Working to Create a Brighter Tomorrow

Annual Report on Environmental and Safety Concerns

2022
# Table of Contents

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>2</td>
</tr>
<tr>
<td>Board Governance Over Environmental and Safety Risks</td>
<td>2</td>
</tr>
<tr>
<td>Environmental and Occupational Health and Safety Goals and Management Systems</td>
<td>2</td>
</tr>
<tr>
<td>Axcelis Environmental and Health and Safety Policies</td>
<td>3</td>
</tr>
<tr>
<td>Axcelis ISO Certifications</td>
<td>3</td>
</tr>
<tr>
<td>Controlling Axcelis’ Impact on the Environment</td>
<td>4</td>
</tr>
</tbody>
</table>

## SASB Sustainability Disclosure Topics & Accounting Metrics
- Organizational Boundary                                            | 5    |
- Greenhouse Gas Emissions (TC-SC-110a.1)                              | 5-6  |
- Greenhouse Gas Emissions Discussion (TC-SC-110a.2)                    | 7    |
- Energy Management in Manufacturing (TC-SC-130a.1)                     | 7    |
- Water Management (TS-SC-140a.1)                                      | 8    |
- Waste Management (TS-SC-150a.1)                                      | 8    |
- Employee Health and Safety (TC-SC-320a.2)                             | 9    |
- Recruiting & Managing a Global & Skilled Workforce (TC-SC-330a.1)     | 10   |
- Product Lifecycle Management (TC-SC-410a.1 and TC-SC-410a.2)          | 10   |
- Materials Sourcing (TC-SC-440a.1)                                    | 11   |
- Intellectual Property Protection & Competitive Behavior (TC-SC-520a.1) | 11   |
- Total Production (TC-SC-000.A)                                       | 11   |
- Percentage of production from owned facilities (TC-SC-000.B)          | 11   |
Introduction

The mission of Axcelis Technologies, Inc. ("Axcelis" or the "Company") is to ensure our customers' success by providing enabling semiconductor manufacturing and support solutions that deliver the best performance at the lowest total cost of ownership. Axcelis’ vision is to achieve and maintain market share leadership in ion implantation and deliver profitability and positive cash flow through the industry cycles to maximize shareholder and employee value.

This report is Axcelis’ fourth Annual Report on Environmental, Safety Concerns ("ARESC"). We have sought to expand our disclosures to align with investor expectations to the extent relevant to our business and processes. In our 2020 report, on calendar year 2019, we adopted new disclosures that align with certain aspects of The Climate Disclosure Standards Board ("CDSB") framework, and the Sustainability Accounting Standards Board ("SASB") guidance, using the SASB Semiconductors Standard. We have continued this practice, using this framework for reporting on our 2021 results. In the headings used in the section below entitled “SASB Sustainability Disclosure Topics & Accounting Metrics,” we identify the specific SASB Technology & Communications Standards associated with each disclosure.

Board Governance Over Environmental and Safety Risks

Our Board of Directors oversees Axcelis’ Environmental, Health and Safety risks and Climate Change risks using our Enterprise Risk Management (ERM) system. The ERM system is a method by which management assists our Board in meeting its risk oversight responsibility.

Annually, management seeks to identify risks that influence our business and rank them by potential severity and by susceptibility of the risk to control by the Company. Risks with higher severity, or greater uncontrollable factors, are re-assessed by management on a quarterly basis. Climate Change risk is separately identified from Environmental and Occupational Health and Safety compliance risks, given its higher uncontrollable factors. Trends and mitigation actions on these higher risks are reported to the Board quarterly. This ARESC report is also provided to the Board each year.

Environmental and Occupational Health and Safety Goals and Management Systems

The Axcelis executive officers and the VP of Environmental, Health and Safety (EHS) and Facilities (the "Leadership Team") are responsible for setting and reviewing annual Occupational Health and Safety and Environmental objectives, targets, and goals.

