# Future Forward
## 2021 ESG Report

ANALOG DEVICES

12-MONTH PERIOD ENDING DECEMBER 31, 2021 | PUBLICATION DATE: JUNE 2022

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# Message from Our CEO and Chair of the Board

There is no doubt 2021 was an inflection point for many the world over. New challenges arose as we witnessed political turmoil and severe weather events that highlighted our responsibility to humanity and to the planet – all against the backdrop of the continuing pandemic.

Despite these challenges, we remain resolute in our belief that technology's advancement offers the potential to bend our era to the significant benefit of humanity and the planet, if we have the vision and willpower to make it so.

Recent years have seen businesses large and small recognize that they have responsibility to many stakeholders – employees, customers, investors, the communities in which they operate, and beyond. At ADI we have long held the belief that we can and should be a force for positive change in the world. Now nearly 25,000 employees strong, our acquisition of Maxim Integrated gives us the opportunity to take an even stronger leadership position in driving the changes that must take place to create a better society and a healthier planet.

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At ADI we have long held the belief that we can and should be a force for positive change in the world."

Environment, Social, and Governance (ESG) principles are at the heart of everything we do, but not just because we believe it's the morally right thing to do. Put simply, ESG is smart business. The efforts we take across ADI to operate with integrity, preserve the environment, slow down and remediate climate change, and inject greater diversity, equity, and inclusion, both within our leadership and workforce, are key to our long-term growth and profitability.

We rigorously pursue profitable growth, but do so with a focus on delivering positive impact to the world:

- ADI solutions, for example, are shaping the future of healthcare and enabling greater, more equitable access. Our innovative technology and systems expertise is found in everything from precision instruments that measure vital signs, to superior imaging and ultrasound applications, to wearables that aid consumers in disease management and wellness.
- As manufacturing becomes increasingly automated and autonomous, ADI's history of industrial expertise and advanced technologies is enabling humans and robots to work together productively and safely in flexible manufacturing environments.
- Our products make it possible for end users to consume less energy and emit fewer greenhouse gases. Electric vehicles that are key to a green transportation revolution rely on ADI semiconductors to safely optimize and extend battery performance and life cycles.

At ADI we firmly believe that we do well financially by doing good in the world. We recognize, however, that strong growth comes at a cost and so we pursue sustainable operations with the same zeal with which we pursue growth. We have worked tirelessly to maintain and enhance supply chain resilience in response to record semiconductor demand, and I'm proud to say that despite dramatically increased production, as well as our acquisition of Maxim Integrated, our progress against our climate, water, and waste goals has remained largely level from 2019 through 2021.

In 2021, we set goals to become carbon neutral by 2030 and achieve net zero emissions by 2050 or sooner, and we joined the U.N. Global Compact's Business Ambition for 1.5°C. More than just goals, we made their achievement a senior executive initiative and began developing the plans and necessary milestones to ensure we make progress every year. For example,

we recycled 23 percent of the water we used in 2021 and have set a goal to increase that proportion to 50 percent in 2025. Similarly, 39 percent of the energy used at our manufacturing sites came from renewables last year and we intend to increase that to 100 percent by 2025.

In addition to our environmental initiatives, diversity within our workforce and Board of Directors remains a priority. We named a dedicated Director of People and Culture in 2021 to drive the Company's Diversity, Equity, and Inclusion program. We remain focused on increasing diversity within our Board as well. Last year, female representation rose to one-third and ethnic diversity increased to 25 percent among our members. We still have work to do in terms of diversity overall, to be sure, but we are making significant progress. I am committed to this effort, as is our Board and ADI's entire leadership team, again, not just because it is the right thing to do, but because better diversity leads to better outcomes.

In terms of governance, the majority of our directors are independent, and the average tenure of our independent directors is seven years, ensuring both objective perspective, continuity and deep institutional knowledge. The Board is also engaged in actively managing talent and overseeing long-term succession planning for our executives. Finally, as of August 2021, our new Chief Risk Officer provides regular reports to the Board's Audit Committee and full Board for key risk, governance, and compliance topics.

I am proud of our ESG accomplishments and how our efforts are helping our customers and partners meet their own ESG goals. But while we are pleased with our progress, we are not yet satisfied so we continue to press forward with urgency. In keeping with ADI's fundamental commitment to continuous improvement, we are already looking ahead to how we can raise our performance over the years to come.

For the past fifty-seven years, ADI has pushed the edges of innovation in the relentless pursuit of creating positive economic and social impact. Our technologies are more relevant than ever in solving many of the most important problems we face, in collaboration with our customers and partners. We are fortunate to have a deeply talented and passionate workforce and I believe our best days are still ahead of us. I look forward to sharing our progress with you.

**VINCENT ROCHE**
CEO and Chair of the Board

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For the past fifty-seven years, ADI has pushed the edges of innovation in the relentless pursuit of creating positive economic and social impact."

# ABOUT ADI

We connect the physical and digital worlds to transform signals into actions and improve lives in profound ways. Through more complete hardware, software and system solutions, we enable customers to shape the future faster, ensuring a healthier, more connected and sustainable future for generations to come.
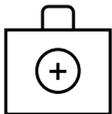
**IN THIS SECTION:**

# Who We Are

## Mission

For decades, Analog Devices has **built bridges between the physical and the digital.** Our products transform complex real-world signals into the insights and actions that can shape the future and improve the world around us.

The **digital acceleration** is happening at an almost incomprehensible pace. Sometimes we forget that the digital world exists only to **better understand our relationship to the** *real world*. The digital world helps us capture and interpret what the real world is telling us. It creates opportunities to use these insights and actions to engineer good.

**Transforming healthcare** for better access and outcomes

**Combating climate change** through electrification, energy management and industrial efficiency

**Unlocking human potential** by safely automating factories and transportation

**Connecting humanity** to foster knowledge, understanding and community

Analog Devices **bridges the physical and the digital worlds**. Our pursuits of excellence keep us **Ahead of What's Possible.**

Because the future depends on it.

## About Analog Devices

Through more complete hardware, software and system solutions, we enable customers to shape the future faster, ensuring a healthier, more connected and sustainable future for generations to come.

## Company Snapshot

### Analog Devices At A Glance

| FOUNDED | 1965 |
|---|---|
| HEADQUARTERS | Wilmington, Massachusetts U.S.A. |
| EMPLOYEES | ~25,000 in over 35 countries |
| PRODUCTS | ~75,000 SKUs |
| CUSTOMERS | 125,000+ |
| END MARKETS | Industrial, Automotive, Communications, Consumer |
| TECHNOLOGIES | Analog & Mixed Signal, Power Management, Radio Frequency (RF) and Microwave, Edge Processors and Sensors |
| PATENTS | 7,666 |
| R&D INVESTMENT | $1.5B +* |

\*    Combined figure that includes Maxim Integrated Products, Inc. R&D investment from November 1, 2020 until August 26, 2021 (the date of acquisition) mapped to ADI's R&D investment in fiscal year ended October 30, 2021. R&D prior to August 26, 2021 (the date of acquisition) from Maxim is included for informational purposes only and has not been included in ADI's income statement for fiscal 2021. These figures are unaudited.

# Acquisition of Maxim Integrated

On August 26, 2021, ADI completed the acquisition of Maxim Integrated Products, Inc. (Maxim), an independent manufacturer of innovative analog and mixed-signal products and technologies. This combination increases the breadth and depth of our best-in-class technology offerings and expands our global team of talented employees, including our cadre of brilliant engineering talent, which now stands at 11,000 engineers and technical experts strong. This increased scale unlocks additional avenues of professional growth for our people, while enabling us to better address the future needs of our customers.

The addition of Maxim strengthens ADI's position to develop and deliver more complete, cutting-edge solutions for our customers.
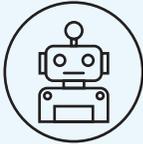
### ENGINEERING GOOD

At ADI, we talk about "Engineering Good" because we believe in using our innovative talent and technologies to ensure a brighter, safer, more sustainable and equitable world for future generations.

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ESG is no longer optional ... and leading can be a strong differentiator commercially and in the competition for talent."

**MARY FARRIS**, Senior Director, ESG and Sustainability Programs

## Strengthening Our End Markets with Maxim Integrated

### Industrial

The Industrial sector is characterized by a diversity of customers, products and applications, and features sticky, long-life-cycle products. ADI's heritage in this market, combined with Maxim Integrated, positions us as the partner of choice across precision signal processing, control, power management, connectivity and safety. And, we have a significant opportunity to connect Maxim's rich power portfolio, which is underrepresented in the Industrial sector today, with ADI's strong position in this market.

### Automotive

ADI's automotive business is focused on vehicle electrification and in-cabin connectivity. Maxim Integrated strengthens our market-leading BMS position with its growing power management capabilities. Now, seven of the top ten electric vehicle brands use our solution, and our BMS revenue has doubled. Maxim Integrated also adds an industry-leading Gigabit Multimedia Serial Link™ (GSML) franchise, making ADI the go-to provider for connectivity systems in the vehicle, which is critical in architecting Advanced Driver Assistance Systems (ADAS) systems.

### Communications

ADI is a wireless market leader, and our deep domain expertise enabled the launch of the industry's first software-defined radio transceiver with a fully integrated digital front end this year. In wireline, our precision signal chain for optical control systems and power management is used by carrier networks and data centers. Maxim Integrated more than doubles our data center exposure and expands our growth opportunities with power management solutions for cloud processors and accelerators.

### Consumer

Our Consumer business is focused on enhancing human sensory experiences, and we have repositioned this franchise by further diversifying our customers, products and applications. Our portfolio is defined by signal processing solutions across hearables, wearables and professional audio/video, along with strong power management capabilities. Maxim Integrated builds on this, bringing additional power and sensing capabilities and new applications, including fast charging and gaming.

# 2021 End Market Revenue[1]

- 20% Automotive
- 16% Communications
- 15% Consumer
- 49% Industrial

# Analog Devices' Revenues By Region[1]

- 22% Rest of APAC
- 24% EMEA
- 19% Greater China
- 35% Americas

# Analog Devices Extensive Hybrid Manufacturing & Supply Chain Network

**Limerick, Ireland**
Wafer Fab & Sort

**Camas, WA**
Wafer Fab

**Beaverton, OR**
Wafer Fab

**Chelmsford, MA**
Assembly & Test

**Wilmington, MA**
Water Fab & Sort

**Chonburi, Thailand**
Test

**Cavite, Philippines**
(2) Test Sites
(1) Assembly

**Singapore**
Final Test

**Penang, Malaysia**
Probe Assembly
Final Test

- ● ADI Internal Sites
- ● Foundries
- ● External Assembly and Test

**11 Internal Factories**       **>50 Supply Chain Factories Across 8 Countries**       **>15k Operations Employees**

# Product Lifecycle

## Our Approach is Straightforward

At ADI, our products don't have an age, they have a vintage. Producing the same products decade after decade is a cornerstone of our business and our revenue by product vintage is a key performance metric we monitor. We believe obsolescence should be avoided, provided technology and customer demand exist for a product, and when it can't be avoided, customers are notified two years in advance.

Analog Devices uses six designators to inform our customers where a product is in its life cycle. From emerging innovations to products that have been in production for twenty years, we understand that insight into life cycle status is an important criteria that customers must consider.

For our full policy including the six designators visit Analog Devices Product Lifecycle Information.

[1]   Figure represents combined revenue for ADI and Maxim Integrated Products, Inc., with Maxim's revenue from November 1, 2020 until August 26, 2021 (the date of acquisition) mapped to ADI's fiscal 2021 revenue. Maxim revenue prior to August 26, 2021 (the date of ADI's acquisition of Maxim) are included for informational purposes and have not been included into ADI's income statement for fiscal 2021. Combined figures are unaudited.

# People & Culture

ADI strives to be the destination for the most insatiably curious to do their best work and engineer good. We empower both innovation and our employees, and we are building the workforce of the future through our ongoing commitment to attract and retain the brightest minds; enhance employee development; engagement and recognition; and ensure a diverse and inclusive culture.

We recognize that 2021 was a year of considerable change – with the ongoing challenges of the COVID-19 pandemic and ADI's acquisition of Maxim. We are proud of our employees' hard work and dedication during these unprecedented times, many of whom worked non-stop during the pandemic, to keep the company running and meet our customers' demands and needs.

We are also proud of our company's efforts to be flexible and responsive, providing teammates around the world with support programs. Prioritizing employee health and safety above all else, ADI maintained a global lens on the COVID-19 pandemic while focusing on making decisions at the regional level to meet the local needs of our employees. This included providing additional paid time off for employees impacted by the coronavirus, as well as connecting employees with needs to resources and information.

With our acquisition of Maxim last year, we onboarded more than 7,000 employees with incredible domain experience, which now makes us a team of 11,000 engineers and technical experts strong. One of our biggest focus areas with the acquisition is scaling and aligning globally, while customizing efforts to reflect

regional needs. As we continue to integrate our teams – building relationships and community – we are uniting in our mutual interest to use our expertise to make the world a better place.

Throughout our growth and evolution, we are focused on supporting, retaining, developing, engaging and recognizing our employees around the world. This includes empowering employees through career development programs – from a Global Early Employee Career (GEEC) program to a leadership development program with MIT. It includes a myriad of diversity programs, on-demand training courses and Employee Networks, which help teammates connect and find community and camaraderie across the organization. It also includes threading diversity, equity and inclusion into all of our business practices – from employee attraction and hiring, to strategic priorities that counteract systemic inequities.

We also conduct an annual employee survey, in addition to analyzing our engagement from an organizational view, to gain vital information about our company and evaluate our strengths and future opportunities. We are listening to our employees, learning about their evolving needs, collecting data and responding with appropriate support, as well as finding new ways to recognize employees for their outstanding work. As we take action, we are committed to transparency and holding ourselves accountable to the information we are learning, feedback we are receiving and the progress we are making to enhance our culture and provide the best possible work environment for our employees.

# What Drives Us?

As a company with a bias for action to leverage our talents and resources to lean into big challenges we look to see how digitization, automation, electrification and industrialization are sparking innovation at an almost incomprehensible pace. Sometimes people forget that the digital world exists only to better understand our relationship to the real world. At ADI we capture and interpret what the real world is telling us. And, right now, the real world is letting us know that there is a lot of work to be done.

**Our focus helps us:**

- **Transform** healthcare for better access and outcomes;
- **Unlock** human potential by safely automating factories and transportation;
- **Combat** climate change through electrification, energy management and industrial efficiency; and
- **Connect** humanity to foster knowledge, understanding and community.

For decades, Analog Devices has **built bridges between the physical and the digital worlds** by partnering with our customers to deliver innovative solutions. More than ever, we know that the solutions we create must **balance the priorities of people, the planet and profit**.

Even as the pace of change and innovation accelerates, we as a company are **dedicated to our core mission of serving our customers and other stakeholders while improving lives and the society around us.**

Whether it's helping to lower emissions in manufacturing or promoting digitization in automobiles that avoids tons of copper from production, ADI is **attuned to the urgency of environmental protection and the need for results on climate change.** Achieving sustainability will require new thinking – and new solutions – and ADI is at the forefront of providing the technological know-how to heal a fragile planet.

With the help of our nearly 25,000 employees, including 11,000 engineers and technical experts, **we are taking on the planet's biggest challenges.** We will continue to transform complex real-world signals into **insights and actions that will shape a sustainable future.**

This is what drives everything we do at ADI. Together with our partners and customers, this is how we will **stay ahead of what's possible.**

**Why?**

 **Because the future depends on it.**

## Awards and Recognition

- Carbonclean200 2021–2022
- Clarivate Top 100 Global Innovators 2016–2021
- Corporate Knights Global 100 Most Sustainable Corporations 2016–2022
- Ecovadis Gold Rating 2022
- Forbes World's Top Female Friendly Companies 2021
- Fortune 500 2018–2021
- FTSE4Good Index Series 2021
- Newsweek's America's Most Responsible Companies 2021–2022
- Peza Hall Of Fame Award For Outstanding Environmental Performance Award (Received By Analog Devices General Trias, Inc. (ADGT))
- The Boston Globe's Top Places to Work 2017–2021

# New in 2021

## Economy

- Continued to innovate and develop solutions with meaningful environmental benefits, including our Battery Management Solutions, Energy Storage Systems and our intelligent sensing systems that make data centers greener.
- After becoming the first US semiconductor company to deploy a sustainable finance instrument with an inaugural green bond issuance in April 2020, established a sustainability-linked revolving credit facility in May 2021 and completed a sustainability-linked bond offering.

## Environment

- Achieved approval of our science-based emissions reductions targets from SBTi (Science Based Targets initiative).*
- Set goals to become carbon neutral by 2030 and achieve net zero emissions by 2050 or sooner, joining the U.N. Global Compact and their campaign, Business Ambition for 1.5°C.
- The new headquarters building (Building 7) and the Hub at the Wilmington campus were both LEED-Gold certified, incorporating 14 electric vehicle (EV) chargers and solar panel arrays producing 1500 MWh/year of energy.

## Social

- Named dedicated Director of People and Culture to drive our Diversity, Equity and Inclusion program.
- The Foundation provided a total of $1.8 million in global community grants last year.
- ADI sponsored Boston Museum of Science's Engineering is Elementary program.
- Implemented a new Flexible Work policy that provides employees with more options to be productive and contribute in ways that work for them while reducing emissions associated with commuting.
- Published ADI's EEO-1 for enhanced transparency.

## Governance

- Continued to focus on active Board refreshment and diversity, increasing the ethnic diversity of the Board to 25% and female representation on the Board to more than 30%.
- Increased our stock ownership guidelines for the CEO from 2x to 5x and for all other executive officers from 1x to 3x.

- Appointed ADI's first Chief Risk Officer and established an enhanced combined company Enterprise Risk Management Program in accordance with industry standards to identify and effectively manage risk events that could impact ADI's achievement of its business objectives.
- Appointed a Senior Director of ESG and Sustainability to drive and manage our programs.

- Developed and issued a new Code of Corporate Social Responsibility that details ADI's policies for itself and its suppliers in the areas of labor and human rights, health and safety, environmental ethics, management systems and data privacy.
- Updated Code of Business Conduct and Ethics.

# Management Approach

At Analog Devices, we have a long history of commitment to people and planet and acknowledge that ESG is of rising importance to our stakeholders. We know having a strong ESG program is indicative of a company's strength and resiliency. Over the past year, we've experienced incredible growth driven by both demand for our products and our acquisition of Maxim. We are seizing this moment to further galvanize our ESG program in several ways.

