located offshore | Percentage (%) | Percent of employees who are foreign nationals: 6.6%  
Percent of employees located offshore: 0%  
As of September 30, 2021, CMC employed a total of 2,036 employees, and 135 of those employees are defined as foreign nationals (6.6 percent). Approximately 100 of these employees are Malaysian citizens who commute to work at our sites in Singapore. The balance of these employees works at CMC facilities or locations outside of their home country under the authorization of visas or other appropriate work authorization, and these authorizations all are secured in compliance with all applicable legal and regulatory requirements. | Social Responsibility (page 23) |
| TC-SC-410a.1       | Product Lifecycle Management | Percentage of products by revenue that contain IEC 62474 declarable substances | Percentage (%) | To the best of our knowledge, CMC does not manufacture, market or sell products that contain IEC 62474 declarable substances. | n/a |
| TC-SC-410a.2       | Product Lifecycle Management | Processor energy efficiency at a system level for (1) servers, (2) desktops, and (3) laptops | Various, by product category | As a manufacturer and supplier of chemicals, materials, and products used in the manufacture of semiconductors (and not a manufacturer of semiconductors), this reporting metric does not apply to CMC. | n/a |
| TC-SC-440a.1       | Materials Sourcing | Description of the management of risks associated with the use of critical materials | n/a | CMC utilizes cerium oxide/ceria (not elemental cerium) as a component in some of its chemical mechanical planarization (CMP) slurry products. As a business continuity measure, CMC has identified and secured multiple sources of ceria and its precursor components from a diverse group of locations and entities to mitigate potential disruptions to adequate ceria supplies. As such, we believe that our supply chain for ceria is secure and that supply disruption risk has been adequately and appropriately addressed. CMC does not use any other “critical material” in our products currently. | Product Sustainability & Environmental Stewardship (page 39) |
| TC-SC-520a.1       | Intellectual Property Protection & Competitive Behavior | Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations | Reporting currency | CMC does not have any existing legal proceedings associated with anti-competitive behavior regulations, and during the reporting period of Fiscal Year 2021, CMC incurred no monetary losses for legal proceedings associated with anti-competitive behavior regulations. | n/a |
**TCFD INDEX**

CMC Materials has included TCFD information according to the materiality outlined in the semiconductor and chemical industry standards.

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<tr>
<th>Data Request</th>
<th>Description</th>
<th>Details</th>
<th>CMC Response</th>
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<tbody>
<tr>
<td>Strategy A - Short, Medium, and Long Term Climate Risks</td>
<td>Describe the climate related risks and opportunities the organization has identified over the short, medium, and long term.</td>
<td>Organizations should provide the following information: - A description of what they consider to be the relevant short-, medium-, and long-term time horizons, taking into consideration the useful life of the organization’s assets or infrastructure and the fact that climate-related issues often manifest themselves over the medium and longer terms, - A description of the specific climate-related issues for each time horizon (short, medium, and long term) that could have a material financial impact on the organization.</td>
<td>CMC Materials, Inc. (CMC) notes that the U.S. has resumed its previous status as a Party to the Paris Climate Agreement and has officially resumed its participation as of February 19, 2021. The Clean Air Act has been interpreted to authorize regulation of greenhouse gas (“GHG”) emissions, and the U.S. EPA has used its existing regulatory authority to develop and promulgate regulations to require reductions in GHG emissions from various categories of sources, such as when major source permits are required due to emissions of other pollutants. Because of the lack of any comprehensive legislation addressing GHGs, a number of U.S. federal laws related to GHG emissions have been considered by the U.S. Congress from time to time and various state, local, and regional regulations and initiatives have been enacted or are being considered related to GHGs. Member States of the EU each have an overall cap on GHG emissions, which are approved by the European Commission, and implement the EU Emissions Trading Directive as a commitment to the Kyoto Protocol. GHG emissions are regulated by Member States through the EU Emission Trading System and the EU Effort Sharing Decision/Regulation depending upon the industry sector. Organizations apply to the Member State for an allowance of GHG emissions. These allowances are tradable so as to enable companies that manage to reduce their GHG emissions to sell their excess allowances to companies that are not reached their emissions objectives. Failure to purchase sufficient allowances will require the purchase of allowances at a current market price. Any laws or regulations that may be adopted to restrict or reduce emissions of GHGs could cause an increase to our raw material costs, require us to incur increased operating costs, and have an adverse effect on demand for our products and our financial performance and results of our business. In addition to GHG and climate change regulatory developments and legislation, we continue to evaluate and assess the potential impact on our business of the ongoing transition worldwide to a low-carbon, resilient economy as well as physical effects resulting from climate change. For the purposes of establishing planning horizons for climate-related risks and opportunities, CMC uses the following timeframes and has identified various climate-related issues and projected financial risks associated with each. In cases of risks and opportunities, determinations have been made based on various scenarios with the potential to impact CMC either directly (i.e. impacts to our production facilities) or indirectly (i.e. through impacts to individual customers or customer groups). Short-term (1-5 years): - Risks may include (but are not limited to) regulatory uncertainty associated with re-engagement by the U.S. government in global GHG reduction agreements, reputational disfavor of the oil and gas sector and potential loss of sales in the Pipeline and Industrial Materials (PIM) business unit, and increased severity of discrete weather events and their associated impact on our facilities and our workforce. - Opportunities may include (but are not limited to) increasing reliance on semiconductor technology as customer choice moves toward more energy-efficient devices, accelerating pace toward alternative power generating technologies (e.g. wind, solar), and increased emphasis on efficient use of energy and material resources in our operations (e.g. electricity, water, etc.). Medium-term (5-20 years): - Risks may include (but are not limited to) increased cost of raw materials due to regulatory impacts on producers, accelerating reputational disfavor/stigmatization of the oil and gas sector and potential sales loss in the PIM business unit, and increases in costs for compliance measures (e.g. emission allowances, reporting costs, emission controls, equipment replacement, etc.)</td>
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<tr>
<td>Report Location</td>
<td>Climate [page 121]</td>
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## TCFD INDEX