These objectives, targets and goals are designed to appropriately control the Occupational Health and Safety risks and minimize the environmental impacts of Axcelis’ activities, products and services, including Axcelis’ contribution to Climate Change. Our annual objectives, targets and goals are incorporated into our EHS Management Systems each year, and progress against these goals, as well as review of the effectiveness of the EHS Management Systems, is conducted on a quarterly basis, as part of Axcelis’ business-wide Quarterly Business Review.
Axcelis Environmental and Health and Safety Policies

Axcelis is committed to achieving our business mission while protecting the environment and the public health of the communities in which we operate. These commitments include:

- Compliance with all environmental regulations, legislation, and other environmental requirements applicable to our business and its environmental aspects.
- Conservation of natural resources.
- Continual improvement of our environmental management systems.
- Setting appropriate, achievable objectives and targets for the prevention of pollution.
- Periodically reviewing our environmental objectives and targets.
- Maintaining records regarding environmental policies, procedures, and performance.

Axcelis understands that achieving our business mission depends, ultimately, on the sustained high performance of our employees. This is dependent, among other factors, on the maintenance of a high level of employee health and safety. In support of this principle, Axcelis is committed to the following:

- Eliminating hazards and reducing occupational health and safety ("OH&S") risks in order to prevent occupational injuries and illnesses to our employees, visitors and contractors.
- Compliance with all OH&S regulations, legislation, and other requirements applicable to our business and its OH&S hazards.
- Continual improvement of our OH&S management and performance.
- Ensuring workers are provided with the opportunity to consult on and participate in the occupational health and safety management system.
- Setting appropriate, achievable objectives and targets for the prevention of occupational injuries and illnesses.
- Periodically reviewing our OH&S objectives and targets.
- Maintaining records regarding OH&S policies, procedures, and performance.

These commitments are included in Axcelis' OH&S and Environmental policies, which are communicated to all personnel working at Axcelis facilities. Axcelis also has required training for employees and others on environmental and safety topics. In addition, Axcelis' OH&S and Environmental policies are included in Axcelis' Supplier Code of Conduct, and all direct suppliers as well as other companies in our supply chain are expected to comply with these policies as if they had adopted them directly.

Axcelis ISO Certifications

Axcelis USA Headquarters. Axcelis' corporate headquarters and factory operations in Beverly, Massachusetts, USA ("Axcelis Headquarters") has been registered to the ISO 14001 Environmental Management Systems standard since 2000. The Axcelis Headquarters is currently registered to the ISO 14001:2015 version of the standard, with an expiration date of February 24, 2025. Axcelis Headquarters also obtained registration to the ISO 45001:2018 Occupational Health and Safety Management Systems standard in April 2022. The expiration date of this registration is April 17, 2025. The scope of both the Environmental and Safety ISO certifications is "All activities for the manufacture of semiconductor manufacturing equipment and similar products at the headquarters plant at 108 Cherry Hill Drive, Beverly MA including offsite warehouse locations."
Axcelis Asia Operations Center. In November 2021, Axcelis opened the Axcelis Asia Operations Center (the “AAOC”) manufacturing facility in Pyeongtaek, South Korea. This facility provides Axcelis with additional manufacturing capacity, targeting increased efficiency for shipments to customers in South Korea and elsewhere in Asia. In June 2022, all operations in South Korea obtained registration to the ISO 45001:2018 Occupational Health and Safety Management Systems standard in June 2022, just 7 months after opening the AAOC. The scope of the Korea registration is “All activities for the manufacture and provision of parts and services of semiconductor manufacturing ion implantation equipment and similar products.”

Axcelis is currently planning to obtain registration to the ISO 14001:2015 Environmental Management Systems standard for the AAOC in Q4 2022.

Controlling Axcelis’ Impact on the Environment

Each year, Axcelis identifies and evaluates the environmental aspects of our activities, as well as planned, new, or modified projects, products and services that we can control and influence to determine those that may have a significant impact on the environment. These are referred to as “environmental aspects.” When determining environmental aspects, Axcelis takes into account abnormal conditions and reasonably foreseeable emergency conditions. Certain environmental aspects are identified as “Significant Environmental Impacts.” Axcelis conducts quarterly evaluations to ensure that the identification and current performance of Significant Environmental Impacts are understood.