First, we've created a more substantial and dedicated ESG organization to drive our progress and manage risks across all three pillars. These leaders provide expertise, coordination and oversight to our program. The second is a refreshed and more modern disclosure practice, embodied by this report, which is informed by reporting frameworks, as well as our stakeholder engagement.

Finally, we deepened our partnership with customers to seize the opportunities that solving for critical issues for people and planet provides.

We believe that our robust ESG programs are a commercial differentiator. They attract and retain precious talent, improve resiliency through risk management and ensure that our strong ethical underpinnings are brought to all that we do.

\* As the Maxim Integrated acquisition is complete, ADI will reengaged with SBTi in 2021.

# Objectives

## Climate and Energy

### Net Zero
by 2050

### Carbon Neutrality
by 2030

### 100%
Renewable energy at ADI's manufacturing facilities by 2025

## Water

### 50%
Recycling rate in manufacturing facilities by 2025

## Waste

### 100%
Waste diverted from landfill at ADI manufacturing facilities by 2030

## Diversity, Equity and Inclusion
Over the next five years –

Increase global female manager population from

23% ▲ 29%

Increase our global female engineering (exempt) population from

17% ▲ 26%

Increase our combined Black, Hispanic and Latinx employee population in the United States from

6% ▲ 9%

## 2021 OBJECTIVES

Begin integration of Maxim

Maintain full Responsible Business Alliance membership

Maintain signatory status with the UN Global Compact

Keep employees safe during COVID

Participate in CDP Climate survey

Align disclosures to major ESG frameworks

Reduce our employee Injury and Illness (I&I) rate

Name Analog Devices' first Chief Risk Officer

Name Senior Director, ESG and Sustainability

Name Director of People and Culture to drive our DEI program

Refresh ESG cadence to drive performance, including with Board of Directors and Senior Leadership Team

Disclose EEO-1 to enhance transparency

Disclose updated diversity goals, data and strategy

## 2022 OBJECTIVES

Continue integration of Maxim

Evaluate need for a materiality assessment in line with our ERM program

Create roadmap for Analog Devices Sustainability program, targets

Continue a key focus on employee health and wellness

Develop a plan for ISO certification for all sites, 14001 and 45001

Review sustainability plan with SBTi for new footprint

Deepen customer intimacy through ESG outreach and engagement

Enhance ethics training, resources and awareness initiatives

# United Nations Sustainable Development Goals

## How Our Strategy and Sustainability Priorities Align with the United Nations Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) represent a global agenda to address the most pressing challenges facing our world, including climate action, access to healthcare and reducing inequities throughout the world. We recognize the importance and urgency of this global initiative and how ADI plays a critical role in infrastructure, advancing quality of life and furthering global development sustainably.

ADI has been a signatory to the UN Global Compact since 2020 and we see close alignment between the following SDGs and our strategy and sustainability priorities:

**3 GOOD HEALTH AND WELL-BEING**

### Good Health and Well-being

- Our technologies impact the health and wellbeing of individuals through vital signs monitoring, medical imaging, medical instrumentation and disease management and wellness.

**7 AFFORDABLE AND CLEAN ENERGY**

### Affordable and Clean Energy

- We deploy programs to improve energy efficiency and have set ambitious targets related to achieving 100% renewable energy in all manufacturing sites by 2025.
- Our technologies enable advancements across a broad range of applications, including electric vehicles, energy storage systems, data centers, 5G networks and industrial automation.

**8 DECENT WORK AND ECONOMIC GROWTH**

### Decent Work and Economic Growth

- We are committed to promoting safe work environments for all workers.
- ADI is committed to the human rights of all workers and to ensuring that its employees are treated with respect and dignity and work within humane working conditions.

**9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**

### Industry, Innovation and Infrastructure

- Our technologies impact the adoption and expansion of Industry 4.0, including factory automation, safety and efficiency.

**11 SUSTAINABLE CITIES AND COMMUNITIES**

### Sustainable Cities and Communities

- Transportation and smart buildings are two major levers in making cities and communities inclusive, safe, resilient and sustainable. Our technologies impact how we travel, enabling the electrification of vehicles and the modernization of the electricity grid that powers how we plug in. ADI technologies also impact how we work, enabling intelligent building management systems.

**13 CLIMATE ACTION**

### Climate Action

- ADI strives to build sustainability into all our actions. We are committed to reducing our environmental impact through focus on three areas: climate and energy (including leveraging science-based targets to achieve net zero emissions by 2050), water and waste.

# ECONOMY

Our place, at the intersection of the physical and digital worlds, allows us to innovate and solve for some of the world's greatest challenges. ADI is uniquely positioned to drive innovation in our key markets, including automotive, industrial, communications, digital healthcare and consumer.

**IN THIS SECTION:**

# Letter from Anelise Sacks, SVP, Chief Customer Officer

**Co-creating with customers, innovating through technology at the edge and deep domain knowledge are the key differentiators at Analog Devices. We are proud of that heritage and continue to build on it every day.**

With more than 55 years of experience helping our customers successfully meet the needs of millions of end users, we have made advancements in connectivity, digital healthcare, electrification and smart industry. Whether it's readying the world for 5G, improving battery management systems for EVs or making technology for essential medical equipment during the COVID-19 pandemic, our products impact people every day.

And there's even more that we can do. We can harness this expertise and heritage to make a greater impact on societies around the world. A key part of what drives ADI's success is our purpose-driven talent, who are passionate about wanting to solve some

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I am so proud that as a company we do well by doing good."

of society's greatest challenges, including climate change, decarbonization and healthcare. We have a bigger strategic mission that connects ADI and our customers: a relentless quest to improve quality of life, innovate for well-being and enable more sustainable solutions. We are uniquely positioned to truly make a dramatic difference.

And the fantastic thing is that our customers want us to help them succeed in this mission as well. We are a trusted customer partner that can co-create groundbreaking technologies and solutions quickly. Our impact on industries – from automotive and communication, to digital healthcare and industrial automation – not only creates commercial value, but enhances accessibility, safety and security for humanity.

Looking ahead, I'm excited to see us continuing to deepen our partnerships with customers by harnessing the best of our technology and people to improve the quality of life for generations to come. At ADI, we know that transformative innovation and committed partnerships will lead us to a brighter, safer, sustainable and more equitable future.

*Anelise*

**ANELISE SACKS**
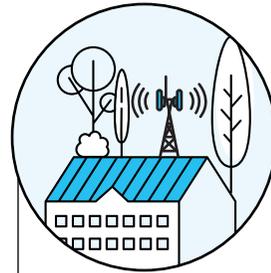Senior Vice President and Chief Customer Officer

# The Impact of ADI's Products

At Analog Devices, our products serve to improve people's lives and better the planet. Whether it's readying the world for 5G or making technology for essential medical equipment in the COVID-19 pandemic, our products impact people every day.

As the bedrock of the modern digital economy, semiconductors have a major role to play in improving quality of life and the health of the planet. We connect the physical and digital worlds to transform signals into actions and improve lives in profound ways. ADI is uniquely positioned to drive positive impact with a portfolio that ranges from DC to 100 gigahertz, from nanowatts to kilowatts and from sensor to cloud, defining the edge of performance and inherently delivering positive benefits for humanity. Through more complete hardware, software and system solutions, we enable customers to shape the future faster, ensuring a healthier, more connected and sustainable future for generations to come.

With each generation of design, ADI increases efficiency while enhancing the performance of our customers' systems. ADI invests more than $1.5 billion in research and development each year, which enables us to solve our customers' and society's most pressing challenges. Whether it be making factory automation safer, healthcare more effective, our cars less dependent on fossil fuels or consumer technology more personal, ADI is enabling the next wave of positive innovation.

We are committed to using our technology, people and voice to protect the planet and improve quality of lives to drive positive change for future generations. Our people, cutting-edge technologies and products are helping advance toward a better future. Our impact is felt in communities across the world.

## CONNECTIVITY

- Bridge the digital divide with advanced power management and transceiver technologies
- Enhance and expand accessibility to affordable networks
- Encourage open access infrastructure sharing to reduce cost of data delivery and provide remote education and economic opportunities

## ELECTRIFICATION

- Electric Vehicles for all
- Enabling grid stabilization and the transition to renewable energy sources

## DIGITAL HEALTH

- Precision sensing to monitor patients more accurately and improve wellness
- Making care more accessible and affordable through clinical-grade at-home monitoring and point-of-care testing technology
- Creating medical insight through algorithms that enable early detection and help improve outcomes

## INTELLIGENT INDUSTRY

- Advanced sensing and controls that allow robots and cobots to more accurately perceive their surroundings and more safely interact with humans
- Connectivity and intelligence at the edge enabling factories to capture insights that improve reliability, safety and efficiency

# How We Innovate



## Impacting How We Power

### Energy Storage Systems

ADI brings extensive hardware systems expertise and industry-leading battery management system (BMS) technology to create accurate, high-performing and safe energy storage systems. Our work with customers is paving the way to energy independence and a more sustainably electrified future.

Energy generation is a major contributor to climate change, representing roughly 40% of all greenhouse gas emissions. Meeting the demand for clean electricity through carbon-free, renewable sources like wind and solar is a tremendous opportunity and critical solution in reducing climate change. We're tackling this head-on with purpose-built technology that makes electricity more reliable, resilient and sustainable. The current energy grid is a centralized network of generator sources, high voltage transmission lines and lower distribution power lines transporting electricity over long distances and powering the lifeblood

and economy of nations. As the world becomes increasingly reliant on electrification, the stresses and strains on an aging power grid are substantial. Spikes in usage during peak power times are growing more common, as are brownouts due to capacity shortages and infrastructure failure.

Evolving the grid requires integration and stabilization of more variable renewable energy sources onto the grid. Energy Storage Systems (ESS) not only capture and store renewable energy in times of low energy demand for use in times of peak load demand, but also make future grid operation possible without the need to invest trillions of dollars into extending transmission lines or building new carbon-based power plants that pollute the atmosphere.



## Impacting How We Travel

Electric vehicles (EVs) are (quietly) taking up more real estate on the road. In fact, global EV sales hit 2.3 million in 2020 – a 4x increase over EV sales just five years earlier. EVs are among the most effective ways to reduce greenhouse gas emissions, with light vehicles accounting for nearly half of all transportation-related emissions.

Batteries are the major focus for EV cost efficiencies, as they comprise roughly 40% of the total cost of an EV. Lithium-ion batteries need to be actively monitored and balanced to work safely and to ensure a long lifespan. Key to this equation are battery management systems (BMS), of which ADI is the industry leader, as highly accurate and safe BMS allow original equipment manufacturers (OEMs) and drivers to get more mileage out of their batteries. Vehicles equipped with our BMS technology saved nearly 100 million metric tons of $CO_2e$ emissions from entering the atmosphere in 2021 alone. That's a carbon reduction capability equivalent to ~120 million acres of mature forest. As broader adoption of EVs takes place, the positive environmental impacts of our enabling technology will grow, particularly as we note the cumulative impact of influencing the broader ecosystem around EVs – from how we charge them to second life opportunities for EV batteries.

## Impacting How We Manufacture

To be more efficient in producing goods, today's factories are increasingly relying on electric motors and drives to operate robotics and assembly lines. In advanced manufacturing with robotics, energy consumption can be reduced up to 30% (50% from peak power) by minimizing the acceleration of the motor – without substituting any hardware. By operating motors more efficiently, there are other environmental benefits. The required peak power determines the necessary capacity of the electricity supply system, including the amount of copper in power cables. With less power required, the system can be designed for lower peak capacities, resulting in less raw material inputs. ADI is enabling variable speed motors that deliver on this lower-energy need through precision sensing and drive technologies.

Robots are now starting to help manufacturers become more sustainable by reducing waste and the amount of energy used. According to PwC, 59% of manufacturers are already using robotics to help them in their processes. Robots can perform repetitive precise tasks with a very high level of accuracy every time and improve the sustainable practices of manufacturers by reducing waste produced in highly repetitive operations. ADI is enabling this change with encoder and current sense feedback solutions. Customers can minimize measurement error and make the production line much more accurate and efficient with less waste.

Tooling fixtures at the end of robotic arms need to be able to freely move in all dimensions, like our human hands. Electrical signals have traditionally been connected to these tooling fixtures through mechanic slip rings. These are extremely prone to mechanical wear and tear and must be swapped out and discarded after a prescribed time of use, creating waste and robot manufacturing down time. This inefficiency can be avoided by using an innovative wireless slip ring solution from ADI. ADI worked with Phoenix Contact to develop the wireless slip ring based on

ADI's RF transceiver solutions, which can provide high bandwidth connectivity across the mechanical joint without any concerns around wear and tear.

## Impacting How We Connect

### 5G Technology

The COVID-19 pandemic underscored the importance of connectivity to both personal and economic health, as services and businesses quickly pivoted to phone or virtual environments. The ability to connect and be productive from anywhere is made possible by wireless data networks, simultaneously enabling individuals and companies to reduce their reliance on transportation and thus reduce their carbon emissions. ADI's innovations are central to the communications infrastructure that enables 4G and 5G connectivity.

Within that infrastructure, base stations and their architecture directly affect how wireless networks are deployed. The power amplifiers within a base station consume the most power and are prone to non-idealities resulting in potential violations of emissions standards. Introduced in late 2021, ADI's 5G transceiver

targets this challenge, using a technique called digital pre-distortion (DPD) to significantly improve the efficiency of power amplifiers and reduce the amount of power consumed by the base station.

Perhaps more important is the impact that ADI's transceivers have on the cellular network at the system level. The cellular wireless network consumes about 4% of the world's energy. But wireless data traffic is growing by about 33% per year. If the cellular network's energy consumption grew at the same rate the network would soon become the dominant consumer of energy. Each generation of cellular technology provides dramatic improvements in energy-per-bit. Among the most impactful breakthroughs is massive multiple input multiple output (MIMO), which uses a large number of antennas to steer energy only where it's needed. Massive MIMO is enabled in part by ADI's transceivers, which more than double the density and halve the power compared to previous generations. This translates to roughly 500 million metric tons of avoided $CO_2$ emissions by 2030.

## Impacting How We Work

Buildings consume 40% of the total energy consumption with residential and commercial sectors accounting for about 22% and 18%, respectively. Intelligent building management systems are required to reduce the energy usage within buildings. These solutions will have an impact on both new and existing buildings in the world. Utilizing technology to improve the energy efficiency, utilization and productivity of existing commercial and industrial building stock presents an immediate opportunity to reduce their carbon footprint. ADI allows building management systems to securely connect data that allows building software platforms to deliver energy-reducing actions. Connecting securely to multiple data sources allows data models and digital twins to deliver high levels of energy optimization, reducing the operating carbon footprint of both new and existing buildings. ADI is delivering this enabling technology through industrial ethernet solutions, edge-based secure AI processors and the ability to accurately measure what is happening in the facility.

Advanced occupancy sensing also enables improved air quality and energy efficiency in buildings. With changes in occupant demand, increasing greenhouse gases and atmospheric temperature, and an exploding number of connected devices, global demands on energy see no end in sight. ADI's advanced people-counting solutions can decrease electricity use and increase building efficiency. Lighting and HVAC consume 64% of energy in buildings. Having insight about usage and the number of people in defined spaces enables building managers to make better-informed decisions, such as decreasing lighting or HVAC needs based on lessened demand.



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Technology companies have a responsibility to address climate change. We must use our collective brainpower to innovate to a better future. ADI is making investments that will change the way the world uses energy. This motivates me and the amazing people I work with."

**SASHA D.,** Director of Operations and Program Management, Analog Garage, United States

# Strategy

Analog Devices has a long-standing reputation for being good corporate citizens. Founded more than 50 years ago, our company has a thoughtful and forward-looking approach to ESG, and the values we ascribe to are woven throughout all that we do. As a company, we have a growth mindset, and look ahead to shape the world for a better future through our cutting-edge innovation. Our place, at the intersection of the physical and digital worlds, allows us to innovate and solve for some of the world's greatest challenges. Our products transform complex real-world signals – like temperature, speed and sound – into the insights that allow us to intervene in positive ways. Our technology can transform healthcare delivery for better access and outcomes, combat climate change through electrification, energy management and industrial efficiency, unlock human potential by safely automating factories and transportation, and connect humanity to foster knowledge, understanding and community.

At Analog Devices, our approach to ESG is not something outside our business model; it's embedded in how we do business. In addition to ensuring our key ESG considerations are embedded in our overall Enterprise Risk Management process, we look ahead to the business opportunities our solutions can create.

Our commitment to transparency in our disclosures is underscored by this year's broadened ESG Report. Though we have a solid history of publishing our progress against our commitments, this year's more modern and fulsome discussion of our organization, our programs and our progress is in response to stakeholder feedback and informed by the reporting frameworks like Global Reporting Initiative (GRI), The Task Force on Climate-Related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB). We also look to internal and external feedback, including third-party sustainability assessments, benchmarking of disclosure best practices and the evolving regulatory disclosure landscape.

We strive to engage our stakeholders in the conversation - our employees who are the bedrock of our company, potential talent, the investor community, our customers and the communities in which we work. In order for all our stakeholders to benefit, we must ensure Analog Devices remains strong well into the future. We are proud of our long history of strength and innovation and believe that our focus on resiliency is absolutely a differentiator. As we look to the future, our pursuits of excellence will keep us **Ahead of What's Possible**.
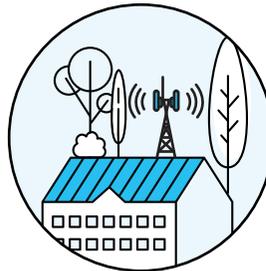
# Sustainability as a Business

## Sustainability as Innovation

### Purpose-Built Innovation for People and Planet

**ADI is uniquely positioned to drive innovation in our key markets, including automotive, industrial, communications, digital healthcare and consumer.**

Invention and innovation are said to be born of necessity. What humanity needs now are technological breakthroughs that address the mounting pressures the earth is under: a growing global population; rising demand for food, energy and materials; and decades of rising carbon emissions. In 2015, all United Nations Member States adopted the 2030 Agenda for Sustainable Development, a shared blueprint for peace and prosperity. An urgent call for action was issued around 17 Sustainable Development Goals (SDGs). We recognize and embrace our responsibility in seeing meaningful progress towards the SDGs and see a direct tie to what our technology enables. ADI connects the physical and digital worlds to transform signals into actions. Our designs, platforms, tools and services help customers across diverse markets bring these technologies to life in products that improve lives in profound ways.