<table>
<thead>
<tr>
<th>Data Request</th>
<th>Description</th>
<th>Details</th>
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<tr>
<td>Strategy B - Business, Strategy and Financial Planning</td>
<td>Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</td>
<td>Organizations should consider including the impact on their businesses and strategy in the following areas: Products and services, Supply chain and/or value chain, Adaptation and mitigation activities, Investment in research and development, Operations (including types of operations and location of facilities). Organizations should describe how climate-related issues serve as an input to their financial planning process, the time period(s) used, and how.</td>
<td>CMC’s Board of Directors and executive leadership team maintain regular communications to understand current and future climate issues and their potential impacts to the company. Various scenarios, including some of those identified in Strategy A, are considered and weighed in terms of likelihood and severity of impact to CMC on a range of criteria including operational, financial and reputational disruptions. Opportunities for additional technology innovation that enhance sustainability and reduce climate impacts are also considered.</td>
<td>n/a</td>
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- Opportunities may include (but are not limited to) enhanced corporate reputation based on sustainability efforts, favorable positioning of production capacity near customers that mitigates the impact of transportation cost increases due to regulation, and R&D capabilities that continue to support the development of more advanced microelectronic devices with improved sustainability aspects.

- Long-term (> 20 years):
  - Risks may include (but are not limited to) permanent secular moves away from oil and gas-focused industries (and the resulting impact on our PIM business unit), increased costs associated with low-/no-carbon forms of transportation that impact transportation costs of raw materials and finished goods, risk of energy supply reliability as fossil fuel-based power generation is disfavored, and impact of rising sea levels and global temperature increase on facilities located in coastal and/or mid-latitude locations.
  - Opportunities may include (but are not limited to) robust R&D organization with proven success in innovation that can continue to respond to increased demand for high-performance microelectronic devices, reputational favor that positions CMC as a leader due to successful sustainability efforts, and overall low GHG emissions intensity associated with our primary operating divisions and product lines.

CMC notes that the U.S. has resumed its previous status as a Party to the Paris Climate Agreement and has officially resumed its participation as of February 19, 2021. The Clean Air Act has been interpreted to authorize regulation of greenhouse gas ("GHG") emissions, and the U.S. EPA has used its existing regulatory authority to develop and promulgate regulations to require reductions in GHG emissions from various categories of sources, such as when a major source permits are required due to emissions of other pollutants. Because of the lack of any comprehensive legislation addressing GHGs, a number of U.S. federal laws related to GHG emissions have been considered by the U.S. Congress from time to time and various state, local and regional regulations and initiatives have been enacted or are being considered related to GHGs.