Axcelis’ Significant Environmental Impacts are:
- Electricity Consumption.
- Natural Gas and other Fuel Consumption.
- Fossil Fuel Consumption from Employee Commuting.
- Contribution to Global Climate Change.

Axcelis sets goals and tracks performance for our Significant Environmental Impacts and other environmental factors, including water, waste and air emissions. Our goals for 2022 are set forth below.

Summary of 2022 Axcelis Environmental, Health and Safety Goals
- Reduce Beverly Direct GHG emissions (scope 1) to < 5 Tons CO2e / $1M revenue.
- Reduce Beverly Indirect GHG Emissions (scope 2) to < 7.5 Tons CO2e / $1M revenue.
- Reduce purchased electricity by > 1MM kWH
- Use < 32 Pounds SF6 at Beverly Facility
- Reduce Solid Waste Disposal to < 0.55 Tons / $M revenue
- Reduce Hazardous Waste Disposal to < 16 pounds / $M
- Reduce Water consumption to < 13.0 million Gallons
- Collect 2022 Emissions data for Korea AAOC and off-site warehouses
- Maintain On-Time EHS Training at > 99%
- Achieve a Near Miss to Injury Ratio of > 2:1
- Recognize 35 employees for “Working Safely”
- Achieve OSHA Recordable Equivalent Rate of < 0.5 per 100 employees
Organizational Boundary

In this report, Axcelis is sharing key environmental performance indicators only for the Axcelis Headquarters. The AAOC began operations in November 2021 with facility testing activity beginning in October 2021. We are including 2021 electricity usage data for the AAOC in this report, but other metrics will not be included until full year data is available for 2022 and beyond.

While Axcelis maintains field service and sales offices near customer sites throughout the US, EU and Asia, and a small UV bulb manufacturing operation in Rockville MD, Axcelis estimates that the total of all of these other locations accounts for less than 10% of Axcelis’ total emissions and natural resource consumption. For many of these smaller locations, it is difficult to accurately assess the quantities of resource consumption such as fuel burning for heating or water use, as the sites are not directly metered, and billing for these services is often assessed on a percentage of space occupied in shared facilities. Despite these challenges, we have begun in 2022 to collect emissions data from these additional locations and plan to report our corporate-wide emissions in 2023.

Greenhouse Gas Emissions (TC-SC-110a.1)

Axcelis recognizes that emissions from our operations contribute to climate change. Axcelis supports the goals of the Paris Agreement made under the United Nations Framework Convention on Climate Change. Axcelis is committed to measuring and minimizing the impact that our operations have in this area, where feasible. To do this, Axcelis uses the Greenhouse Gas ("GHG") Protocol Corporate Standard, the international standard for corporate GHG accounting and reporting. The GHG Protocol classifies a company’s GHG emissions into three “Scopes.” Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Axcelis tracks 100% of our Scope 1 and 2 emissions for Axcelis Headquarters and the AAOC. Axcelis has goals to ensure our Scope 1 emissions are minimized to the greatest extent practical. As a part of our effort to reduce fuel burning, Axcelis has replaced one of our boilers in the Axcelis Headquarters with two high-efficiency heating units. In addition to direct fuel burning, Axcelis’ Scope 1 emissions include fugitive emissions of perfluorinated process chemicals (“PFCs”) used in manufacturing our products. Axcelis has greatly reduced our use of these materials and has instituted a means of recycling Sulfur Hexafluoride (SF6) gas used in the final test process of Axcelis high-energy implanters.

As a result of our initiatives, Axcelis has reduced our Scope 1 emissions from a high of 9,689.64 metric tonnes of Carbon Dioxide equivalents (CO2e) in 2011 to 3,378.4 metric tonnes of CO2e in 2021. This constitutes a 65.1% reduction in ten years. After reaching a low of 3,077 metric tonnes in 2019, the Axcelis Headquarters’ Scope 1 emissions increased to 3,818.5 metric tonnes in 2020, before dropping again in 2021. While Fuel Burning emissions increased by 132 metric tonnes in 2021 over 2020 (due to weather variations), SF6 emissions were reduced by 563.5 metric tonnes in 2021 from 2020 usage rates due to a process change in our ion implanter test process, reducing our total Scope 1 emission in 2021 to 440.1 metric tonnes when compared to 2020 emissions.