The following pages describe how ADI is innovating for society. See to learn more about our innovations for the planet.

**CONNECTIVITY**

- Bridge the digital divide with advanced power management and transceiver technologies
- Enhance and expand accessibility to affordable networks
- Encourage open access infrastructure sharing to reduce cost of data delivery and provide remote education and economic opportunities

**ELECTRIFICATION**

- Electric Vehicles for all
- Enabling grid stabilization and the transition to renewable energy sources

**DIGITAL HEALTH**

- Precision sensing to monitor patients more accurately and improve wellness
- Making care more accessible and affordable through clinical-grade at-home monitoring and point-of-care testing technology
- Creating medical insight through algorithms that enable early detection and help improve outcomes

**INTELLIGENT INDUSTRY**

- Advanced sensing and controls that allow robots and cobots to more accurately perceive their surroundings and more safely interact with humans
- Connectivity and intelligence at the edge enabling factories to capture insights that improve reliability, safety and efficiency

# Innovating for Social Sustainability

At ADI, we Engineer Good by leveraging the power of innovation to make people safer and more comfortable. We are proud to play a key role in tackling complex global challenges that improves the lives of people around the world, including responding to the increased demand for technology to boost safety, accessibility and security.

## Improving Workplace Safety and Experience

To enhance workplace safety and well-being, ADI technology is being used in multiple industries to automate tasks, increase proficiency and monitor building and energy usage. One example is manufacturing, where singular tasks are being automated as opposed to entire jobs – such as dull, dirty and dangerous tasks, known as the "3 Ds" of automation. Autonomous robots are increasingly relied on to move product, equipment and supplies from one point to another in factories and warehouses. Thanks to precision sensing, time-of-flight technology and motion control technologies, these robots are able to intelligently complete their work, respond to their surroundings and keep the human beings who work with them safe. This relieves employees of tedious repetitive tasks, freeing them up for more skilled and cognitive rewarding tasks, while also reducing injury risk. This worker enhancement maximizes employee potential, increases job satisfaction and minimizes worker turnover.



In addition, ADI's sensing solutions allow building managers to better understand how properties are being used so they can tailor energy and HVAC systems to optimize the comfort of occupants, enable energy efficiencies and promote sustainability. The sensors also provide early fire detection and accurate smoke alerts, increasing workplace safety.

## Advancing Medical Technology

ADI is at the forefront of an ecosystem that is driving healthcare forward to deliver life-changing solutions for all. With decades of expertise developing sensors used for vital signs monitoring, ADI is enabling the next generation of wearable devices to advance the digital healthcare technology industry and patient care. This new technology is enhancing quality of life and empowering physicians to help patients better manage

their disease and potentially even slow its progression. For example, diabetes patients have typically used an invasive fingerstick to monitor blood glucose levels and administer insulin, often many times a day. ADI technology has instead created a non-invasive, low-profile sensor that sits at the surface of the skin and takes continuous measurements, providing an uninterrupted view of the patient's health.

While some of healthcare's biggest innovations are improving healthcare at home, the instrumentation used in hospitals and clinical settings is also getting an upgrade. The technology behind common tests like X-rays and CT scans is becoming more sensitive and accurate with precision sensors and digital processors, resulting in higher-resolution images and reduced scan times, exposing patients to less radiation. Meanwhile, artificial intelligence can be applied to the images to draw physicians' attention to certain key areas, allowing them to work more efficiently.

# Making Healthcare Possible in More Places

As healthcare is moving from a reactive to a proactive industry, requiring decentralized solutions, ADI technology is being employed to make healthcare more accessible, affordable and patient-centric. From new approaches, like wearable monitoring devices, to point-of-care medical equipment, we are helping to improve patient outcomes and reduce pressure on public healthcare facilities.

Vital signs monitoring is a prime example, as it has extended beyond the boundaries of medical practice in hospitals and clinics and into people's homes. Innovations in sensors now enable vital signs to be measured with clinical-grade accuracy wherever a person is being monitored. In addition, advances in microelectronics have led to cost reduction in monitoring systems, making these technologies more accessible and common in areas such as telemedicine, fitness and workplace safety. Medical innovations also enable specimens to be tested at the point of care, eliminating the need to send samples for processing at a remote laboratory and producing quicker results for faster diagnosis. Medical monitoring and testing have become a 24/7 wellness tool.

The use of these technologies by medical service providers had already begun prior to the COVID-19 pandemic – with aging populations in developed nations, the near-universal availability of mobile broadband connectivity and the development of sophisticated sensing technologies – but the trend accelerated tremendously during the pandemic with the increased pressure on limited hospital facilities.

Telehealth utilization stabilized at 38X higher than pre-pandemic levels.

**McKinsey, Telehealth: A post–COVID-19 reality?**

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The cost problem of healthcare is a huge problem, particularly in the United States, which is out of bounds in terms of effectiveness compared to other countries around the world. If you can address those three things successfully, you can introduce technology in a way that benefits patients, provides relief to clinicians and ultimately lowers cost."

**PATRICK O'DOHERTY**, Senior Vice President of Digital Healthcare

# Addressing the Digital Divide

ADI is helping to bridge the digital divide with advanced power management and transceiver technology serving underserved communities worldwide with reliable and affordable Internet access. With our partners, we are helping to decrease the cost of access through affordable and evolving communications technology from space, bringing connectivity to the land-locked communities in remote areas across the world. We address on ground and in space access needs with phased array signals beamed from low-Earth-orbit satellites. Working with U.S. and global governments, our partners in private industry, educational institutions and organizations such as the Telecom Infra Project (TIP) and the Open Radio Access Networks (ORAN), we encourage

open access infrastructure sharing to reduce the cost of data delivery and provide education and economic opportunities.

# Securing Healthcare Privacy

Security is one of the foundational elements to enabling the Internet of Things (IoT) and making a meaningful impact on social and environmental causes, as well as ensuring safe operation and safeguarding user privacy.

One of the fundamental principles to security is applying the right security to the right places within the system according to the risk and value of the asset. As we continue to develop connected solutions that reside in physical devices, traditional or new, the threat surface continues to expand.

As digitalization becomes more pervasive in healthcare, it is critical to ensure data security is a vital element of any new technology. New digital healthcare solutions are giving us the ability to collect large amounts of data. More data in healthcare settings means that doctors can make more informed personalized care decisions for patients. However, collecting and analyzing the volume of data available to physicians comes with efficiency and security challenges, and the inundation of data is a major concern. In addition, information needs to be presented to physicians in the way they are used to seeing it, in a clinical format. Telehealth devices and readings must replicate the sensitivity and specificity of measurements taken in a doctor's office, as well as fit into physicians' typical workflow.

As we continue to innovate wearable devices and other new technology, and as we move towards a future of patient-centric care, it is critical that data is protected and that patients have control over their own data. Digital solutions must be developed with privacy and security as key elements.

## Collaborating for a More Sustainable Future

ADI teamed up with Intel and Terasic to sponsor the InnovateFPGA Design Contest to explore solutions that provide a positive impact on humanity. Last year, hundreds of teams worldwide competed to unlock the power of Intel's Cyclone V SoC with ADI technologies that sense, measure, power and connect. During the contest, ADI provided teams with access to technology through free reference and evaluation boards, as well as support from ADI's technical experts. Teams had access to over 20 different board variations – from precision weight scales to gas sensors, to pH sensors. Ultimately, ADI supported 127 global teams by delivering over 275 reference and evaluation boards. Teams leveraged ADI's technology to create solutions around smart agriculture, sustainable fisheries, forest conservation, smart cities and smart healthcare.

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ADI and Intel share a vision for how world changing technology can enrich the lives of every person on the planet. There is enormous potential for our technologies to improve the way people live and to reduce our impact on the planet, and we're proud to support the engineers of the future as they pursue this work in InnovateFPGA."

**ANELISE SACKS**, SVP and Chief Customer Officer

# Innovation and Collaboration Incubators

### ADI CATALYST™: A COLLABORATION HUB THAT BUILDS ECOSYSTEMS & RESOLVES THE TOUGHEST CHALLENGES

ADI Catalyst is an incubator for innovation with customers. It is a research and development (R&D) environment with a focus on forming stronger collaborative partnerships in technology, exchanging ideas, creating living labs and developing breakthrough solutions. This true partnership approach has ushered in a new era of speed and collaboration that helps customers resolve their biggest challenges. Within the walls of Catalyst, companies can create groundbreaking technologies and solutions at an accelerated pace and achieve breakthroughs that were not possible even a year ago.

One example of the collaborative power of ADI Catalyst is our work with worldwide healthcare leader Johnson & Johnson (J&J). J&J utilized the Catalyst as a proof-of-concept testing ground to build testbeds and prototypes for new automation and industrial-asset health systems that introduce more flexibility, quality control and manufacturing safety. In particular, J&J leveraged ADI's three-dimensional time of flight (3D ToF) technology in its robots to enable them to operate closer to workers on the factory floor (within three feet) without sacrificing safety measures.

"

Time of flight sensors and AGVs and robots. That's something we wouldn't have thought of ... you start imagining, what else could we do with this place? All of a sudden, it gets our wheels turning that we can do much, much more."

**MARK MCCONNELL**, Engineering Fellow and Head of J&J Supply Advanced Technology Center

### IMMERSIVE SOFTWARE ENGINEERING

ADI is investing in the development of a future pipeline of software engineers by collaborating with the University of Limerick (UL) and several leading companies such as Stripe to launch a world-class computer science program, Immersive Software Engineering (ISE). This innovative program is designed to revolutionize how computer science is taught, creating exceptional, industry experienced, software professionals to drive significant business impact.

An ecosystem of leading organizations will bring the ISE program to life for students and provide outstanding employment opportunities to its graduates. ISE is a three-year, intensive undergraduate program with an integrated fourth year at the master's level. Beyond this, ADI Catalyst will act as an "engineering residency" for aspiring engineers from UL and beyond – further expanding our collaborative approach to engineering solutions for the next generation of technology leaders.

In addition, ADI is sponsoring 120 UL PhD students in the Foundation of Data Science course over a four-year period to support this forward-thinking engineering initiative.

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Software engineers enjoy incredible careers solving some of the world's most important problems in the fastest growing industries, yet we have nowhere near enough of them. Immersive Software Engineering seeks to provide a great path for more secondary students (especially young women) into technology."

**JOHN COLLISON**, Co-founder and President of Stripe

## ANALOG GARAGE: A STARTUP WITH STABILITY

Analog Garage is the internal incubator for ADI and is the place where we bring together engineers, data scientists, hardware and software people and many more to create new technologies and new solutions in a fast-moving, idea-driven startup atmosphere. The Garage provides start-ups, universities, research centers and teams of our own employees the support they need to solve tough problems and collaborate in a fast-paced, roll-up-your-sleeves experiment-focused and risk-tolerant environment.

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The Garage R&D team applies science, algorithms, data and their creativity to deliver solutions to our customers' most challenging problems. We are looking for great people and companies to join us in building world-changing solutions."

**PAT COADY**, Division General Manager, Analog Garage

The Analog Garage covers a wide spectrum of research areas:

- Computer vision
- Sensors
- Algorithms
- AI & machine learning
- Software engineering
- Communications
- Signal processing
- Speech and language processing



## TACKLING THE GLOBAL CLIMATE CRISIS THROUGH THE OCIA

The Ocean and Climate Innovation Accelerator (OCIA), launched by Woods Hole Oceanographic Institution (WHOI) and ADI, is a first-of-its-kind consortium bringing together industry, academia and philanthropy. Focused on advancing knowledge of the ocean's critical role as a defense against a warming planet, OCIA is developing and accelerating new climate change solutions.

OCIA is a framework for actionable solutions. Our efforts and investments advance a new science model committed to innovation through three "hubs":

- **Sensing and Measuring the Ocean**: Create a vast, "always-on, always-connected" ocean to improve predictive modeling and measurement in a challenging environment.
- **Networked Ocean**: Monitor "whole-ocean" processes to generate better insights across large spatial areas and depths.
- **Big Data, AI and ML**: Interpret data from globally distributed sensors, leveraging research and bringing analytics to scale.

Click here to learn more.

# Sustainable Financing

Leveraging sustainable financing is imperative to tackling society's greatest threats, particularly climate change, and ADI is proud to be a pioneer for the US technology sector in building this emerging market. "Green" financing is yet another manifestation of our broader commitment to people and the planet.

To further strengthen these commitments to ESG initiatives, we recently deployed three sustainable finance instruments. In April 2020, we completed our inaugural green bond through the underwritten public offering of $400 million aggregate principal amount of 2.95% senior unsecured bonds, marking our leadership as the first semiconductor company and one of the first U.S. technology companies to issue a green bond in the U.S. debt capital markets. The net proceeds of this offering have been fully allocated to a variety of eligible projects involving renewable energy, energy efficiency, green buildings, sustainable water and wastewater management, pollution prevention and control, clean transportation or eco-efficient and/or circular economy adapted products, production technologies and processes.

In June 2021, we refinanced our revolving credit facility with a new $2.5 billion sustainability-linked revolving credit facility, becoming one of the first semiconductor companies to use this instrument. Under the terms of the facility, the interest rate and certain fees may be adjusted annually based on ADI's performance against environmental criteria over the prior calendar year. ADI's performance is measured on two key performance indicators within certain of the Legacy ADI manufacturing facilities, namely using renewable energy and reducing greenhouse gas emissions.

We note that for calendar year 2021 we did not achieve the greenhouse gas emissions reduction threshold goal due in part to expanding capacity at certain of our manufacturing facilities, as described under "Optimizing Our Operations" on page 62. We continue to strive to achieve our goals as laid out in our sustainable financing agreements.

To provide us with the flexibility to utilize a full slate of sustainable finance instruments going forward, we also established a Sustainability-Linked Financing Framework in September 2021. This comprehensive framework received a second-party opinion from DNV.

In October 2021, we issued $750 million aggregate principal amount of 1.7% sustainability-linked senior notes through an underwritten public offering, a first in the U.S. technology sector. At the heart of these sustainability-linked bonds is a specified sustainability performance target of a 27% reduction of Scope 1 and Scope 2 emissions for 2025 relative to 2019, which is aligned with our climate ambitions. The bonds are subject to a mandatory interest rate coupon step-up beginning April 1, 2026 if this target is not met at the end of 2025 and certified in March 2026, further incentivizing continued focus and action towards our stated environmental goals.

We believe that sustainable financing will not only support our broad and ambitious environmental sustainability strategy and vision, but will also hold us accountable for meeting established goals.



**SPOTLIGHT ON OUR FINANCE PARTNER ROBERTS & RYAN**

As part of our sustainability focus, ADI has been proud to work with financing partners dedicated to Diversity, Equity and Inclusion, such as Roberts & Ryan, a service-disabled, veteran-owned broker dealer. Roberts & Ryan was a co-manager on our recent sustainability-linked bond offering. In keeping with their social mission of supporting veteran wellness, mental health and career transition, Roberts & Ryan used part of the proceeds from their underwriting activities for charitable purposes, including donating to organizations identified by the Analog Veterans Network, an employee resource group at ADI. We are grateful for Roberts & Ryan's continued efforts in supporting these organizations.

# Global Data Privacy Compliance

ADI is committed to complying with global data privacy regulations, including but not limited to the General Data Protection Regulation (GDPR), China's Personal Information Protection Law (PIPL) and California's Consumer Privacy Act (CCPA). At ADI, we aim to foster a culture that values strong business practices as well as individual privacy. We do this by raising awareness about privacy issues by providing transparency about ADI's data privacy compliance program, training employees and implementing good corporate practices.

ADI's data privacy compliance program is organized around the data lifecycle, including compliance actions around collecting, using, sharing and deleting personal information. In 2022, ADI implemented a new Data Privacy Policy, assigned and trained new Data Protection Officers worldwide and implemented a centralized privacy mailbox to receive data privacy inquiries. In 2022, ADI will also assign new data privacy compliance trainings to relevant employees focusing on new legal and organizational requirements.

ADI's data privacy compliance program values include:

- Transparency
- Data & Information Security
- Ahead of the Curve
- Preparedness
- Letting Go
- Responsiveness

# Enterprise Information Security

In order to minimize the likelihood and impact of a cybersecurity incident we have deployed cybersecurity protections to protect ADI's networks, devices and data from external & internal threats. These protections are deployed in accordance with global privacy regulations.

ADI's Enterprise Security program has been developed based on industry standards, including those published by International Organization for Standardization (ISO) and the National Institute of Standards and Technology (NIST). Highlights of the ADI program include:

## POLICIES

We have developed a comprehensive set of enterprise security policies and procedures to guide our protection strategy.

## PROGRAM ELEMENTS

ADI protects against threats by adopting all five elements of the NIST framework including:

- Identifying critical assets and high-risk threats
- Implementing cybersecurity detection with a 24x7x365 operations center
- Implementing security controls and remediation practices
- Having an Incident Response and Disaster Recovery capability
- Evaluating our partners' cyber posture through the implementation of a Third-Party Risk Management program

Risks identified by our cybersecurity program are analyzed to determine the potential impact on us and the likelihood of occurrence. Such risks are continuously monitored to ensure that the circumstances and severity of such risks have not changed. We evaluate our security program effectiveness by performing internal audits and periodic external audits by an independent information systems expert to determine both the adequacy of, and compliance with, controls and standards. We will continue integrating the Maxim and ADI programs over the upcoming 12-18 months.

## GOVERNANCE

ADI's Board of Directors includes four members with cybersecurity expertise to assist the Board in its oversight of the Company's information security program. Senior leadership and Internal Audit regularly provide the Audit Committee with updates on the performance of our cyber program. At least annually, the Chief Information Officer updates the full Board of Directors on information security matters and risk, including cybersecurity.

## EXTERNAL INPUTS

ADI regularly conducts threat assessments and benchmarks best practices. Intel sharing is conducted with leading global security providers, the National Defense Information Sharing and Analysis Center as well as industry peers, which help all participating companies improve their cybersecurity programs.

## SECURITY AWARENESS & TRAINING

Education is an important part of our overall program. We conduct regular workforce training to instruct our employees to identify cyber concerns and to take the appropriate action. We install and regularly update antivirus software on all company managed systems and workstations to detect and prevent malicious code from impacting our systems.