Member States of the EU each have an overall cap on GHG emissions, which are approved by the European Commission, and implement the EU Emissions Trading Directive as a commitment to the Kyoto Protocol. GHG emissions are regulated by Member States through the EU Emission Trading System and the EU Effort Sharing Decision/Regulation depending upon the industry sector. Organizations apply to the Member State for an allowance of GHG emissions. These allowances are tradable so as to enable companies that manage to reduce their GHG emissions to sell their excess allowances to companies that are not reaching their emissions objectives. Failure to purchase sufficient allowances will require the purchase of allowances at a current market price. Any laws or regulations that may be adopted to restrict or reduce emissions of GHGs could cause an increase to our raw material costs, require us to incur increased operating costs, and have an adverse effect on demand for our products and our financial performance and results for our business.

In addition to GHG and climate change regulatory developments and legislation, we continue to evaluate and assess the potential impact on our business of the ongoing transition worldwide to a low-carbon, resilient economy as well as physical effects resulting from climate change.
these risks and opportunities are prioritized. Organizations’ disclosures should reflect a holistic picture of the interdependencies among the factors that affect their ability to create value over time. Organizations should also consider including in their disclosures the impact on financial planning in the following areas:

- Operating costs and revenues
- Capital expenditures and capital allocation
- Acquisitions or divestments
- Access to capital

If climate-related scenarios were used to inform the organization’s strategy and financial planning, such scenarios should be described.

Supplemental Guidance for Asset Owners

As part of CMC’s Long Range Planning activities that are reviewed on an annual basis, CMC leadership assesses climate-related regulatory impacts and opportunities, customer requirements, global operating conditions, opportunities for technology innovation and various other factors. Identified risks are then incorporated into the annual goal setting to determine ways to mitigate or reduce the potential impacts, and each of our business units and their respective leadership teams are responsible for implementation. Depending on how various climate risks may impact our business, CMC leadership will adjust our financial, engineering and operational plans so that our overall risk profile is reduced to the extent appropriate and practical, and our business is positioned to identify, evaluate and capture opportunities that complement our business model.
## TCFD INDEX

<table>
<thead>
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<th>Data Request</th>
<th>Description</th>
<th>Details</th>
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<th>Report Location</th>
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<tbody>
<tr>
<td>Strategy C - Resilience of the Organization's Strategy</td>
<td>Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</td>
<td>Organizations should describe how resilient their strategies are to climate-related risks and opportunities, taking into consideration a transition to a lower-carbon economy consistent with a 2°C or lower scenario and, where relevant to the organization, scenarios consistent with increased physical climate-related risks. Organizations should consider discussing: where they believe their strategies may be affected by climate-related risks and opportunities; how their strategies might change to address such potential risks and opportunities; and the climate-related scenarios and associated time horizon(s) considered. Refer to Section D on page 25 of the Recommendations of the Task Force on Climate related Financial Disclosures for information on applying scenarios to forward-looking analysis. Supplemental Guidance for Asset Owners: Asset owners that perform scenario analysis should consider providing a discussion of how climate-related scenarios are used, such as to inform investments in specific assets.</td>
<td>Based on our current assessment of existing conditions and identifiable climate risks, CMC believes it has a relatively low-to-moderate risk profile and associated potential for negative material financial impact under various climate-related scenarios. We expect this assessment would remain valid under a “2°C (or lower) scenario” that could call for significant regulatory action and associated GHG reduction measures in pursuit of a lower-carbon economy. Overall, our manufacturing facilities have relatively few sources of GHG emissions with comparatively low rates of emissions, and as such our direct compliance cost exposure is expected to be comparably low and manageable. The majority of the cost impacts we would expect to encounter in a 2°C (or lower) regulatory scenario would likely be broadly distributed across our raw material and resource suppliers (e.g. electric power, water, transportation, etc.). We further believe that a 2°C (or lower) scenario also may provide opportunities for market growth as advanced microprocessor and semiconductor technologies could play an increasingly important and necessary role in a low-carbon economy. However, we also expect that our PIM business unit, which supports the oil and gas sector could face additional stress as regulatory developments could impact that market negatively and reduce demand for our products and services in this area.</td>
<td>n/a</td>
</tr>
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</table>
Describe the Board’s oversight of climate-related risks and opportunities.