The 2021 Axcelis Headquarters’ gross total Scope 1 GHG emissions is comprised of (1) 3,000.7 metric tonnes of emissions from Fuel Burning including CO2, N2O and CH4; (2) 373.1 metric tonnes of CO2e from SF6 emissions; and (3) emissions of HFCs from refrigerant losses of 4.6 metric tonnes. When normalized using total revenue of $662.4 million in 2021, total Scope 1 emissions were 5.1 metric tonnes per $million in revenue, a reduction of 36.7% from the 2020 normalized emissions of 8.05 metric tonnes per $million.

See charts below for trend data on Scope 1 emissions and Scope 1 emissions in metric tonnes per million dollars of revenue for each year from 2014 through 2021 from Axcelis' Headquarters.
The first chart shows a 17% reduction in total Scope 1 emissions from 2014 through 2021, and an 80.7% in perfluorinated compounds emissions in the same time period.

The second chart shows a 78.2% reduction in Scope 1 emissions when normalized for revenue.

In 2021, Axcelis Headquarters’ total Scope 2 GHG Emissions were 5,719.1 metric tonnes of CO2e. When normalized using total revenue of $662.4 million in 2021, total Scope 2 emissions were 8.63 metric tonnes per $million in revenue, a reduction of 28.8% from the 2020 normalized emissions of 12.12 metric tonnes per $million, and a reduction of 71.1% in normalized emissions from 2014. See chart below.
The AAOC manufacturing facility in Pyeongtaek, South Korea had electricity consumption of 180,205 kWh for 2021 with a CO2e of 93.2 metric tonnes in 2021.

Note: conversion factors from the Massachusetts eDEP GHG reporting system were used to determine CO2e for Axcelis Headquarters, and the Carbonfootprint.com conversion factor from its June 2019 report was used for the AAOC.

**Greenhouse Gas Emissions Discussion (TC-SC-110a.2)**

Axcelis has adopted the CDSB Climate Disclosure Pillars to ensure we are comprehensively addressing the risks and opportunities of Climate Change.

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<tr>
<th>Climate Disclosure Pillars</th>
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</thead>
<tbody>
<tr>
<td>Governance</td>
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<td>See “Board Governance over Environmental and Safety Risks” above. Climate Change risk is included in our Enterprise Risk Management system and is reviewed quarterly by senior management and our Board of Directors</td>
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<td>Strategy</td>
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<td>• Take appropriate steps to reduce Axcelis’ contribution to Climate Change</td>
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<tr>
<td>• Adjust business practices to changing climate realities</td>
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<tr>
<td>• Meet customer expectations for product performance relative to Climate Change</td>
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<tr>
<td>• Capitalize on business opportunities connected to Climate Change</td>
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<td>Risk Management</td>
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<tr>
<td>• Proactively reduce Greenhouse gasses</td>
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<tr>
<td>• Monitor climate risks to business objectives, and adjust accordingly</td>
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<td>Metrics and Targets</td>
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<td>See above in the section on “Controlling Axcelis’ Impact on the Environment.”</td>
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Axcelis continually monitors the energy marketplace for opportunities to obtain or enable low carbon energy production. We continue to consider the return on investment from the potential installation of solar energy panels at Axcelis Headquarters, but have not yet found it significantly attractive, due in part to the period of time remaining on our lease of the facility.

**Energy Management in Manufacturing (TC-SC-130a.1)**

Axcelis continually strives to reduce our electricity consumption at Axcelis Headquarters, which includes our manufacturing and product demonstration facilities. Past projects include:

• Updating manufacturing processes to decrease the energy required for testing of our products.
• Conversion from incandescent and fluorescent lighting to Smart LED lighting throughout the facility and parking areas.
• Optimization of clean room HVAC systems.
• Chiller optimization to take advantage of “free (cooling tower based) cooling” during periods of colder weather.
• Use of variable frequency drives where appropriate.