## EXTERNAL CERTIFICATION

Cybersecurity Maturity Model Certification (CMMC) is a unified standard for the implementation of cybersecurity across an enterprise that is designed to help protect sensitive unclassified information. It was developed by the US Department of Defense (DoD) and is expected to apply to the 300,000 companies supplying the DoD. The framework covers 110 controls specified in NIST 800-171. Analog Devices is pursuing its CMMC certification and is awaiting the publication of the final rule in the Federal Register.

# Safeguarding Our Products

## Product Security Engineering

We have a dedicated product assurance team, who works closely with our development teams, to integrate risk and security best practices into our product development life cycle. For example, as the electronic content grows to support vehicle electrification, connectivity and autonomy trends, the risk of a cybersecurity attack increases and threatens the functional safety of the vehicle and wellbeing of passengers. ISO 21434 is a new cybersecurity standard for automotive components for production road vehicle electrical and electronic systems that focuses on the end-to-end lifecycle for cybersecurity relevant E/E solutions from component to vehicle level. In October 2021, ADI achieved ISO/SAE 21434 certification for our engineering processes. ADI will be integrating Maxim products into this process in the upcoming 12-18 months.

## Product Security Incident Response

ADI seeks to mitigate the risk associated with security vulnerabilities that may be discovered in our products. We aim to accomplish this objective by analyzing reported and discovered vulnerabilities and providing our customers with timely information, analysis and guidance on appropriate mitigation. We have a robust Product Security Incident Response program to address product vulnerability investigation and response. Our global team manages the intake, investigation, remediation and any necessary disclosures of a security vulnerability reported to ADI. We are in the process of integrating Maxim products into this process.

## Product Security Capabilities

Having confidence that data from an edge device is not manipulated or altered in any way is increasingly critical. Validating the integrity of the data at its source enables higher levels of trust, so that customers can be more confident in the decisions they make based on that data. ADI has developed components, solutions and systems knowledge to protect the integrity of vital data at the device level. To protect the integrity of vital data, ADI's cybersecurity defenses begin at the device level, where the data is born. By rooting identity in hardware, in tandem with cryptography, our security solutions enable a chain of trust from the edge to the cloud. Additional information on the cybersecurity solutions that ADI has developed to root an identity in hardware is available on our website here.

# Business Continuity Management

Business continuity management is at the heart of ensuring that our operations are resilient in the face of unexpected circumstances such as a cyberattack, natural disaster, extreme weather event, geopolitical issue, supply-chain delay or other business disruption. The events of 2020–2021 have demonstrated that we are prepared to promptly address these situations as they arise with minimal to no disruption to our operations.

We prepare and plan for potential interruptions to minimize their impacts and ensure our ability to continue business operations. Depending on the issue, a wide range of internal stakeholders are at the ready, including HR, Legal, EHS, Global Operations, Procurement, Communications and Security. Through consistent monitoring and engagement, our teams maintain their readiness to identify, assess and respond to potential events. Our business continuity plan includes all of our businesses, activities and locations, including Legacy Maxim. These efforts are supported by systems, policies and procedures designed to mitigate risk, protect the safety of our employees and preserve the trust of our customers. Ensuring a resilient supply chain is critical to our business model and our customer relationships. Proactively monitoring situations globally as they develop helps ADI assess our ability to adjust production as appropriate and when necessary.



To support our monitoring efforts, we subscribe to an emergency alert system that notifies us if there are severe weather, natural disaster, geopolitical events or other events in areas that could impact our operations so any needed response can begin quickly. Teams receive emails whenever events happen, which allows for a quick due diligence assessment and action plan development, when warranted. We reach out to manufacturing sites and vendors in the proximity of an emergency and if there may be an impact to our supply continuity, we take swift mitigation actions. On an ongoing basis, we also monitor changes to environmental conditions, supply continuity and the global regulatory and political landscape.

Our disciplined programs have allowed us to continue to provide products and services to our customers despite the pandemic, crippling weather events, other natural disasters and geopolitical events.

# Taxation

ADI is a responsible taxpayer and aims to comply fully with all statutory obligations and to provide full disclosure to the tax authorities in each country in which we operate. Our tax strategy is closely aligned with our business and sustainability strategies, and our tax affairs are managed in line with our overall high standards of governance.

Our tax payments are comprised of corporate income, employment, property and other tax payments. We maintain appropriate policies, management structures and governance processes to ensure compliance with tax laws in all jurisdictions in which we do business. The ADI Global Tax Policy serves as our framework to identify key tax risks. We manage those risks through appropriately designed and operated controls, policies and processes, which are regularly audited by internal audit and for Sarbanes-Oxley (SOX) purposes. The framework is fully embraced and supported by our Board of Directors, our management team and the entire tax organization. The Audit Committee of our Board of Directors reviews our tax strategy and regularly confers with our tax professionals to discuss tax policies and the impact of tax laws and regulations on the Company. The result is a tax structure that is fully transparent and complies with internationally accepted taxation principles.

Through our tax department, we assure our relevant stakeholders that our tax obligations are properly, effectively and correctly handled and disclosed in our annual and quarterly reports in accordance with the reporting requirements of US GAAP. We retain qualified, experienced and well-resourced tax professionals to manage and oversee the tax control framework and the day-to-day tax affairs of the Company. External tax advice is sought for material, uncertain or complex issues or transactions, to minimize tax risks and ensure accuracy in our tax reporting obligations. Our tax department members stay aligned and up to date with latest developments in the global tax landscape through internal and external training programs.

We operate in many different tax jurisdictions and frequently deal with transfers that involve cross-border payments within the consolidated group. To avoid potential tax issues with these internal, cross-border transactions, we rely on transfer pricing to ensure that we use the same pricing structure as we would if such transfers were between unrelated third parties. Our transfer pricing complies with country-specific transfer pricing rules and is in accordance with OECD Transfer Pricing Guidelines. We recognize the importance of transfer pricing being arm's length and ensuring tax payments are made appropriately to locations that contribute value.

Given our global footprint, we leverage the available tax incentives and tax regulations in the various jurisdictions where we operate. We aim to be clear about all aspects of our tax position and to share these in a transparent manner, fostering a relationship of honesty, transparency and trust with tax authorities in each of these jurisdictions. See footnote 12 to our Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended October 30, 2021 for a detailed discussion of our income taxes, including concluded audits with the Irish Revenue Commissioners, certain tax holidays and other tax related matters.

For additional information on our approach to tax policy and transparency, see our Global Tax Policy.

# GOVERNANCE

We have long believed that good corporate governance is important to ensure that Analog Devices is managed for the long-term benefit of our stakeholders.

# Letter from Janene Asgeirsson, SVP, Chief Legal and Risk Officer

It is an exciting time to be a part of Analog Devices! The company has grown considerably over the last five years, including through strategic acquisitions that have built upon ADI's legacy of technological strength. Following our completion of the Maxim acquisition our focus has been on ensuring our legal and risk organizations and processes are structured in a way to support our business strategy and enable continued growth. In the past year, we've made key changes to several internal governance policies, expanded the oversight role of our Board of Directors and Board Committees, and are working to ensure that we have modern, global processes.

Identification and mitigation of key risks is a focus for both our leadership team and our Board of Directors, who receive regular updates, at least quarterly, on key risks across the entire company, including operational, reputational, regulatory and ESG related. Our ERM program is overseen by our Chief Executive Officer, Board of Directors and me, in my capacity as ADI's first Chief Risk Officer.

As part of our ERM process, we identified several key areas under the ESG heading as potential risks for the company. In response, we have expanded our capabilities and expertise in this area, established an oversight committee and created a role within our legal and risk oversight organization to manage our overall global ESG programs. Our Nominating and Corporate Governance Committee, which has primary oversight responsibility for our ESG programs, receives quarterly updates, and our Board of Directors receives a report at least once a year.

Our regular cadence of quarterly and annual updates on our ERM and ESG programs is designed to both educate and inform our Board on key risk topics, and allow for robust discussions between program owners and our Directors. I'm thrilled that we have such a diverse, thoughtful and fully engaged Board of Directors.

At Analog Devices, we're committed to our people and the planet, and are investing for a more sustainable future. It's in our product offerings – which enable electrification, electric vehicles, smart factories and cities, and improved access to healthcare – as well as in our strategic commitments, such as our launch of the OCIA and our sustainable financing actions. Add to this our many local, grassroots efforts enabled through our Analog Foundation, Green Teams and other employee-led organizations, and Analog Devices' ESG commitment comes to life.

Truly successful companies bring a broad focus to create value for all their stakeholders, including customers, employees, investors and communities – and Analog Devices' commitment to ESG is an absolute differentiator. It's the right thing to do for our people and our planet, and it's the right thing to do for our business.

**JANENE ASGEIRSSON**
Senior Vice President, Chief Legal and Risk Officer

# Governance Highlights

Governance highlights include:

## Effective Board leadership, independent oversight and strong corporate governance

Majority of directors are independent

**7 YEARS**
Average tenure of independent directors is approximately 7 years

Regular executive sessions of independent directors

Clawback policy for CEO and executive officers, including our named executive officers

Active Board refreshment practices, focused on broadening the range of experience, skills and diversity

## Shareholder rights and accountability

Annual election of directors of a declassified Board

Majority voting for directors in uncontested director elections

Proxy access bylaw

Annual Board and Committee self-evaluations

No dual class of stock or controlling shareholder

# Corporate Governance Overview

## ADI's Board is responsible for broad corporate policy and overall performance of ADI through oversight of management.

Among other duties, the Board appoints ADI's CEO and other executive officers, assigns to them responsibility for the management of ADI's operations and reviews their performance. We have long believed that good corporate governance is important to ensuring that ADI is managed for the long-term benefit of our stakeholders. We periodically review our corporate governance policies and practices and compare them to those suggested by various authorities in corporate governance and the practices of other public companies. As a result, we have adopted the following policies and procedures that we believe are in the best interests of ADI and our stakeholders:

## Board Policies & Practices

We have long believed that good corporate governance is important to ensure that Analog Devices is managed for the long-term benefit of our shareholders. Accordingly, we have the following policies and practices:

### CORPORATE GOVERNANCE GUIDELINES

Our Board has adopted Corporate Governance Guidelines for ADI that establish a common set of expectations to assist the Board and its committees in performing their duties. The Board reviews these Guidelines at least annually, and updates them as necessary to reflect changing regulatory requirements and evolving practices.

### DECLASSIFIED BOARD OF DIRECTORS

We have a declassified Board of Directors and our bylaws provide that each director will serve for a term ending on the date of the annual meeting following the one at which such director was elected. All of our directors will stand for election for terms expiring at the next annual meeting of shareholders.

### MAJORITY VOTING FOR ELECTION OF DIRECTORS

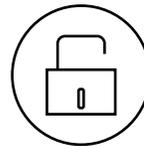Our bylaws provide for a majority voting standard in uncontested director elections, so a nominee is elected to the Board if the votes "for" that director exceed the votes "against" (with abstentions and broker non-votes not counted as for or against the election). If a nominee does not receive more "for" votes than "against" votes, the director must offer his or her resignation, which the Board of Directors must determine whether to accept and publicly disclose that determination.

### GOVERNANCE POLICIES AND REPORTS

- Company Bylaws
- Corporate Governance Guidelines
- Code of Business Conduct and Ethics

Additional Governance Documents are available on the Corporate Governance section of our Investor Relations website found here.

## EXECUTIVE SESSIONS

At least twice per year, our Board of Directors holds executive sessions with our independent, non-employee directors, as defined under the Nasdaq Rules. Our Presiding Director, James A. Champy, presides at these independent director executive sessions. In addition, the committees of our Board of Directors also regularly hold executive sessions with their advisors without management present.

## NO HEDGING AND NO PLEDGING POLICY

We prohibit all hedging transactions or short sales involving ADI securities by our directors and employees, including our executive officers. Since January 2013, we have prohibited our directors and executive officers from holding any ADI securities in a margin account, and from any future pledging of their Company securities as collateral for a loan.

## EQUITY AWARD GRANT DATE POLICY

We do not time or select the grant dates of any stock options or stock-based awards in coordination with our release of material non-public information, nor do we have any program, plan or practice to do so. In addition, the Compensation Committee has adopted specific written policies regarding the grant dates of stock options and stock-based awards made to our directors, executive officers and employees, which are available on the investor relations website.

## EXECUTIVE STOCK OWNERSHIP GUIDELINES

Under our recently updated guidelines, the target stock ownership levels are five times annual base salary for the Chief Executive Officer and three times annual base salary for other executive officers and any Senior Vice President reporting to the Chief Executive Officer, which we collectively refer to as, the Leadership Team.

The Chief Executive Officer has four years from the date of his appointment as CEO to achieve his targeted level. Members of the Leadership Team other than the CEO have five years from the date he or she becomes part of the Leadership Team to achieve their targeted level. Shares subject to unexercised options, whether or not vested, and unvested performance-based RSUs whose performance has not yet been certified by the Compensation Committee will not be counted for purposes of satisfying these guidelines. RSUs and restricted stock (whether or not vested) and unvested performance-based RSUs whose performance has been certified by the Compensation Committee are counted for purposes of satisfying the guidelines. All members of the Leadership Team, other than Mses. Sacks and Asgeirsson, who first joined ADI in fiscal 2021, were in compliance with our stock ownership guidelines as of the end of fiscal 2021. Mses. Sacks and Asgeirsson are expected to be in compliance with our stock ownership guidelines within the first five years of their appointment to the Leadership Team.

## CLAWBACK POLICY

Our clawback policy provides that in the event of a material restatement of our financial results, the Compensation Committee may, as appropriate, seek to recover from any executive officer whose fraud or willful misconduct caused or partially caused such restatement, all or a portion of the performance-based compensation awarded to such executive officer that was in excess of the amount that would have been awarded based on the restated financial results.

## ADOPTION OF PROXY ACCESS RIGHT

Our Board approved a bylaw amendment implementing proxy access, which allows shareholders that meet standard eligibility requirements to nominate and include in ADI's proxy statement director candidates for election.
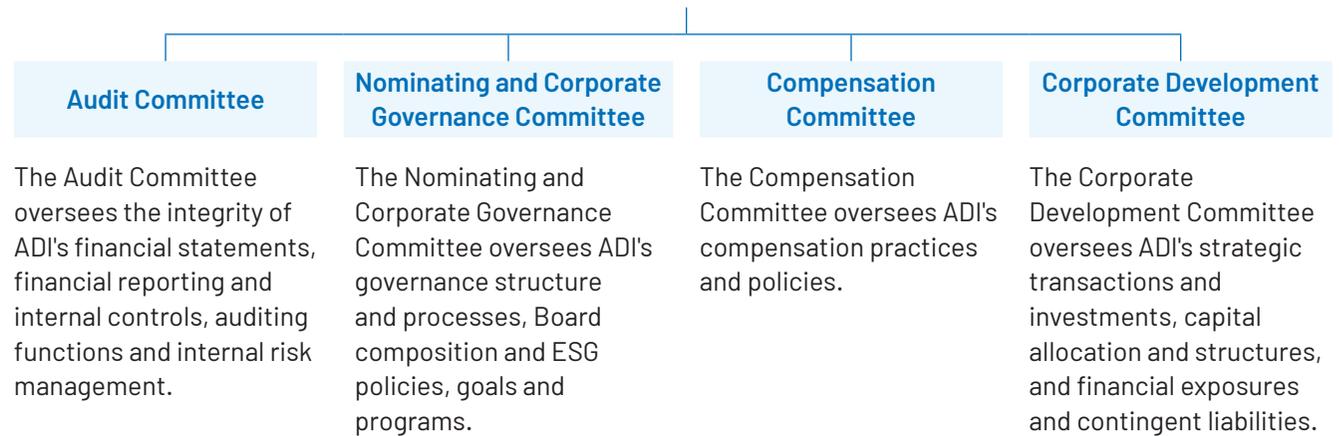
## CODE OF BUSINESS CONDUCT AND ETHICS

We have a Code of Business Conduct and Ethics which details Analog Devices' commitment to conducting business ethically, in compliance with the law, and in a way that reflects our deeper values. Our Board recently approved updates to the Code to further detail our commitment to safeguarding personal data, better explain our whistleblower reporting process and make other updates consistent with best practices. The new Code provides greater transparency on our enhanced whistleblower process. Specifically, we affirm our commitment to a consistent and transparent review process, prompt and thorough investigations, assignment of neutral investigators, communication about investigation outcomes and implementation of appropriate corrective actions.

## CODE OF CORPORATE SOCIAL RESPONSIBILITY

We recently implemented a new Code of Corporate Social Responsibility that details Analog Devices' policies for itself and its suppliers in the areas of Labor and Human Rights, Health and Safety, Environmental, Ethics, Management Systems and Data Privacy.

### BOARD OF DIRECTORS

| Audit Committee | Nominating and Corporate Governance Committee | Compensation Committee | Corporate Development Committee |
|---|---|---|---|
| The Audit Committee oversees the integrity of ADI's financial statements, financial reporting and internal controls, auditing functions and internal risk management. | The Nominating and Corporate Governance Committee oversees ADI's governance structure and processes, Board composition and ESG policies, goals and programs. | The Compensation Committee oversees ADI's compensation practices and policies. | The Corporate Development Committee oversees ADI's strategic transactions and investments, capital allocation and structures, and financial exposures and contingent liabilities. |

# Board Structure

The Board regularly reviews our Board leadership structure, and it is recognized that the combination or separation of the CEO and Chair roles is driven by the needs of the company at a particular time. In January 2022, our Board unanimously appointed President and CEO Vincent Roche as the new Chair of the Board. As CEO since 2013, he has earned the respect and confidence of our employees, our customers and the investment community – as well as the Board. Board members agreed that Mr. Roche serving as Chair strengthens his ability to provide leadership as ADI continues to transition in response to customer demand for more complete solutions.

The Board also has an independent Presiding Director. In accordance with best practices, the Presiding Director has significant responsibilities, including:

- Leadership of executive sessions of the independent directors or other meetings at which the Chair is not present
- Authority to call meetings of the independent directors
- Coordinating with the Chair to call Board meetings
- Overseeing the annual Board evaluation process
- Serving as a liaison between the Chair and the independent directors, as required
- Coordinating with the Chair to set and approve the Board schedule and agenda to assure sufficient time for discussion of all agenda items

- Serving as the focal point for shareholder communications with the independent directors and requests for consultation addressed to independent members of the Board
- The ability to retain outside professionals on behalf of the Board as the Board may determine is necessary or appropriate
- Such other functions as the Board may direct from time to time

# Board Composition

The Board and the Nominating and Corporate Governance Committee are committed to ensuring that the Board is composed of a highly capable group of directors who collectively provide a significant breadth of leadership skills, experience and knowledge to effectively represent the interest of shareholders, drive shareholder value and reflect our corporate values of integrity, honesty and adherence to high ethical standards.