In describing the Board’s oversight of climate-related issues, organizations should consider including a discussion of the following: processes and frequency by which the Board and/or Board Committees (e.g., audit, risk, or other committees) are informed about climate-related issues, whether the Board and/or Board Committees consider climate-related issues when reviewing and guiding strategy, major plans of action, risk management policies, annual budgets, and business plans as well as setting the organization’s performance objectives, monitoring implementation and performance, and overseeing major capital expenditures, acquisitions, and divestitures, and how the Board monitors and oversees progress against goals and targets for addressing climate-related issues.

CMC’s Board of Directors has an oversight role, as a whole and at the committee level, in overseeing management of our risks. Our Board focuses on our general risk management strategy, the most significant risks facing us, and oversees the implementation of risk mitigation strategies by management. The Board regularly reviews information regarding our credit, liquidity, and operations, including the environmental, health and safety aspects of such, and risks associated with each, and along with the audit committee, compliance matters related to our business. The Board’s oversight of risk management matters related to environment, health and safety includes consideration of sustainability and climate-related risks. The Audit Committee of the Board oversees the management of financial risks. The Nominating and Corporate Governance Committee of the Board is responsible for overseeing the management of risks related to corporate governance matters. While each committee is responsible for evaluating certain risks and overseeing management of such risks, the entire Board is regularly informed through the committees about such risks, and reviews and discusses them in the context of our overall risk posture and risk management and mitigation strategies.
### TCFD INDEX

<table>
<thead>
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<tr>
<td>Governance B - Role of Management</td>
<td>Describe management's role in assessing and managing climate-related risks and opportunities.</td>
<td>In describing management’s role related to the assessment and management of climate-related issues, organizations should consider including the following information: whether the organization has assigned climate-related responsibilities to management-level positions or committees; and, if so, whether such management positions or committees report to the Board or a committee of the Board and whether those responsibilities include assessing and/or managing climate-related issues, a description of the associated organizational structure(s), processes by which management is informed about climate-related issues, and how management (through specific positions and/or management committees) monitors climate-related issues.</td>
<td>As assigned by CMC’s Board of Directors, and the Nominating and Corporate Governance Committee of the Board (as well as the other Committees, as appropriate), climate-related issues are managed within the general purview of the Office of the Secretary and General Counsel, as the chief governance officer for the Company. CMC management and the Board also engage regularly with our Enterprise Risk Management Committee, which is composed of multiple members of our executive leadership team as well as functional leaders from Corporate Compliance, Environmental, Health and Safety, Information Technology, and Internal Audit. This committee is tasked with assessing enterprise risks and the mitigating factors in place to manage them, including those associated with climate risk. Many parts of our functional organization and leadership throughout CMC are responsible for providing critical input to our process for identifying, characterizing, and responding to climate-related issues. These include but are not limited to Corporate Compliance, Environmental, Health and Safety, Internal Audit, and Legal. We also rely on third parties, such as environmental, legal, policy and regulatory firms and consultancies, to provide strategic insight and analysis of potential climate-related policy developments that could result in significant impact to the company.</td>
<td>Governance (page 7)</td>
</tr>
</tbody>
</table>
## TCFD INDEX