In June 2019, Axcelis began operation of a 250 kW CHP plant. This CHP plant has reduced our electricity consumption from ISO-New England (the independent, not-for-profit corporation providing electricity across the six New England states), by more than 1.9 million kWh per year.
Axcelis Headquarters consumed 69,595.41 gigajoules of total energy in 2021. This represents a 0.5% reduction in electricity consumed and a 35.9% reduction in Joules per $million from 2020. Of this amount, 62,313.53 gigajoules of energy (89.5%) came from Engie Resources, LLC, (Engie). Approximately 15% is carbon free renewable energy (Hydro, Solar, Wind). However, Engie purchases and retires compliance renewable energy credits to meet the Massachusetts requirement of 32% renewable energy. 7,181.87 gigajoules were generated onsite at Axcelis Headquarters in a 250 kW capacity CHP.

Since 2014, Axcelis Headquarters has reduced its purchased electricity when normalized by revenue by 71.1%. (See the chart in “Greenhouse Gas Emissions” section TC-SC-110a.1)

Water Management (TS-SC-140a.1)

Axcelis recognizes that water is a vital natural resource and makes efforts to minimize water use where appropriate. Axcelis Headquarters uses water for evaporative cooling, laboratory processing, aqueous cleaning, cafeteria operations, and other domestic uses. Occasionally, water is added to our closed loop chilled water and process cooling systems.

Axcelis Headquarters withdrew 50.214 thousand cubic meters (13,266,630 gallons) of water in 2021. Based on information obtained from the Aqueduct Water Risk Atlas (https://wri.org/applications/aqueduct/country-rankings/?country=USA&indicator=bws), none of this water was withdrawn from a region with high or extremely high baseline water stress.

Of the total water usage at Axcelis Headquarters in 2021, 51.8% was lost to evaporation from our evaporative cooling towers serving our chilled water plant.

For 2022, Axcelis has set a goal to use less than 49.21 thousand cubic meters (13 million gallons) of water.

Axcelis operates a small industrial wastewater pre-treatment plant at the Axcelis Headquarters. The effluent from this plant is discharged to the South Essex Sewerage District, a publicly owned treatment works, under an industrial discharge permit. Axcelis has been in consistent compliance with all aspects of its permit for at least the last five years.

Axcelis continues to reduce its industrial wastewater generation by increasing the efficiency of our aqueous clean rinsing. In 2021, Axcelis processed and discharged 0.142 thousand cubic meters (37,438 gallons) of industrial wastewater. This represents a 54% reduction from 2020 (81,441 gallons) and a 58.6% reduction from 2019 (90,459 gallons).

Waste Management (TS-SC-150a.1)

Axcelis Headquarters is a Small Quantity Generator of Hazardous Waste according to the regulations of the MA Department of Environmental Protection (MA DEP) found in 310 CMR Part 30. In 2020, Axcelis Headquarters generated 7.37 metric tonnes of federally regulated and MA regulated Hazardous Waste combined. In addition, 0.49 metric tonnes of Universal Waste were diverted from hazardous waste streams for recycling. Including Universal Waste, 6.22% of all hazardous waste was diverted to recycling.

Axcelis made great progress in diverting non-hazardous solid waste to recycling in 2021. Axcelis initiated a wood recycling program for wooden crates used a packaging for raw materials. In doing so, Axcelis increased the percentage of solid waste diverted to recycling to in 2021 to 69.5% from 11.9% and reduced the total of Solid waste disposed of to 393.21 metric tonnes. From 773.77 metric tonnes. This represents a 49.2% reduction in disposal of non-hazardous solid waste.
Employee Health and Safety (TC-SC-320a.1 and TC-SC-320a.2)

The Axcelis Health and Safety Management System ("HSMS") is based on the principles outlined in the ISO 45001 Occupational Health and Safety Management Systems standard. As such, our system is intended to result in continual improvement of employee health and safety performance, fulfilment of legal and other requirements, and achievement of employee health and safety objectives.