**50%**
of directors added in the last 5 years

**92%**
overall attendance at Board and Committee meetings in fiscal 2021

**36**
Board and Committee meetings in fiscal 2021

**9 of 12**
Directors are independent

## Strong Board Diversity

ADI's Board is composed of a diverse, experienced group of global thought, business and academic leaders. The Board believes that having directors with a mix of tenure, backgrounds and expertise helps transition the institutional knowledge of the more experienced directors while providing a broad, fresh set of perspectives.

It is also committed to ensuring that its directors represent a broad range of experiences and abilities relative to the Company's strategic vision and objectives. As part of this commitment, the Board regularly reviews the skills and experience of its directors and is continually focused on board refreshment, while valuing the great contribution of our long-tenured directors.

In 2021 the Board continued to make progress on broadening the range of experience, skill refinement, gender and tenure of our 12 directors.

## Diversity

Between 2020 and 2021, ADI increased the diversity of the Board:

**33%**
Directors are female

**25%**
Directors are ethnically diverse

## Average Tenure

**50%**
0-5 years

**25%**
5-10 years

**25%**
10+ Years

**7 years**
Average Tenure of Independent Directors

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The Board and management at ADI are deeply committed to a best-in-class ESG program. We are regularly reviewing and benchmarking our practices to confirm our program, initiatives and policies are right for ADI and are aligned with our shareholders' interests."

**SHELLY SHAW**, Vice President, Associate General Counsel, Corporate, Securities and M&A

# Director Experience

**CEO EXPERIENCE – 6**
Experienced leadership of complex global businesses

**INDUSTRY EXPERIENCE – 9**
Insight into key issues affecting ADI

**TECHNOLOGY LEADERSHIP – 10**
Expertise and thought leadership relating to technological innovation in our industry and our end markets

**GOVERNANCE/PUBLIC COMPANY BOARD EXPERTISE – 8**
Knowledge of public company governance issues and policies to enhance Board practices

**FINANCIAL EXPERTISE – 4**
Oversight of ADI's audit function and preparation of financial statements and capital market expertise

**INTERNATIONAL EXPERIENCE – 10**
Insight into the many factors involved in overseeing management of ADI's global footprint

**STRATEGY EXPERIENCE – 12**
Oversight of management's development and implementation of strategic priorities

**RISK MANAGEMENT EXPERTISE – 3**
Oversight of risks facing ADI and a comprehensive approach to risk management

**CYBERSECURITY EXPERTISE – 4**
Oversight of ADI's efforts to maintain our customers' trust and protect the security of their data

**Ray Stata**
Director and Co-Founder of Analog Devices, Inc.

**Vincent Roche**
Chair of the Board and Chief Executive Officer of Analog Devices, Inc.

**James A. Champy**
Former Vice President of the Dell/Perot Systems business unit of Dell, Inc.

**Anantha P. Chandrakasan**
Dean of MIT's School of Engineering and Vannevar Bush Professor of Electrical Engineering and Computer Science

**Tunç Doluca**
Former President and Chief Executive Officer of Maxim Integrated Products, Inc.

**Bruce R. Evans**
President of Evans Capital and Senior Advisor & Former Chairman of the Board of Summit Partners

**Edward H. Frank**
Co-Founder and Former Chief Executive Officer of Cloud Parity

**Laurie H. Glimcher**
Professor of Medicine at Harvard Medical School and President and Chief Executive Officer of the Dana-Farber Cancer Institute

**Karen M. Golz**
Former Global Vice Chair of Ernst & Young

**Mercedes Johnson**
Former Chief Financial Officer of Avago Technologies (now Broadcom Inc.)

**Kenton J. Sicchitano**
Former Global Managing Partner of PricewaterhouseCoopers LLP

**Susie Wee**
Former Senior Vice President and General Manager of DevNet and CX Ecosystem Success at Cisco Systems

# Executive Compensation

**The competition for talent in the technology sector is fierce. Our executive compensation program is designed to attract, retain and motivate top talent and align the interests of our executives and shareholders.**

As a knowledge-based business, we believe that the skills, expertise and experience of our employees, including our named executive officers (NEOs), are unique and critical factors in our overall success. We provide highly competitive compensation to attract and retain top executive talent. A significant portion of the total target compensation for our executive officers, including our NEOs, is in the form of variable, performance-based incentive compensation, with only a small portion of the total target compensation provided in the form of "fixed" compensation. We believe this provides our executive officers an opportunity to earn above average compensation, as compared to our peer group companies, if ADI delivers strong results.

## Pay and Governance Best Practices

- Our cash incentive bonus awards are based solely on our financial performance.
- A significant portion of equity awards are contingent upon long-term performance achievement.
- Incentive awards are tied to rigorous performance targets aligned with our corporate strategy.
- Payout for relative total shareholder returns (TSR)-based awards are capped at target for instances of negative absolute TSR.
- We have adopted a Clawback policy for all executive officers in the event of a material financial restatement due to fraud or willful misconduct.
- We have a specific policy regarding the grant dates of stock options, restricted stock units (RSUs) and other stock-based awards for our directors, executive officers and employees.
- Hedging and pledging of ADI securities is prohibited.
- An annual "say on pay" vote is conducted.



Our compensation program requires executives to maintain meaningful stock ownership. The Board has adopted stock ownership guidelines for executive officers and directors, which aligns the interests of its executive officers and directors with the interests of shareholders, fosters sound corporate governance and illustrates a commitment to ADI. In 2021, we increased our stock ownership guidelines for the CEO from 2x to 5x of base salary and for all other executive officers from 1x to 3x of base salary.

# Risk Oversight



## Enterprise Risk Oversight

At ADI, our ESG program and its oversight are closely aligned with our Enterprise Risk Management (ERM) program. Our ERM program defines how we identify, manage and govern risk throughout our organization to promote the achievement of our financial and operational goals in a compliant manner. It assigns accountability for risk management to every business unit, based on the risks they encounter as part of their day-to-day operations. In 2021, we appointed ADI's first Chief Risk Officer to oversee internal risk management programs in partnership with the senior leadership team. At the management level, the Chief Risk Officer chairs ADI's Enterprise Risk Management Committee, which oversees risk management on a company-wide basis and enhances our risk oversight practices with quarterly cross-functional committee meetings.

The Board's role in ADI's risk oversight process includes receiving regular reports from members of senior management on areas of material risk to ADI. Our Chief Risk Officer provides regular reports to our full Board regarding our management of all enterprise and operational risks and our Enterprise Risk Management program, with periodic updates on focus areas, such as cybersecurity. The Board also receives regular updates from our Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee, which provide our Board with thorough insight about how ADI manages risk.

## Board Committees Related to Risk

**Corporate Development Committee**

The Corporate Development Committee oversees ADI's strategic transactions and investments, capital allocation and structures, and financial exposures and contingent liabilities.

**Audit Committee**

ADI's Audit Committee oversees ADI's enterprise risk assessment and risk management, the integrity of ADI's financial statements, financial reporting and internal controls, auditing functions and internal risk management. The Audit Committee receives regular reports from our Director of Internal Audit on internal audit matters and our Chief Risk Officer on risk management matters. The Audit Committee also receives reports at least annually from our Chief Information Officer on information security, technology and data privacy and protection.

**Compensation Committee**

The Compensation Committee oversees ADI's compensation practices and policies, and assesses risk associated with their areas of oversight, including whether ADI's executive compensation program and non-executive director compensation practices encourage excessive or inappropriate risk taking.

**Nominating and Corporate Governance Committee**

The Nominating and Corporate Governance Committee oversees ADI's governance structure and processes, Board composition and succession planning for ADI's Board. The Committee also oversees ADI's ESG policies, goals and programs, including reviewing the ADI's sustainability initiatives and goals and progress toward achieving those goals. At the management level, the newly formed ESG Oversight Committee reports to the Nominating and Corporate Governance Committee quarterly.

# ESG Program Oversight

Our CEO, our senior leadership team and newly appointed roles dedicated to ESG lead our ESG agenda. Our Nominating and Corporate Governance Committee has specific oversight responsibility for ADI's ESG programs, initiatives, policies and goals, including reviewing ADI's sustainability initiatives and goals and ADI's progress toward achieving those goals.

Our Board is fully engaged and receives regular updates from senior management about our ESG program, including updates on emerging issues and progress against stated targets. These ESG topics also include educational components to keep the Board abreast of the quickly changing ESG regulatory environment, as well as other evolving practices, risk oversight, mitigation strategies and other relevant ESG topics.

In 2021, ADI created a new ESG Executive Council that consists of in-house subject matter experts, such as Human Resources (HR), Environmental Health & Safety (EHS), and Compliance and Ethics, that meets monthly and reports to the ESG Oversight Committee. The ESG Oversight Committee reports to the Nominating and Corporate Governance Committee quarterly and presents on topics such as stakeholder value, ESG ratings and key ESG focus areas.

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...corporations are being pushed by investors to adopt a more stakeholder-oriented business model, not only to be more responsible corporate citizens, but also to enhance long-term shareholder value via improved ESG risk management."

**2021 ETHICS RESEARCH CENTER**, the research arm of the Ethics & Compliance Initiative

# Stakeholder Engagement

ADI delivers holistic solutions that make a true impact on the world. This is fundamental to our approach to ESG, and encompasses a variety of stakeholders, including customers, employees, communities and suppliers in addition to engaging shareholders.

We have ongoing, transparent communications to ensure we continue to focus on the issues most important to our stakeholders. Topics covered include our global engagement, regulatory compliance, supply chain resiliency, EHS programs and progress and climate targets and progress.

## How ADI Engages with our Stakeholders:

### EMPLOYEES

▸ Regular company- or business-wide emails and videos from senior leadership

▸ Leadership town halls, discussions and webinars, including opportunities for questions and answers

▸ Pulse engagement survey and ADI Cultural Values survey

### SUPPLIERS

▸ Commitment to an ethical supply chain program and Supplier Integrity Guide for Suppliers based on RBA's strong guidance

▸ Access to ADI's Whistleblower hotline

### CUSTOMERS

▸ Meetings with senior executives at the business and corporate level

▸ Engagement strategy driven by business leadership depending on industry

### REGULATORS/ GOVERNMENT AGENCIES

▸ Pursuit of "honest broker" relationships with government stakeholders to promote collaborative, win-win outcomes on ESG and sustainability issues

▸ Commitment to regulatory compliance and strong performance

▸ Engagement to support decision makers in sustainability goals, including climate change and decarbonization

### MEMBERSHIPS

▸ Signatory to the UN Global Compact

▸ Member of the Responsible Business Association (RBA), Responsible Minerals Initiative (RMI) and Responsible Labor Initiative (RLI)

▸ Member of Semiconductor Industry Association (SIA) and our CEO and Board Chair Vincent Roche serves on their Board of Directors

▸ Member of SEMI

### INVESTORS

▸ Strong commitment to transparency – communicate strategic, operational and financial results and progress on priorities

▸ Quarterly earnings conference calls open to investors and available on our website

▸ Annual meeting of shareholders

▸ Investor relations website

▸ Regular engagement with institutional investors and other shareholders, covering a variety of topics, including ESG

### COMMUNITIES

▸ ADI locations empowered to support charitable organizations based on the needs of the local community

▸ ADI Volunteers, contributing to the communities where ADI people live and work

▸ ADI Foundation, committed to transforming our communities and shaping the diverse workforce of tomorrow

▸ Outreach to local communities and stakeholders on decisions with broader impact

# Integrated Approach to Shareholder Engagement

We maintain an active engagement program with our shareholders, conducting extensive investor outreach throughout the year that involves senior management and various departments. This helps management and the Board understand and focus on the issues that matter most to our shareholders, so ADI can address them effectively.

During fiscal 2021, we conducted more than 200 unique engagements with our shareholders, and we also continued our specific outreach effort with our institutional investors to discuss corporate governance issues affecting ADI. We produced the sixth installment of our ADI Uncovered webcast series discussing business strategy and trends in instrumentation. We also offered multiple webcasts and attended conferences to keep shareholders informed of company developments, including a special investor call regarding our capital allocation plans following the close of the Maxim acquisition.

Shareholder and stakeholder feedback is integrated into boardroom discussions regularly and helps to inform the Board's decisions and ADI's practices and disclosures.

# Shareholder Topics of Interest

In fiscal 2021, we reached out to our top 25 shareholders, representing approximately 45% of our outstanding shares, with an invitation to have discussions with their corporate governance teams. Topics covered in these meetings with shareholders who accepted our engagement invitation included:

- Board composition and risk oversight
- Board evaluation and refreshment
- Executive compensation practices and design
- Environmental, social and governance considerations, including diversity, equity and inclusion and human capital management

# Shareholder Topics and Company Response

In the spirit of continuous improvement, we reviewed with our Board the key takeaways from these shareholders meetings with the goal of continuing to evolve our corporate governance practices to best meet the needs of ADI and our shareholders. Our dialogue has led to enhancements to our practices and disclosures our Board believes are in the best interests of ADI and our shareholders. For example:

| Topics of Discussion | Recent Outcomes of Engagement |
|---|---|
| CORPORATE GOVERNANCE | • Continued focus on active Board refreshment and diversity; added one new female director to the Board, bringing female representation to more than 30% of the Board.<br>• Increased our stock ownership guidelines for the CEO from 2x to 5x and for all other executive officers from 1x to 3x.<br>• Appointed ADI's first Chief Risk Officer and continued to enhance our risk oversight practices with quarterly cross-functional committee meetings, quarterly updates to the Audit Committee and regular updates to the Board.<br>• Enhanced risk oversight practices for our Board, including cybersecurity at the Board level and ESG under the Nominating and Corporate Governance Committee. |
| ENVIRONMENT, SOCIAL AND GOVERNANCE | • Continued to enhance ESG disclosure, publishing second annual Corporate Responsibility Report and EEO-1 data.<br>• First US semiconductor company to deploy a sustainable finance instrument with an inaugural green bond issuance in 2020, followed by the establishment of a sustainability-linked revolving credit facility and a sustainability-linked bond offering in 2021.<br>• Strengthened ADI's commitment to reducing carbon emissions by setting a new goal to reach carbon neutrality by 2030 and net zero greenhouse gas emissions by 2050 or sooner. |

# Enterprise Risk Management

In 2021, following the acquisition of Maxim, ADI launched an enhanced Enterprise Risk Management (ERM) program that employs a five-phase approach: risk identification, risk measurement, response identification, response execution and monitoring and measurement. Dozens of interviews were conducted as part of the ERM program to identify the most common risk areas across the enterprise.

We utilized the framework offered by Commission on Sponsoring Organizations (COSO), a joint initiative dedicated to guiding entities in relevant aspects of organizational governance, business ethics, internal control, business risk management, fraud and financial reports. Using this approach, risks were sorted into strategic, operational, compliance and financial categories and then ranked and rated based on impact, likelihood, velocity of risk, difficulty or duration of recovery and existence of mitigating actions.

Our enterprise risk program aims to support informed organizational decision-making for strategic planning, tactical execution, budgeting and risk oversight that optimizes risk outcomes and protects stakeholder value. The ERM function enables our team members to make risk management more efficient and effective by providing and maintaining a risk management framework and developing appropriate mitigation strategies. We also believe that a strong ERM program enhances corporate governance, helps to define management's leadership and commitment towards openness, honesty, integrity and ethical behavior and reinforces the Tone at the Top.

Our internal audit department aids in facilitating the risk identification and prioritization, coordinating with executive risk owners on formulation and status of risk responses and reporting consolidated results of risk prioritization and risk responses status to the Company's senior management, the Audit Committee and the Board of Directors.

Management is responsible for identification of risks or threats to ADI's objectives, assessing the risk (i.e., the impact and likelihood of the threat occurring), undertaking control and other risk response activities to prevent and mitigate risks to corporate risk appetite level and providing assurance on the effectiveness with which risks are managed. The Executive Risk Committee establishes and cascades strategic goals and targets, to ensure enterprise alignment while the business units and enterprise functions represented on the ERM Committee are responsible for operational management, business performance and management of events or risks to the business. The Board of Directors, the appropriate committees and the CEO provide oversight including reviewing, challenging and concurring with management on the top risks and the Company's overall risk appetite.

# ERM Risk Committee

**Representative Risk Functions**

**Operational risk management experts reporting to the executive risk committee, supports board committees and business units on status of risk management plans.**

### Governance (Oversight)

Board of Directors, Audit Committee, Chief Executive Officer

### Executive Risk Committee

- SVP, Chief Legal and Risk Officer
- EVP, Finance and Chief Financial Officer
- EVP, Global Operations and Technology
- SVP, Chief Customer Officer
- SVP, Chief Technology Officer
- SVP, Chief People Officer

- SVP, COO Maxim and IMO
- SVP, Automotive and Energy, Communications, and Aerospace Group
- SVP, Consumer and Cloud Infrastructure
- SVP, Digital Healthcare
- SVP, Industrial and Multi-Markets
- EVP and President of Business Units

### Business Units and Enterprise Functions (ERM Committee)

- Automotive and Energy, Communications, and Aerospace Group
- Consumer and Cloud Infrastructure
- Digital Healthcare
- Industrial and Multi-Markets

- Global Operations
- Enterprise Functions* (*Enterprise functions include: Customer Office, Technology Office, HR, IMO, Finance)

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**Oversight**

The Board, the appropriate committees and CEO provide oversight and will have appropriate transparency and visibility into the key risk functions, ERM issues and risks related to the business.

**Executive Risk Committee**

Establishes and cascades strategic goals and targets, to ensure enterprise alignment. Responsible for designing, implementing and maintaining an effective risk program.

**Business Unit and Enterprise Functions**

Responsible for operational management, business performance and management of events or risks to the business.

**Compliance and Risk**

**Compliance**

Sets the governance structure for information sharing and coordinating compliance-related risks across the company.