<table>
<thead>
<tr>
<th>Data Request</th>
<th>Description</th>
<th>Details</th>
<th>CMC Response</th>
<th>Report Location</th>
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<tr>
<td>Metrics and Targets A - Metrics used by the Organization</td>
<td>Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</td>
<td>Organizations should provide the key metrics used to measure and manage climate-related risks and opportunities, as described in Tables 1 and 2 (pp. 10-11). Organizations should consider including metrics on climate-related risks associated with water, energy, land use, and waste management where relevant and applicable. Where climate-related issues are material, organizations should consider describing whether and how related performance metrics are incorporated into remuneration policies. Where relevant, organizations should provide their internal carbon prices as well as climate-related opportunity metrics such as revenue from products and services designed for a lower-carbon economy. Metrics should be provided for historical periods to allow for trend analysis. In addition, where not apparent, organizations should provide a description of the methodologies used to calculate or estimate climate-related metrics.</td>
<td>In addition to our report according to the TCFD framework, CMC has provided reported data under the Sustainability Accounting Standards Board (SASB) frameworks for Fiscal Year 2021 to designated recipients. CMC has reported according to the full slate of applicable SASB metrics identified for the Semiconductors industry, as well as a significant portion of applicable metrics contained in the Chemicals industry standard. CMC will continue to evaluate opportunities to further reduce energy use and associated GHG emissions. Following the successful completion of our Fiscal Year 2014-19 five-year GHG emissions reduction goal, we have established goals to demonstrate our continuing commitment and progress toward reducing our overall climate and environmental impact. Using Fiscal Year 2021 as our baseline, CMC has committed to a five percent reduction in our global GHG emissions intensity, as measured by total Scope 1 and Scope 2 GHG emissions per $ million in annual revenue, by the end of Fiscal Year 2026. This commitment represents a reduction of 1.6 metric tons/$ million from our Fiscal Year 2021 baseline GHG emissions intensity of 31.3 metric tons/$ million.</td>
<td>Goals &amp; Performance (page 9), Climate (page 11)</td>
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</tbody>
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## TCFD INDEX

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<tr>
<td>Metrics and Targets</td>
<td>B - Scope 1 &amp; 2 GHG Emissions</td>
<td>Organizations should provide the key metrics used to measure and manage climate-related risks and opportunities, as described in Tables 1 and 2 (pp. 10-11). Organizations should consider including metrics on climate-related risks associated with GHG emissions and the related risks. GHG emissions should be calculated in line with the GHG Protocol methodology to allow for aggregation and comparability across organizations and jurisdictions. As appropriate, organizations should consider providing related, generally accepted industry-specific GHG efficiency ratios. GHG emissions and associated metrics should be provided for historical periods to allow for trend analysis. In addition, where not apparent, organizations should provide a description of the methodologies used to calculate or estimate the metrics.</td>
<td><strong>CMC is reporting Scope 1 GHG emissions of 8,398 metric tons (as CO2) in response to this metric for Fiscal Year 2021. CMC considers its primary risks associated with Scope 1 GHG emissions to be associated with legislative, policy, and regulatory changes that could adversely impact our operations. The nature of these impacts cannot be fully predicted but can reasonably be expected to result in impacts such as emission limitations on our production equipment and facilities, requirements for upgrade/replacement of certain production equipment, and/or financial impacts associated with purchase of emission allowances or credits, as examples.</strong></td>
<td><strong>Climate (page 11)</strong></td>
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<td>Supplemental Guidance for Asset Owners: Asset owners should provide the weighted average carbon intensity, where data are available or can be reasonably estimated, for each fund or investment strategy. In addition, asset owners should provide other metrics they believe are useful for decision making along with a description of the methodology used. See Table 2 (p. 43) of the 2017 TCFD Implementation Annex for common carbon footprinting and exposure metrics, including weighted average carbon intensity.</td>
<td><strong>CMC is reporting Scope 2 GHG emissions of 29,098 metric tons (as CO2) in response to this metric for Fiscal Year 2021. CMC considers its primary risks associated with Scope 2 GHG emissions to be associated with legislative, policy, and regulatory changes that could adversely impact those entities that supply electric power to our operating facilities. The nature of these impacts cannot be fully predicted but can reasonably be expected to result in impacts such as reduced reliability of the electric power supply to our production facilities, and/or financial impacts associated with higher electric power costs due to compliance actions taken by suppliers, as examples.</strong></td>
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<td>Note: The Task Force acknowledges the challenges and limitations of current carbon footprinting metrics, including that such metrics should not necessarily be interpreted as risk metrics. The Task Force views the reporting of weighted average carbon intensity as a first step and expects disclosure of this information to prompt important advancements in the development of decision-useful, climate-related risk metrics. The Task Force recognizes that some asset owners may be able to report weighted average carbon intensity for only a portion of their investments given data availability and methodological issues.</td>
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<th>Description</th>
<th>Details</th>
<th>CMC Response</th>
<th>Report Location</th>
</tr>
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<tr>
<td>Metrics and Targets</td>
<td>C - Targets used by the organization to manage climate-related risks and opportunities and performance against targets.</td>
<td>Organizations should describe their key climate-related targets such as those related to GHG emissions, water usage, energy usage, etc., in line with anticipated regulatory requirements or market constraints or other goals. Other goals may include efficiency or financial goals, financial loss tolerances, avoided GHG emissions through the entire product life cycle, or net revenue goals for products and services designed for a lower carbon economy. In describing their targets, organizations should consider including the following: whether the target is absolute or intensity based, time frames over which the target applies, base year from which progress is measured, and key performance indicators used to assess progress against targets. Where not apparent, organizations should provide a description of the methodologies used to calculate targets and measures.</td>
<td>In addition to our report according to the TCFD framework, CMC has provided reported data under the Sustainability Accounting Standards Board (SASB) frameworks for Fiscal Year 2021 to designated recipients. CMC has reported according to the full slate of applicable SASB metrics identified for the Semiconductors industry, as well as a significant portion of applicable metrics contained in the Chemicals industry standard. Separately, CMC has established goals to demonstrate our commitment and progress toward reducing our overall climate and environmental impact. Using Fiscal Year 2021 as our baseline, CMC has committed to a five percent reduction in our global GHG emissions intensity, as measured by total Scope 1 and Scope 2 GHG emissions per $ million in annual revenue, by the end of Fiscal Year 2026. This commitment represents a reduction of 1.6 metric tons/$ million from our Fiscal Year 2021 baseline GHG emissions intensity of 31.3 metric tons/$ million.</td>
<td>Goals &amp; Performance (page 9), Climate (page 11)</td>
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In addition to our report according to the TCFD framework, CMC has provided reported data under the Sustainability Accounting Standards Board (SASB) frameworks for Fiscal Year 2021 to designated recipients. CMC has reported according to the full slate of applicable SASB metrics identified for the Semiconductors industry, as well as a significant portion of applicable metrics contained in the Chemicals industry standard.