Major components of our system include top management leadership and commitment, consultation and participation of workers, identification of hazards and controls, risk assessment, evaluation of opportunities for improvement, establishing plans and objectives and targets for continuous improvement, documentation of policies and procedures, communication, training and awareness on health and safety matters, performance evaluation, periodic compliance audits, and management review. In April 2022, Axcelis Headquarters was certified to the ISO 45001:2018 standard, and in June 2022, the AAOC was also certified to the ISO 45001 standard.

In 2021, Axcelis’ worldwide OSHA recordable incident rate equivalent (applying US OSHA recordable criteria to all employees regardless of country) was 0.45 recordable incidents per 100 full time employee equivalents. Over the last eight years, our average incident rate was 0.75 recordable incidents per 100 full time employee equivalents. The average recordable rate over the past 3 years is 0.57 cases per 100 full time employee equivalents.

See the chart below for worldwide OSHA equivalent recordable rates for the past 8 years.

Axcelis invests heavily in EHS training for our global work force. In 2021, Axcelis successfully delivered 14,869 individual EHS, HR, Legal and Ethics training courses through our online Learning Management System. Monthly reports regarding training performance of all employees are sent to the Leadership Team. In order to drive timely completion, our CEO directly contacts employees with low training completion rates to reinforce the importance of completing assigned training on time. Training completion is also included in our annual employee performance review process. In 2021, employees completed 99.2% of all training assignments that were due on or before year-end.

Other OH&S metrics are tracked and reviewed with the Leadership Team on a quarterly basis. These metrics include the ratio of near miss reports (which are strongly encouraged), to accidents resulting in first aid or greater, the number of days a corrective action related to an accident or other incident is open before resolution, and the number and content of health and safety communications delivered to employees.

Axcelis has experienced no legal proceedings associated with employee health and safety violations in more than 5 years, and thus has incurred no in monetary losses as a result.
Customer Safety
Axcelis is equally committed to the safety of our customers. The product material provided to customers includes an "Essential Health and Safety Manual" outlining the key safety considerations for our equipment. Customers also receive detailed Operations and Preventive Maintenance manuals that provide safe operating and maintenance information for our equipment, recommended operator experience, personal protective equipment and hazardous energy control procedures for each task, among other safety related information.

Our system sales terms include credits that customers can use to receive product training from Axcelis. This Axcelis training covers the use and maintenance of each ion implanter model, including safety training in an overview of the equipment, and task-specific safety training.

Safety Data Sheets (SDS) conforming to the Globally Harmonized Standard are provided to all customers for all substances, and mixtures included within our products (such as lubricants, or cooling fluids), and for substances and mixtures sold to support continued use and servicing of the equipment. SDS are provided to customers in their local language upon request.

Recruiting & Managing a Global & Skilled Workforce (TC-SC-330a.1)

Our business depends on our ability to attract and retain qualified, experienced employees, including foreign nationals. US employment of foreign nationals requires compliance with US immigration laws, which Axcelis strictly adheres to, and participates in the US government’s E-Verify program to ensure all US employees are authorized to work in the country. Employment of individuals outside of the US is required to meet our business and customer obligations. Axcelis manages risks in offshore employment, such as compliance with non-US laws and regulations, by employing experienced Human Resources and Finance staff in the applicable country and accessing external legal counsel and other experts as needed.

Product Lifecycle Management (TC-SC-410a.1 and TC-SC-410a.2)

Substances of Concern. All of Axcelis’ products include at least some IEC 62474 declarable substances. Chemicals on the list of IEC 62474 declarable substances applicable to Axcelis’ products are regulated by EU Registration, Evaluation, and Authorization of Chemicals (REACH) Regulation (EC/1907/2006), EU regulation No 517/2014 on fluorinated greenhouse gases (EU F-Gas), EU Restriction of Hazardous Substances Directive 2011/65/EU (EU RoHS) and its amendments, or China’s Administrative Measures for Restriction of the Use of Hazardous Substances in Electrical Appliances and Electronic Products (China RoHS).