**Internal Audit**

Facilitates alignment with control monitoring and risk mitigation efforts to support the ERM program.
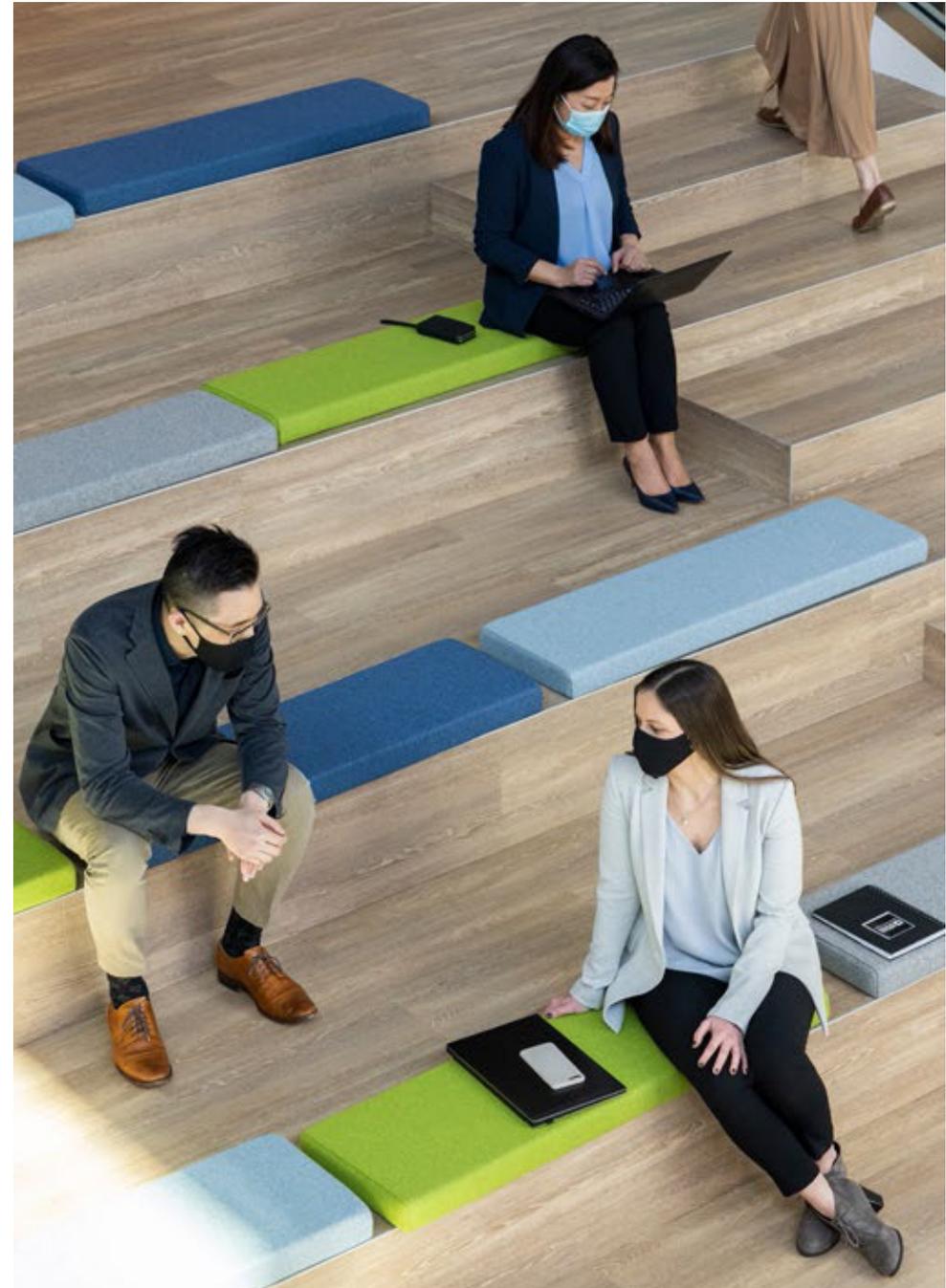
# Setting ESG Priorities

**We are committed to transparency and seek to frame our ESG disclosures to be responsive to the needs of our stakeholders by using the frameworks developed by Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and Task Force on Climate-Related Financial Disclosures (TCFD).**

To ensure that our priorities align with stakeholder expectations, market trends and business risks and opportunities, we consider input received through our ERM assessment process as well as from employees, shareholders, customers, suppliers and other stakeholders through our regular engagements. We also examine third-party sustainability assessments and benchmark disclosure trends and best practices. As a result of this process, we believe that the ESG issues that are the most relevant to our business and of the most interest to our stakeholders include:

- Business innovation
- Cybersecurity, data protection and data privacy
- Risk oversight
- Human rights
- Supply chain resilience
- Climate change
- Corporate culture
- Talent issues, including recruitment and retention, diversity, equity and inclusion and employee health and safety
- Engagement with our global communities

Each of these priorities are addressed in this report to help stakeholders understand its relevance for ADI and how we manage the related risks and opportunities.

# Compliance and Business Ethics

At ADI, we know that integrity powers growth. Our agility and responsiveness to customer and market needs are matched by our commitment to do so responsibly, with integrity and in compliance with legal requirements. This ethical commitment has enabled a strong foundation of trust with our customers, employees and in our communities.

"

Our Code of Business Conduct and Ethics outlines our approach to conducting business ethically, in compliance with the law and in a way that reflects our deeper values."

**VINCENT ROCHE**, CEO and Chair of the Board of Directors

**CULTURE**

Mutual Respect and Caring for One Another

**GROWTH**

Allowing to Innovate and Attract and Retain Best People

**FAIR BUSINESS PRACTICES**

Fair Competition, Good Judgment and Choosing the Right Partners

Integrity Powers: Growth, Culture, Fair Business Practices, Trust, Responsibility, Courage

**TRUST**

Transparency, Conflict Disclosures, Cooperation, Common Sense and Commitment to Data Privacy

**COURAGE**

To Raise Questions and to Report Concerns

**RESPONSIBILITY**

Safeguarding Intellectual Property, Protecting Confidential Information, Smart Use of Assets, Understanding Insider Trading Rules and Trade Compliance

# Code of Business Conduct and Ethics & Code of Corporate Social Responsibility

Our commitment to ethics and integrity is stronger than ever. We are actively focused on enhancing our policies, practices and trainings to deepen this commitment. As part of this effort, we have updated our Code of Business Conduct and Ethics. Our Code provides a blueprint to guide our day-to-day decision making at ADI. Our Code describes our responsibilities, and we use it as a resource when we have questions or need guidance about how to proceed ethically in a certain situation. Everyone who works for ADI, including the Board of Directors and each employee as well as all independent contractors, consultants and agents who provide services to ADI is expected to comply with our Code. We also expect our customers, suppliers, third-party sales representatives, distributors, consultants and others engaged in business activities with ADI to comply with the law in the course of their relationship with ADI, including all applicable statutes, rules and regulations in all countries and regions in which we do business.

Bribery and corruption are simply not acceptable at ADI. We comply with all applicable anti-corruption and anti-bribery laws in all countries where we do business. We prohibit offering, giving or receiving bribes in connection with work for ADI at any time for any reason. We also expect all ADI personnel to act and make business decisions in the best interests of ADI and refrain from engaging in activities that create

a conflict of interest or an appearance of a conflict. In general, we avoid any activity or personal interest in a transaction or relationship that creates or appears to create a conflict between our own private interests and ADI's interests, or that might impair our ability to perform our ADI duties and responsibilities honestly, objectively and effectively. We never use ADI's property, information or business opportunities for our own personal gain or benefit, or that of anyone else.

In addition, to our Code of Business Conduct and Ethics, we've adopted a new Code of Corporate Social Responsibility, that draws upon internationally recognized standards to promote social and environmental responsibility in the workplace and its business. ADI is committed to ensuring that its employees are treated with respect and dignity and that its manufacturing processes are environmentally responsible.

ADI is a member of the Responsible Business Alliance (RBA) - the world's largest industry coalition dedicated to electronics supply chain responsibility. Therefore, we subscribe to the RBA Code of Conduct (RBA Code) and not only use it within our own operations but also expect our key suppliers to recognize the RBA Code as well.

**ADI POLICIES ON STRATEGIC CORPORATE RESPONSIBILITY ISSUES:**

- Anti-Slavery & Human Trafficking Statement
- Anti-Corruption Policy
- Code of Business Conduct and Ethics
- Code of Corporate Social Responsibility
- Commitment to the United Nations Global Compact
- EEO and Affirmative Action Policy
- Gift & Entertainment Guidelines
- Global Tax Policy
- Information Security Statement
- Political Contributions and Expenditures
- Privacy Policy
- Related Person Transaction Policy
- Sexual & Other Unlawful Harassment Policy
- Supplier Ethics Commitment

Documents are available at: https://investor.analog.com/governance/governance-documents and https://www.analog.com/esg

# Raising Awareness & Training

In addition to enhancing our policy commitments, we are dedicated to raising awareness of ethics and compliance topics. We've developed a centralized and comprehensive compliance training plan for our global workforce. In 2022 we are expanding our ethics and compliance training program worldwide. All ADI employees will receive ethics and compliance courses that include region-specific and role-based assignments and will cover topics related to conflict of interest, anti-bribery and corruption, insider trading, workplace harassment prevention, data privacy and security, health and safety, and trade compliance, among others. Our Anti-Bribery and Corruption training will cover gifts and entertainment, with additional training on global laws and regulations, foreign officials, third parties and the importance of accurate recordkeeping. Conflicts of Interest training will provide our employees with guidance on recognizing and handling conflicts – or potential conflicts – that can threaten organizational integrity. Training completion will include review of ADI's Code of Business Conduct and Ethics, the Code of Corporate Social Responsibilities, Insider Trading Policy and other applicable policies.

Most of our global trainings will be offered in Chinese and Thai languages, as well as in English.

It is everyone's responsibility to uphold our company values, foster an ethical culture and build upon the foundation of trust we have created. All employees and contingent workers are expected to understand and comply with our Code of Business Conduct and Ethics, the Code of Corporate Social Responsibilities and other policies and complete ethics and compliance trainings when assigned. In 2022 we strive for a 100% completion rate.

# Whistleblower Program, Reports, Investigations and Corrective Measures

We have an open-door policy and rely on our employees to speak up to raise concerns. Anyone can report concerns through ADI's Ethics Hotline (online at www. analog.ethicspoint.com or by phone). ADI's toll-free Ethics Hotline allows for anonymous reporting (when permitted by applicable law) and is managed by an independent third party. In addition, reports can also be made to a supervisor, Human Resources or ADI's Compliance team within the Legal and Risk Oversight group through its Ethics Email Box.

ADI has developed processes to ensure that reports are promptly reviewed and corrective actions are implemented, if appropriate. The Chief Legal and Risk Officer and Compliance Legal team within Legal and Risk Organization provide for oversight on all global investigations to ensure matters are handled fairly, consistently and transparently. Additionally, the Board of Directors provides oversight on investigation processes, compliance trends and matters, as appropriate.

ADI does not tolerate retaliation against anyone who in good faith reports possible violations of the law, ADI's Code of Business Conduct and Ethics, Code of Corporate Social Responsibility or other company policies or procedures, questions on-going or proposed conduct, or participates in an internal investigation. ADI trains its employees on its anti-retaliation policy and takes proactive steps to prevent retaliation. Additionally, ADI requires its suppliers to prohibit retaliation for good faith reporting or participation in whistleblower investigation processes.



**WAYS TO SUBMIT COMPLIANCE REPORTS**

There are many resources available to make a report:

- Supervisors
- The Human Resources Department
- ADI's Chief Legal Officer
- ADI's Ethics Hotline (online or by phone)
- ADI's Ethics Email Box

ADI's toll-free Ethics Hotline is anonymous and is operated by an independent third party, NAVEX Global, which can be reached at analog.ethicspoint.com.

# Trade Compliance

Our semiconductor wafers are manufactured, assembled, tested and packaged both internally and by third parties located outside of the US. Our integrated circuit (IC) products are fabricated on proprietary processes at our internal production facilities in Wilmington, Massachusetts; Camas, Washington; Beaverton, Oregon; and Limerick, Ireland and also on a mix of proprietary and non-proprietary processes at third-party wafer fabricators. We currently source approximately half of our wafer requirements annually internally and the remaining from third-party wafer fabrication foundries, such as Taiwan Semiconductor Manufacturing Company (TSMC) and others, typically where deep-submicron lithography capabilities and/or large manufacturing capacity is required.

Our worldwide business activities are subject to various laws, rules and regulations of the US as well as of foreign governments. The global nature of our business subjects us to a number of risks and uncertainties, which could have a material adverse effect on our business, financial condition and results of operations, including international economic and political conditions and other political tensions between countries in which we do business; unexpected changes in, or impositions of, legislative or regulatory requirements; and exporting or importing issues related to export or import restrictions, including deemed export restrictions, tariffs, quotas and other trade barriers and restrictions.

ADI's Global Trade Compliance Team helps ensure that applicable international trade laws are followed when ADI's products are moved or sold internationally. With local presence in the US, APAC and EMEA, team members serve as subject matter experts on the range of global trade issues that impact our business. The team helps clear ADI's international shipments, performs restricted party screening, advises on export license restrictions, sets policies and procedures and obtains import or export licenses when required. They also stay current on new trade regulations in the jurisdictions where we operate and ensures ADI has processes in place to comply with the new regulations.

# Public Policy

## Approach

Public policy engagement allows ADI to provide thought leadership to both US and global governments on issues that directly impact our business, the communities where we operate and the semiconductor industry as a whole. Through conversations with government officials, trade associations and other coalitions, we build relationships with key governmental offices and agencies and educate state and federal policymakers on key issues such as supply chain resilience, workforce development and ESG-related issues including climate change and responsible materials sourcing. At the state level, our efforts are predominantly focused on the states where we have the largest presence: Massachusetts, Oregon, Washington and North Carolina.

ADI belongs to a number of trade associations worldwide, representing the interests of the technology industry, industries in which ADI operates and the broader business community. These organizations work to bring about industry consensus and advocacy on major public-policy issues. Our participation in trade associations does not mean that we agree with every position a trade association takes on an issue.

ADI is currently an active member of the Semiconductor Industry Association (SIA), and our CEO and President is on the SIA Board. We are also a member of other US trade associations, including SEMI, Semiconductor Research Corporation and Open RAN Policy Coalition. In addition, we are members of several trade associations located outside the US – Ireland, India, China and some of our other main locations.
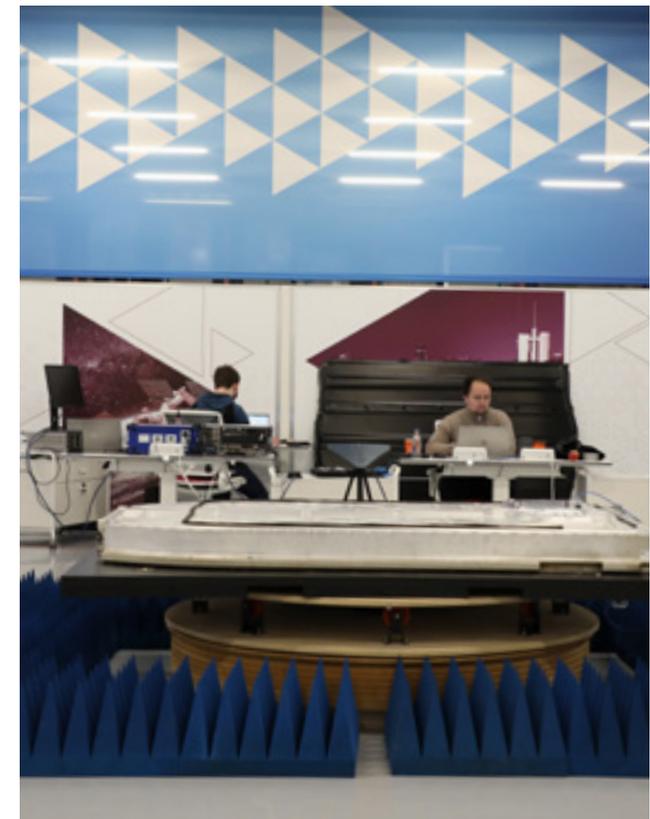
We conduct our efforts only through specifically authorized and legally compliant lobbying activities and file lobbying disclosure reports with state governments where required by law. We do not make political contributions of any kind to parties or candidates, including any direct contributions through intermediary organizations. This policy applies worldwide, even where these contributions are permitted by law.

Our public policy and government relations are managed by ADI Government Relations worldwide. The Nominating and Corporate Governance Committee of our Board oversees our policies and practices, and periodically receives reports from ADI management on such policies and practices.

## 2021 Political Activities

In 2021, ADI began the process of introducing key federal and state policymakers to our company. One of the key issues we focused on is global supply chain resiliency and broad capacity needs worldwide, which has been exacerbated by COVID-19. Industry resiliency in the face of increasing climate change-induced natural disasters and extreme weather events has become an important topic in public policy conversations – and will likely continue to be moving forward.

To that end, in late 2021, we began engaging in direct lobbying efforts on these issues given their importance to the semiconductor industry as a whole, as well as to our business, customers, shareholders and employees. Through our membership in SIA, we participated heavily in SIA board meetings and engaged in discussions with members of the US Congress. In late 2021, we began lobbying with SIA for several pieces of legislation important to strengthening the US's semiconductor capabilities over the long term.

# Human Rights

## Our Approach

We believe human rights are the fundamental freedoms and standards of treatment to which all people are entitled. ADI recently released a new Code of Corporate Social Responsibility, which outlines human rights requirements for all global workers. In addition, a key strategy for protecting human rights at ADI is our active participation in the Responsible Business Alliance (RBA), the world's largest industry coalition dedicated to electronics supply chain responsibility. Membership requires that we adopt the RBA Code of Conduct, which establishes standards to ensure that working conditions in the electronics industry and its supply chains are safe, that workers are treated with respect and dignity and that business operations are environmentally responsible and conducted ethically. RBA's audit process is a critical component to our strategy for ensuring the protection of human rights in our supply chain.

## Respect for Human Rights

Respect for human rights is rooted in our values and applies wherever we do business. These principles apply to all employees and contingent workers, products and services, as well as our business relationships, including our supply chains. They also align with multiple frameworks including the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work and UN Universal Declaration of Human Rights.

## Our Commitment

ADI is committed to the human rights of all workers and to ensuring that they are treated with respect and dignity and work within humane working conditions.

## Analog Devices

- Stands against discrimination of its workers. Our policies strictly prohibit harassment, discrimination and retaliation.

- Prohibits child labor for its workforce and prohibits it in any stage of the manufacturing process.

- Prohibits forced labor. All work must be voluntary, and workers should be free to leave work or terminate their employment with reasonable notice.

- Is committed to paying workers at least the minimum wage required by applicable laws and regulations and providing all legally mandated benefits.