Separately, CMC has established goals to demonstrate our commitment and progress toward reducing our overall climate and environmental impact. Using Fiscal Year 2021 as our baseline, CMC has committed to a five percent reduction in our global GHG emissions intensity, as measured by total Scope 1 and Scope 2 GHG emissions per $ million in annual revenue, by the end of Fiscal Year 2026. This commitment represents a reduction of 1.6 metric tons/$ million from our Fiscal Year 2021 baseline GHG emissions intensity of 31.3 metric tons/$ million.
## TCFD INDEX

<table>
<thead>
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<th>Data Request</th>
<th>Description</th>
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<th>Report Location</th>
</tr>
</thead>
</table>
| Risk Management A - Identifying and Assessing Climate Related Risks | Organizations should describe their risk management processes for identifying and assessing climate-related risks. An important aspect of this description is how organizations determine the relative significance of climate-related risks in relation to other risks. | - Organizations should describe whether they consider existing and emerging regulatory requirements related to climate change (e.g., limits on emissions) as well as other relevant factors considered.  
- Organizations should also consider disclosing the following:  
  - Processes for assessing the potential size and scope of identified climate related risks; and  
  - Definitions of risk terminology used or references to existing risk classification frameworks used.  
- Supplemental Guidance for Asset Owners | CMC’s Board of Directors has an oversight role, as a whole and at the committee level, in overseeing management of our risks. Our Board focuses on our general risk management strategy, the most significant risks facing us, and oversees the implementation of risk mitigation strategies by management. The Board regularly reviews information regarding our credit, liquidity, and operations, including the environmental, health and safety aspects of such, and risks associated with each, and along with the audit committee, compliance matters related to our business. The Board’s oversight of risk management matters related to environment, health and safety includes consideration of sustainability and climate-related risks. The Audit Committee of the Board oversees the management of financial risks. The Nominating and Corporate Governance Committee of the Board is responsible for overseeing the management of risks related to corporate governance matters. While each committee is responsible for evaluating certain risks and overseeing management of such risks, the entire Board is regularly informed through the committees about such risks, and reviews and discusses them in the context of our overall risk posture and risk management and mitigation strategies. | Climate (pages 11 - 12) |
| Asset Owners | Asset owners should describe, where appropriate, engagement activity with investee companies to encourage better disclosure and practices related to climate-related risks to improve data availability and asset owners’ ability to assess climate-related risks. | | | |
## TCFD INDEX