Axcelis maintains compliance programs for all of the regulations listed above. As a component of our EU REACH compliance program, Axcelis provides web-based reporting to our customers on Substances of Very High Concern ("SVHCs") or Candidate List Substances, known to be included into our products. We monitor the inclusion of SVHCs in our products from purchased parts and components. We also require our suppliers to notify us if SVHCs (regardless of the amount or concentration) are included in parts and components they sell to Axcelis.

Axcelis incorporates OEM chillers into our products that contain limited amounts of refrigerants regulated by the EU F-Gas regulation. Axcelis has made efforts to minimize the quantities of F-Gas refrigerants in the chillers we select to be incorporated into our products. For chillers that are shipped into the EU, Axcelis or its customers utilize the 100 tonnes per year of CO2e exemption for the F-Gases included in the chillers.

Since our products are considered Large Scale Stationary Industrial Tools (LSIT) under EU RoHS, Axcelis’ products are exempt from EU RoHS requirements. Axcelis maintains a China RoHS compliance program and discloses reportable content and applies product labeling in conformance with the China RoHS regulation.
Product Lifecycle Support. The quantitative metrics listed in SASB’s Technology & Communications Standards for product life cycle management are not applicable to ion implantation systems or associated products.

As part of our commitment to our customers, Axcelis seeks to ensure that our products remain productive and cost efficient throughout their life cycle, which can exceed 25 years. During a product’s lifecycle, we work to recognize the “voice of the customer” and to provide continuous improvements through upgrades, and service offerings. In 2021 and 2022 Axcelis received several awards from customers, recognizing our contributions to their success through these “aftermarket offerings.”

Product Safety and Sustainability. Axcelis is committed to delivering safe and effective products to our customers. Many of our customers actively solicit continuous improvement in both the safety and environmental impact of our ion implantation systems. Each Axcelis product is evaluated against guidelines published by our trade organization, SEMI (formerly Semiconductor Equipment and Materials International). SEMI’s guideline S2, called “Environmental Health and Safety Guideline for Semiconductor Manufacturing Equipment,” requires a review of equipment by a third-party evaluator which, based on the results of the evaluation, certifies that the product is in conformance to the guidelines outlined in the SEMI document.

Axcelis also ensures that our products comply with all environmental and safety laws and regulations applicable to our systems, in the countries in which our systems are located. Our customers use our systems in the United States, Europe and Asia. The European Union has taken a leadership role in safety regulation, and Axcelis ensures its systems comply with the European Union’s Machinery Directive (2006/42/EC) and the Directive’s “Essential Health and Safety Requirements relating to the Design and Construction of Machinery,” as well as the European Union Electromagnetic Compatibility (EMC) Directive (2014/30/EU).

Axcelis evaluates the use of utilities by our ion implantation systems according to the SEMI guideline S23, “Guide for Energy, Utilities, and Materials Use Efficiency of Semiconductor Manufacturing Equipment,” and continually looks for process improvements to reduce the consumption.

Materials Sourcing (TC-SC-440a.1) Axcelis relies to a substantial extent on outside vendors to manufacture many of the components and sub assemblies of our products. Some of these components and subassemblies contain critical materials as defined by the National Research Council. We obtain many of these components and sub assemblies from a limited group of suppliers. Axcelis manages its supply chain on a constant basis in order to ensure appropriate and timely access to the components and sub assemblies necessary to manufacture our products. As needed to reduce or address risk, we seek alternative sources of supply or decide to manufacture components or subassemblies internally.

Intellectual Property Protection & Competitive Behavior (TC-SC-520a.1) Axcelis has experienced no legal proceedings associated with anti-competitive behavior regulations in more than five years, and thus has incurred no in monetary losses as a result.

Total Production (TC-SC-000.A) While Axcelis does not publicly report the number of ion implanters shipped per year, revenue for 2020 was $474.6 million, of which systems revenue was $301.7 million, including used tools. Beginning with the 2019 report, Axcelis’ total annual revenue is used as a denominator for normalizing annual Greenhouse Gas Scope 1 and Scope 2 emissions for comparison against our own performance and the performance of peers.

Percentage of production from owned facilities (TC-SC-000.B) Axcelis produced 100% of its products from facilities leased and operated by Axcelis.