- Is committed to compensating employees for all overtime hours, not deducting from wages unless legally permitted.

- Considers direct engagement and open communication to be the most effective method of resolving workplace and compensation issues between workers and management. In full compliance with laws, ADI respects the rights of workers to associate freely, form and join workers organizations, seek representation and bargain collectively. Workers are protected from intimidation, harassment and retaliation for open communication with management regarding working conditions.

- Is committed to ensuring appropriate controls, safe work procedures, preventative maintenance and protective measures (such as physical guards, interlocks and barriers) are used in the workplace to mitigate health and safety risks. ADI is committed to providing workers with appropriate personal protective equipment in situations where hazards cannot be adequately controlled by the aforementioned means. Workers have the right to raise safety concerns without fear of reprisal.

- Has in place processes to enable anyone, including employees, contractors, employees of ADI suppliers and other external stakeholders, to report concerns through ADI's third party–operated Ethics Hotline. ADI is committed to investigating allegations promptly and pursuing action to correct any adverse labor and human rights, health and safety, environmental or ethics impacts.

We have embedded our approach and programs associated with our operations, supply chain and products in the ADI's policies and procedures.

# Salient Human Rights Risks

At ADI, we engage regularly with key stakeholders, including customers, suppliers, our employees and organizations like the United Nations, SIA, RBA and SEMI to help identify salient human rights risks in the semiconductor industry and in places where we do business. We seek to educate ourselves on emerging issues in order to address potential violations or issues early. Key focus areas for ADI include:

- Freedom from slavery and forced or child labor
- Non-discrimination
- Right to a safe, clean work environment
- Right to decent work
- Right to safety and security
- Right to peaceful assembly and freedom of association
- Right to privacy
- Right to living wage and humane treatment in the workplace
- Access to reporting and remedy process

# Human Rights in Our Operations

At our own ADI offices and manufacturing facilities, ADI is committed to providing our employees with a safe, inclusive and respectful work environment where they can thrive. Harsh and inhumane treatment is not tolerated, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers; nor is the threat of any such treatment tolerated. In 2021, we updated our Code of Business Conduct and Ethics to ensure we maintain a workplace free of harassment and unlawful discrimination. Our Code of Business Conduct and Ethics provides details on ADI's policies that promote a mutually respectful, safe and healthy workplace.

We believe that open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues. We also respect the right of all workers to freedom of association and to share ideas and concerns with management regarding working conditions and management practices without the fear of reprisal, intimidation or harassment.

# Human Rights in Our Supply Chain

ADI is committed to upholding human rights in our supply chain, and our manufacturing suppliers are expected to comply with our Code of Corporate Social Responsibility. As outlined in these principles, ADI does not use or tolerate the use of forced labor, involuntary labor or child labor. We expect our suppliers to follow these principles as well and maintain progressive employment, environmental, health and safety and ethics practices that meet or exceed all applicable laws and codes such as ADI's Code of Corporate Social Responsibility, ADI Code of Business Conduct and Ethics and RBA Code of Conduct. These standards promote best practices in a number of areas affecting human rights in our supply chain, including freely chosen employment, child labor avoidance, working hours, wages and benefits, humane treatment, non-discrimination and freedom of association.

The RBA Code of Conduct contains standards intended to eradicate slavery and human trafficking in the electronics supply chain. In 2021 ADI issued its Anti-Slavery and Human Trafficking Statement, which outlines how ADI and its suppliers comply with the RBA Code. In addition, ADI's new Code of Corporate Social Responsibility addresses child labor, humane treatment and involuntary labor as well as health and safety and environmental issues.

ADI also aims to respect the human rights of communities, and minimize adverse effects from its manufacturing on communities, by adhering to the RBA Code of Conduct's environmental standards – which are designed to address issues such as air and water pollution, hazardous substances and waste – and its ethics standards, which call for responsible sourcing of minerals. See Responsible Mineral Sourcing for more details.

# Supply Chain Management

## Overview

ADI is committed to maintaining a resilient and responsible global supply chain. This past year we developed a more integrated global supply chain management system and continued to develop strategic, impactful and agile relationships with our suppliers. We have an alert system in place to stay aware of environmental, political or social events or issues in areas where we source that need addressing. ADI consistently monitors our supply chain for these types of events and issues that may impact our resiliency. This strategy has paid off during COVID-19, where ADI's resilient supply chain provided us the ability to consistently fulfill commitments to our customers in a timely manner.

ADI's products necessitate a diverse supply chain and reliance on third-party suppliers, as they require a wide variety of components, raw materials, wafer foundry, assembly and test services. Many of the components and materials that are purchased and incorporated into our products have multiple sources. However, we source from a limited number of suppliers, such as Taiwan Semiconductor Manufacturing Company (TSMC), for a large portion of our external wafer purchases and foundry services. To ensure resiliency in our supply chain, raw materials and critical indirect materials are either dual sourced or have an identified second source where feasible.

We also collaborate with supply chain-related organizations, such as the Responsible Business Alliance (RBA) and the Semiconductor Industry Association – leaders in setting environmental, social and ethical supply chain standards for the electronics industry. RBA's audit process is a key component to our supply chain management program.

## Supplier Code of Conduct

Ethical behavior is one of ADI's core company values. We expect our suppliers to adhere to the same business ethics and standards of conduct ADI has set for itself, including Code of Corporate Social Responsibility and Code of Business Conduct and Ethics and relevant external codes such as the RBA Code of Conduct. These codes set high standards regarding labor and human rights, the environment, business ethics and health and safety. We expect our suppliers to maintain progressive employment, environmental, health and safety and ethics practices that meet or exceed all applicable laws, rules and regulations in the countries in which they operate.

As part of our supplier onboarding process, new ADI suppliers sign our Agreement on Responsible Business Conduct and our Supplier Ethics Commitment, certifying their adherence to the RBA Code of Conduct. Suppliers are also expected to post a corporate social and environmental responsibility statement in the workplace affirming their commitment to compliance and continual improvement and to provide clear and accurate information to workers, suppliers and customers about their performance, practices and expectations.

## Supplier Audits

As part of ADI's supply chain practices, we perform checks of prospective suppliers prior to their acceptance. ADI asks its suppliers to fill out a RBA self-assessment questionnaire (SAQ) each time a new version is released. Every two years, certain ADI suppliers have a validated assessment program (VAP) compliance audit conducted by an independent, third-party auditor that has been approved by the RBA and is specially trained in social and environmental auditing and the VAP protocol. ADI can nominate a supplier for a VAP audit if the SAQ raises concerns.

VAP is the leading standard for onsite compliance verification and effective, shareable audits. The Audit Cooperation Program (ACP) allows suppliers to be nominated for a VAP audit by multiple member companies. The audit is then shared with the members that purchase from that facility.

Audits include thorough document review, interviews with management and employees and a visual site survey, using local, native speaking auditors where possible. VAP auditors are specially trained to spot hard-to-find VAP protocol violations like instances of forced labor and are specialists in understanding where some violations are more common, such as excessive working hours in areas with high migrant worker populations. Non-compliances to the protocol that are uncovered during a VAP audit are rated by severity as "minor," "major" or "priority," and the supplier is given a specified period of time to remedy the findings and implement systems to prevent reoccurrences.

We report to the RBA as part of our compliance requirement on how many of the ADI-owned facilities and supplier facilities have completed the SAQs and if there were any significant findings from any of the audits on those suppliers.

See Human Rights Section.

See Responsible Mineral Sourcing Section.

# Corrective Action and Remediation

Integral components of the audit process include corrective action and remediation, which when needed, are the most impactful steps in the process. For each non-conformance and risk of non-conformance that is uncovered during a VAP audit, a supplier must create a formal Corrective Action Plan (CAP), which includes containment, root-cause analysis, corrective action, a timeline and preventative steps to prevent reoccurrence. CAPs are verified through a third-party closure audit, which verifies that the non-conformances identified in the VAP have been contained and corrected and future recurrence has been prevented. The RBA not only provides remedy and prevention plans for suppliers that have non-compliance issues, but it also offers a Recognition Program to recognize facilities that demonstrate their commitment to corporate responsibility through verified closure of the issues identified in a VAP audit.

# Supplier Environmental Impact

Our commitment to environmental sustainability cascades down to reduce the environmental footprint of our suppliers. Our Code of Corporate Social Responsibility includes several environmental expectations that our suppliers must meet. Looking ahead, ADI's goals include continuing to move our suppliers beyond environmental compliance and furthering green initiatives in our supply chain, including the use of environmental performance as a criterion for vendor selection.

## SUPPLY CHAIN MANAGEMENT POLICIES AND DOCUMENTS

### HUMAN RIGHTS AND WORKFORCE POLICIES

- Anti-Slavery & Human Trafficking Statement
- Sexual and Other Unlawful Harassment Policy
- EEO-1 and Affirmative Action Policy (Nondiscrimination Policy)
- Gifts & Entertainment Guidelines

### GOVERNANCE POLICIES

- Code of Business Conduct and Ethics
- Code of Corporate Social Responsibility
- Anti-Corruption and Bribery Policy
- Related Person Transaction Policy
- Corporate Governance Guidelines
- Privacy Policy
- Information Security Statement

# Responsible Mineral Sourcing

## Conflict Minerals

Like many technology companies, ADI relies on the use of tin, tungsten, tantalum and gold (3TG) in the manufacturing of our products. These minerals are frequently from the Democratic Republic of Congo (DRC) and adjoining countries, which are plagued by conflict and human rights abuses. Because we do not source directly from smelters or mines, we are working closely with our own suppliers to understand the sources of the metals contained in their products and to assure that only conflict-free metals are in our supply chain.

## Our Commitment to Sound, Ethical and Responsible Sourcing

ADI is committed to sound, ethical and responsible sourcing of minerals used in our products. Core to our commitment is our Conflict Minerals Policy Statement and our collaboration with other concerned electronics companies to develop methods to track the origin of metals used in electronics products. Our practices and policies are designed with the goal of ensuring that we do not directly or indirectly support violence and human rights abuses in the DRC region.

ADI has been a member of the Responsible Minerals Initiative (RMI), formerly known as the Conflict Free Sourcing Initiative, since 2009. RMI was founded by the Responsible Business Alliance (RBA), formerly known as the Electronics Industry Citizenship Coalition, to facilitate responsible sourcing in the electronics supply chain. RMI has developed a common approach for addressing conflict mineral supply chains and protocols that includes third-party auditing, due diligence tools and a public database documenting smelters and refiners. We require our suppliers that have 3TG in their products to verify in writing that they have procedures in place to demonstrate that the metals they procure are sourced in accordance with ADI's Conflict Minerals Policy Statement.

For additional information regarding our due diligence processes, risk management plan and the results of our most recent inquiries, please see the Conflict Mineral Report included in our Form SD.

ADI is committed to sound, ethical and responsible sourcing of minerals used in our products. Our practices and policies are designed with the goal of ensuring that we do not directly or indirectly support violence and human rights abuses in the DRC region.

# Working with Suppliers

When ADI onboards a new supplier, they must sign a document from purchasing confirming their commitment to ethical sourcing and compliance with the RBA Code of Conduct. Our Purchasing Terms and Conditions reinforce this policy with our suppliers. At least twice a year all relevant suppliers are required to complete and submit their sourcing information using the RMI Conflict Minerals Reporting Template (CMRT), a free, standardized reporting template that facilitates the transfer of information through the supply chain regarding mineral country of origin and the smelters and refiners being utilized. The template links to the "RMAP Conformant Smelter List" which facilitates the identification of new smelters and refiners to potentially undergo an audit via the RMI's Responsible Minerals Assurance Process (RMAP).

Every 2 years, certain major ADI suppliers have a validated assessment program (VAP) compliance audit conducted by an independent third-party audit firm that has been approved by the RBA. We report to the RBA as part of our compliance requirement on how many of the ADI-owned and supplier facilities have completed the SAQs and if there were any significant findings from any of the audits on those suppliers.



RMAP uses an independent third-party assessment of smelter/refiner management systems and sourcing practices to validate conformance with RMAP standards. The assessment employs a risk-based approach to validate smelters' company-level management processes for responsible mineral procurement.

# ENVIRONMENT

Every entity has the opportunity and responsibility to rethink its relationship with the planet. At ADI, we strive to design environmental impact into our actions to create a sustainable future for all. Our approach is to accelerate the transition to a net-zero economy – both through our ambitious operational commitments and through enabling the technology that drives sustainable solutions. To minimize our environmental footprint, ADI focuses on three areas: climate and energy, water and waste.

# Letter from Greg Henderson, SVP, Automotive and Energy, Communications, and Aerospace

To date, more than 130 countries and nearly 700 companies have made net zero pledges. But the world is not on track to reach net-zero emissions and limit warming to 1.5°C, and, as we heard at COP26, the time for action is running out. It has never been clearer that the immensity of the climate crisis necessitates we collectively move from pledges to progress. The scale of economic transformation necessary for a net-zero transition requires intentional investment. As I reflect on ADI's commitment to achieve carbon neutrality by 2030 and net zero emissions by 2050, I am reminded that progress may not always be linear, but it is cumulative.

## Semiconductors Can Enable Net Zero

Semiconductors are the bedrock of the modern economy and of modern living: they are essential components of the technologies that control critical systems and infrastructure like the energy grid, communication networks and the IT systems that enable remote work. Semiconductors also power all things digital, from cars and factories to smartphones and medical devices.

We're in the early days of a new era where having information is not the same as having insights. The intelligent edge will transform the future and increasingly blur the boundaries of the physical and digital worlds. ADI's unique capabilities at this nexus of sensing, measuring, interpreting, connecting and analyzing data, will help solve humanity's toughest challenges, like the climate crisis.

"

In the face of exceptional growth, we remain committed to reaching our environmental goals."

In addition, amid COVID-19 in 2021, ADI acquired Maxim, significantly increasing our domain expertise and positioning us to lead the intelligent edge. The acquisition also brought capacity to meet the increased demand for semiconductors, but as a result also increased our footprint. As such, the Maxim acquisition allows ADI to scale its climate ambitions, as we remain committed to our net zero pledge and laser focused on improving our efforts to decouple emissions from growth.

## Innovation for People and Planet

The challenge of climate change presents not only an opportunity for ADI to focus on its own efforts to reduce our direct natural resource footprint, but also one to bring our value chain partners – from customers through suppliers – into collective action. We are eager to engage with stakeholders across every industry in understanding how our designs, platforms, tools and services can move the world to a sustainable future aligned with the Paris Agreement. ADI's capabilities to bring forth next-generation customer solutions that avoid gigatons of emissions and significantly and positively impact everyday life make this an exciting inflection point for ADI and our partners.
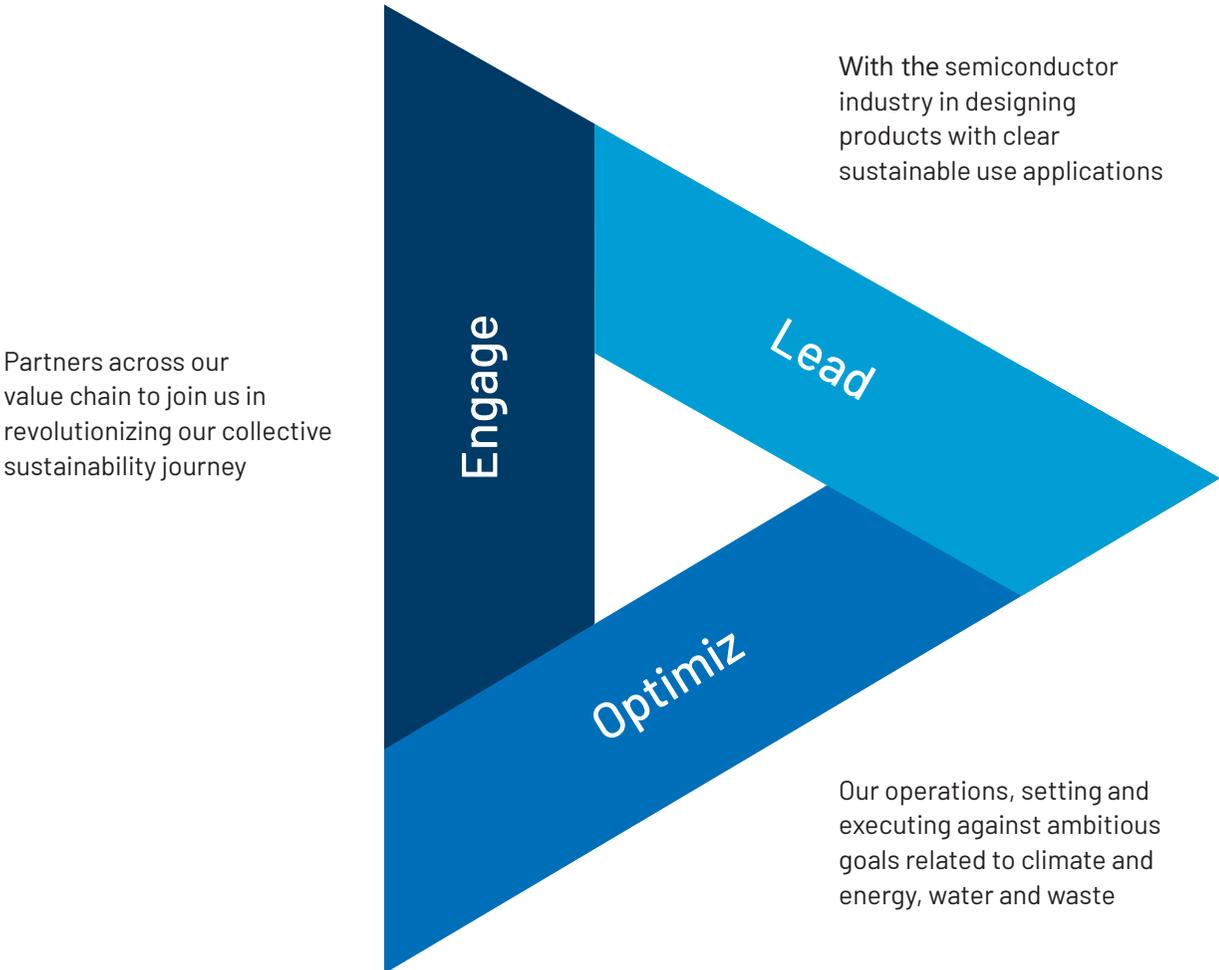
**GREG HENDERSON**
Senior Vice President, Automotive and Energy, Communications, and Aerospace

# Sustainability Framework

ADI's purpose is to use our ingenuity and technologies to connect the physical and digital worlds so we can solve problems that really matter. The climate crisis is a universal challenge, and we're eager to leverage our culture of problem-solving and innovation in service of bettering our planet.
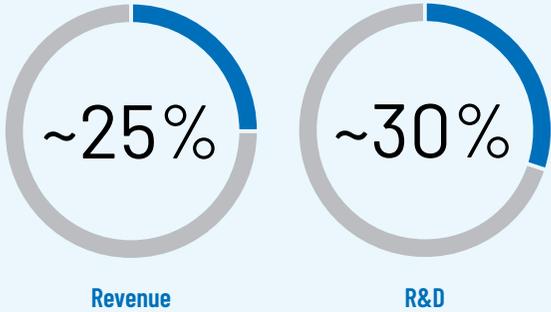
Environmental sustainability is core to our business, and as such, we bring a long-term focus to our efforts through a three-pronged framework. We aim to:

Partners across our value chain to join us in revolutionizing our collective sustainability journey

**Engage**

**Lead**

**Optimiz**

With the semiconductor industry in designing products with clear sustainable use applications

Our operations, setting and executing against ambitious goals related to climate and energy, water and waste

## GREEN REVENUE AND R&D

The decarbonization and overall greening of the global economy presents meaningful opportunities. We broadly consider green activity to encompass financial revenues and/ or investment tied to products that benefit the environment. For more on our approach, see here. We believe that identifying the green attributes of our technologies and measuring our level of investment in products with sustainable applications is a key metric for understanding the role ADI plays in helping the world transition to a Net Zero state.