<table>
<thead>
<tr>
<th>Data Request</th>
<th>Description</th>
<th>Details</th>
<th>CMC Response</th>
<th>Report Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk Management B - Processes for Managing Climate Related Risks</td>
<td>Describe the organization's processes for managing climate-related risks.</td>
<td>Organizations should describe their processes for managing climate-related risks, including how they make decisions to mitigate, transfer, accept, or control those risks. In addition, organizations should describe their processes for prioritizing climate-related risks, including how materiality determinations are made within their organizations. In describing their processes for managing climate-related risks, organizations should address the risks included in Tables 1 and 2 (pp. 10-11), as appropriate.</td>
<td>CMC’s Board of Directors has an oversight role, as a whole and at the committee level, in overseeing management of our risks. Our Board focuses on our general risk management strategy, the most significant risks facing us, and oversees the implementation of risk mitigation strategies by management. The Board regularly reviews information regarding our credit, liquidity, and operations, including the environmental, health and safety aspects of such, and risks associated with each, and along with the audit committee, compliance matters related to our business. The Board’s oversight of risk management matters related to environment, health and safety includes consideration of sustainability and climate-related risks. The Audit Committee of the Board oversees the management of financial risks. The Nominating and Corporate Governance Committee of the Board is responsible for overseeing the management of risks related to corporate governance matters. While each committee is responsible for evaluating certain risks and overseeing management of such risks, the entire Board is regularly informed through the committees about such risks, and reviews and discusses them in the context of our overall risk posture and risk management and mitigation strategies.</td>
<td>Climate (pages 11 - 12)</td>
</tr>
<tr>
<td>Risk Management C - Organizational Integration of Risk Management Practices</td>
<td>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.</td>
<td>Organizations should describe how their processes for identifying, assessing, and managing climate-related risks are integrated into their overall risk management.</td>
<td>As part of Long Range Planning activities that are reviewed on annual basis, CMC leadership assesses climate-related regulatory impacts, customer requirements, global operating conditions, and various other factors. Any identified risks are then incorporated into the annual goal setting to determine ways to mitigate or reduce the potential impacts, and each of our business units and their respective leadership teams are responsible for implementation. Depending on how various climate risks may impact our business, CMC leadership will adjust our financial, engineering, and operational plans so that our overall risk profile is reduced to the extent appropriate and practical.</td>
<td>Governance (page 7)</td>
</tr>
</tbody>
</table>

As assigned by CMC’s Board, and the Nominating and Corporate Governance Committee of the Board (as well as the other Committees, as appropriate), climate-related issues are managed within the general purview of the Office of the Secretary and General Counsel, as the chief governance officer for the Company.

CMC management and the Board also engage regularly with our Enterprise Risk Management Committee, which is composed of multiple members of our executive leadership team as well as functional leaders from Corporate Compliance, Environmental, Health and Safety, Information Technology, and Internal Audit. This committee is tasked with assessing enterprise risks and the mitigating factors in place to manage them, including those associated with climate risk.

Many parts of our functional organization and leadership throughout CMC are responsible for providing critical input to our process for identifying, characterizing, and responding to climate-related issues. These include but are not limited to Corporate Compliance, Environmental, Health and Safety, Internal Audit, and Legal. We also rely on third-parties, such as environmental, legal, policy and regulatory firms and consultancies, to provide strategic insight and analysis of potential climate-related policy developments that could result in significant impact to the company.

Supplemental Guidance for Asset Owners: Asset owners should address the risks included in Tables 1 and 2 (pp. 10-11), as appropriate.
Forward Looking Statements: The information contained in this report may include “forward-looking statements” within the meaning of federal securities regulations. These forward-looking statements involve a number of risks, uncertainties, and other factors, including those described in CMC’s filings with the Securities and Exchange Commission (SEC), that could cause actual results to differ materially from those described by these forward-looking statements. CMC assumes no obligation to update this forward-looking information.