In 2021, roughly 25% of our combined revenue was green, and roughly 30% of our combined R&D was green. Sustainable technology is a growing investment area for ADI, and as we execute against our Lead – Optimize – Engage sustainability framework, we anticipate our level of green activity as reflected as a percent of overall revenue and R&D will increase.

**~25%**

**Revenue**

**~30%**

**R&D**

# Leading Product Innovation

**ADI is supporting the global transition to a net-zero emissions economy, with semiconductor advancements playing a critical role in product innovation.**

In 2021, ADI launched an examination of ADI's products through the lens of the sustainable solutions they enable. We know that the health of our planet depends on immediate action to decarbonize and hinges upon both the deployment of existing technologies and continuous investment in creating and rolling out breakthrough technologies. ADI's domain expertise in sensing, measuring and power management are critical to end uses in multiple sectors, including:

## TRANSPORTATION

The electrification of vehicles and enhanced vehicle-to-vehicle and vehicle-to-grid capabilities will enable greener, smarter and safer transportation.

## ENERGY

The use of smart grids in the energy sector allow for real-time information and advanced analytics to support the more efficient and distributed availability of renewable energy.

## BUILDINGS AND MANUFACTURING

The implementation of sensors and intelligent edge devices will enable building management systems to deliver energy-reducing actions and improve productivity and efficiency.

## COMMUNICATIONS

Accelerating the adoption of more energy-efficient 4G and 5G networks will impact every industry's ability to bring new products and processes that impact how we live, work and connect.
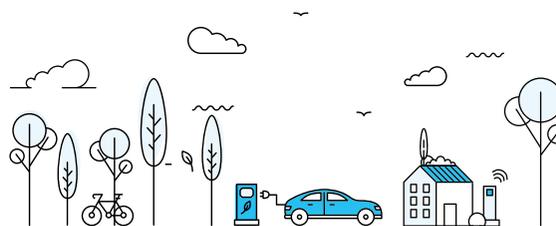
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**SPOTLIGHT**

### IMPACTING HOW WE TRAVEL:

EVs are among the most effective ways to reduce greenhouse gas emissions, with light vehicles accounting for nearly half of all transportation-related emissions. Batteries are the major focus for EV cost efficiencies, as they comprise roughly 40% of the total cost of an EV. Lithium-ion batteries need to be actively monitored and balanced to work safely and to ensure a long lifespan. Key to this equation are battery management systems (BMS), of which ADI is the industry leader, as highly accurate and safe BMS allow original equipment manufacturers (OEMs) and drivers get more mileage out of their batteries. As broader adoption of EVs takes place, the positive environmental impacts of our enabling technology will grow, particularly as we note the cumulative impact of influencing the broader ecosystem around EVs – from how we charge them to second life opportunities for EV batteries.

## ~100m

$CO_2e$ avoided in 2021 from vehicles equipped with ADI's BMS technology

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**SPOTLIGHT**

### IMPACTING HOW WE CONNECT:

ADI's innovations are central to the communications infrastructure that enables 4G and 5G connectivity. Within that infrastructure, base stations and their architecture directly affect how wireless networks are deployed. Introduced in late 2021, ADI's 5G transceiver uses a technique called digital predistortion (DPD) to significantly reduce the amount of power consumed by the base station. Furthermore, massive MIMO enabled in part by ADI's transceivers more than double the density and halve the power compared to previous generations.

## ~500m

metric tons of avoided $CO_2$ emissions by 2030 due to massive MIMO enabled by ADI's transceivers

# Optimizing Our Operations

## Adding Resiliency Through Our Hybrid Manufacturing Model

ADI is a highly specialized manufacturer of analog mixed signal components and modules. We are a hybrid manufacturer, allowing us to leverage production in-house and through partnerships with external wafer fabrication facilities. This approach provides ADI the greatest access to technologies and great resiliency, two strengths of particular note given the supply chain challenges of 2020 and 2021. We acknowledge that this hybrid strategy results in greater Scope 1 and 2 emissions than those of "fabless" peers that exclusively outsource production.

As we continue our journey to net-zero emissions, ADI recognizes that achieving substantial emission reductions will require collaboration with partners across our value chain, in addition to investment in improvements to our existing fabs and commitment to building new, state-of-the-art fabs in the future. ADI continues to invest to strengthen its hybrid model and support long-term growth.

## Acquiring Maxim: Opportunity to Scale Our Climate Ambitions

Amid soaring demand for semiconductor chips, in 2021, ADI acquired Maxim, significantly increasing our in-house manufacturing capacity. As a result, our greenhouse gas emissions, water and waste footprints as a combined ADI have increased. We see the integration of Maxim into our operations as a significant opportunity to extend Legacy ADI's ambitious climate goals.

Since the acquisition, we have done a full inventory of Scope 1 and 2 emissions, water recycling and waste

management for Maxim from our 2019 baseline year – the first step in developing an optimization strategy for a combined ADI.

## Expanding Our Capacity

Our Beaverton, Oregon site was gained as part of the Maxim acquisition and is ADI's largest in-house fab. In 2021, we started its expansion to increase overall facilities infrastructure, which includes transforming existing manufacturing space, retooling equipment and adding cleanroom space. While the expansion is still underway, output in 2021 was roughly 30% higher than in 2020, and we expect output to increase as more of the expansion is completed. Over the course of the full expansion, ADI will grow our wafer fab workforce in Washington County by nearly 40% to add operator, maintenance technician and engineer roles. At present, nearly 700 people support our Beaverton fab. As the site grows, operations are and will continue to be overseen by dedicated Facilities and Environmental Health & Safety (EHS) team leaders.

ADI's Camas, Washington site has also ramped up production, with operations moving from a five-days-a-week schedule to running continuously, 24 hours a day, seven days a week in 2022. In 2021, ADI installed new manufacturing tools, resulting in a boost to production capacity of nearly 50%.

## Expanding in Europe

Our Limerick, Ireland fab is a key contributor to our in-house manufacturing capacity, and in 2021, production increased by more than 33% year-over-year. As ADI continues to invest in our hybrid manufacturing strategy, part of our efforts will focus on expanding our Limerick site, including adding critical cleanroom



space, as well as operators, maintenance technicians, engineers and other roles. Our Limerick operations are overseen by dedicated EHS and Facilities teams.

## Looking Ahead

As we execute on our plans to achieve Net Zero by 2050, we know that a credible climate plan requires reducing absolute emissions first and foremost, before considering offsets for the hardest-to-reduce emissions. We take a similar approach to our water use and waste generation practices. We are building a comprehensive, multi-year roadmap that outlines how we will execute on our commitments.

# Progress on Environmental Goals

Data on all subsequent pages is reported for both Maxim and ADI combined.

## Climate and Energy

**NET ZERO**
- ADI is committed to achieving Net Zero across our value chain by 2050 or sooner
- Achieve carbon neutrality by 2030
- Reduce absolute Scope 1 and 2 GHG emissions 50% from 2019 by 2030
- 100% of ADI's manufacturing facilities powered by renewable energy by 2025

2021 Performance*

**2.2%**

increase in absolute Scope 1 and 2 GHG emissions from 2019

**12%**

decrease in Scope 1 and 2 GHG emissions intensity by combined revenue from 2019

**39%**

of electricity used at ADI's manufacturing facilities from renewables

## Water

**2025 GOAL**
50% recycling rate in manufacturing facilities

2021 Performance

**23%**

water recycled

## Waste

**2030 GOAL**
100% waste diverted from landfill at ADI manufacturing facilities

2021 Performance

**82%**

waste diverted from landfill

\*    In 2021, we adjusted our baseline from 2015 to 2019 as part of our SBTi approval process.

# Climate and Energy

## Approach

**The world's environmental challenges are so vast in scale that stakeholders from every industry and of every size have a role to play in addressing climate change and that includes ADI.**

ADI is committed to achieving Net Zero by 2050. GHG emissions from ADI manufacturing sites make up the majority of our Scope 1 and 2 emissions (92%); therefore, in the short term, we are focused on increasing renewable energy use across ADI's global manufacturing operations and reducing Scope 1 and 2 GHG emissions with a focus on cost-effective initiatives that promise the largest impact, including:
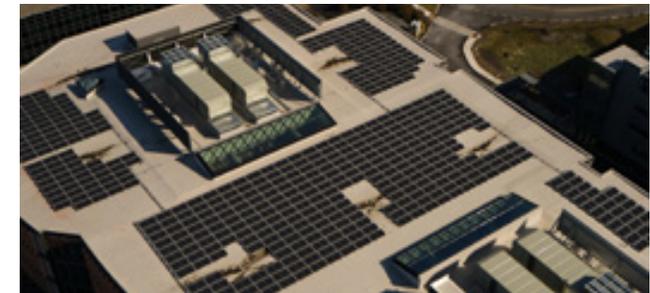
- Process and equipment optimization
- A transition to renewable energy
- Energy conservation

With the unprecedented demand for semiconductor products, it's important to acknowledge and recognize the impact of increased production on our emissions footprint. As such, we are introducing another metric – emissions intensity – to aid us in understanding how improvement efforts are impacting reduction goals relative to total output, as proxied by revenue. We seek to achieve consistent decreases in emissions intensity year over year.



SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



**OUR SCIENCE-BASED
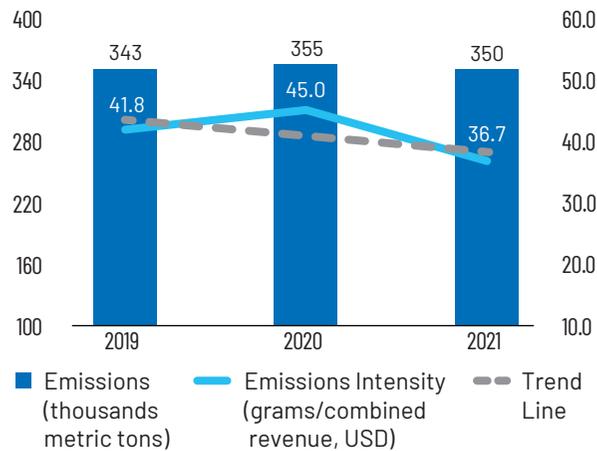TARGET APPROVED BY SBTI**

In 2021, ADI took ambitious climate action by committing to a science-based emissions reduction target that was approved by the Science Based Target Initiative (SBTi). SBTi is a collaboration between CDP, the United Nations Global Compact, World Resources Institute and the World Wildlife Fund for Nature. ADI will re-engage SBTi in 2022 to account for the Maxim acquisition.

**TWO BUILDINGS
LEED-GOLD CERTIFIED IN 2021**

The new headquarters building (Building 7) and the Hub at the Wilmington campus were both LEED-Gold certified in 2021, incorporating energy-efficient features such as a glass building envelop and atrium skylights that maximize the use of natural lighting, along with the installation of 14 EV chargers and solar panel arrays producing 1,500 MWh/year of energy.

# Our Progress

## Scope 1 & 2 Emissions*



* Emissions data represents both Legacy Maxim and ADI.

### SCOPE 1 & 2 EMISSIONS INTENSITY

Decrease from 2021 vs 2020

↓ 18%

Decrease from 2021 vs 2019

↓ 12%

In 2021, ADI experienced an absolute increase of 2.2% in our Scope 1 and 2 emissions since 2019. When normalized against a combined revenue, ADI's GHG intensity has decreased by 12% since 2019 and 18% since 2020.

The majority of ADI's reductions to date have resulted from our transition to renewable energy, facilitated by manufacturing sites with accessibility to certified green energy or readily procurable renewable energy credits (RECs). Utilization of on-site solar panel arrays has also served to increase our use of renewable

## EMISSIONS INTENSITY (REVENUE)

ADI's climate progress is largely level from 2019 through 2021. This is due to increase in production from organic growth, as well as to ADI's acquisition of Maxim in 2021. ADI stands behind our original commitments and is proud to include Maxim in these ambitious efforts.

This graph captures the downwards trajectory of ADI's emissions intensity (Scope 1 and 2 emissions against combined revenue).

energy while reducing our reliance on electricity from the grid. In 2021, ADI achieved 39% renewable energy use across our global manufacturing operations and we purchased 29,042 megawatt hours (mWh) of renewable energy through RECs. While a transition to renewable energy has been the most impactful opportunity thus far, emissions reductions initiatives focusing on energy efficiency as well as reduction of direct process emissions have also contributed to reductions. These initiatives include:

- Manufacturing process optimization such as the use of lower-emitting gases, process improvements and recipe optimization to reduce consumption.
- Abatement systems to lower emissions through the thermal destruction of high GWP (Global Warming Potential) fluorinated GHGs.
- Energy conservation initiatives such as equipment upgrades, building energy management systems and LED lighting upgrades.



## PROGRESS AT ADI MANUFACTURING SITES

ADI operates on a hybrid manufacturing model, outsourcing some of its production to contract manufacturers and with its own manufacturing facilities in California, Massachusetts, Oregon and Washington in the US, as well as in Ireland, Malaysia, Singapore, Thailand and the Philippines. Highlights of our 2021 environmental progress at our facilities include:

- Our Camas, Washington location installed six electric vehicle (EV) charging stations, supporting the community EV infrastructure and the potential for decreased reliance on fossil fuels for its employees.

- At our headquarters in Wilmington, Massachusetts, 14 additional EV charging stations were installed, bringing the total up to 28 stations. Further, 222KW in additional solar capacity were added to a campus building.

- One of our Cavite, Philippines locations converted old lighting to new energy-efficient LED lighting (91% completed in 2021) and implemented facility equipment efficiency improvements (HVAC, AHU, Chiller and Compressor) through optimization and installation of metering systems. In addition, we improved building roofing thermal insulation and heat reflectance using materials with high Solar Reflectance Index (SRI).

# Plans for Future Reductions

## Scope 1 and 2

ADI's SBTi baseline and emissions target was approved in 2021 prior to the Maxim acquisition, and a key task for 2022 will be to work with SBTi to update our baseline to include legacy Maxim facilities.

Our roadmap for future reductions includes:

- Continuing to drive process and equipment optimization and install abatement systems.
- Additional energy efficiency programs such as Compressed Dry Air (CDA) process optimization, installation of motion sensors in meetings rooms, lighting upgrades and Variable Frequency Drives (VFD).
- REC procurement for those sites where RECs are already a key facet of our renewable energy use. Additionally, ADI will continue to directly procure renewable energy at those sites where long-term contracts or clean-energy options are already in place.
- Continued engagement with local utility providers on longer-term strategies to boost renewable energy supply, including power purchase agreements (PPAs) where available.
- Explore membership in RE100, a global initiative bringing together businesses committed to 100% renewable electricity.

## Scope 3

ADI produces intermediate products with many potential downstream applications, each of which has a different GHG emissions profile. A critical component of our action plan is to inventory, calculate and report on upstream and downstream Scope 3 categories in alignment with the Greenhouse Gas Protocol's guidance. We will apply the same level of diligence to our Scope 3 data as we do to Scope 1 and 2, with verified Scope 3 data forthcoming.



"

Each day is a reminder of our team's purpose. What we do in EHS and Sustainability is core to ADI's values. Our innovation and influence are far reaching and enable us to protect our planet and to improve the lives of many."

**FLORENCE G.**, Senior Manager, Environmental Health & Safety, Philippines

# Water

## Approach

**Water is essential to semiconductor manufacturing, and ADI is committed to both water conservation and recycling. Water withdrawals from municipal and groundwater sources, as well as the quality of the water itself, are continuously monitored and measured. Site water balances track how water is used, water effluent quality is monitored and measured, and the volume of water discharge is quantified as part of our compliance program.**
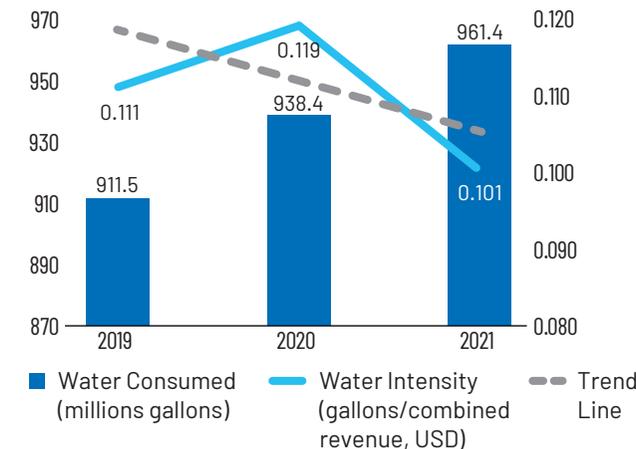
Water recycling and water reduction initiatives are identified and compiled by our Facilities organization in partnership with Environmental Health & Safety (EHS) and reviewed quarterly by senior leadership. Most initiatives to date have focused on recycling water in our facilities systems, with waste or reject water streams being used for scrubbers, cooling towers, irrigation or other applications where water quality is not as critical. We aim to design our buildings and operations in accordance with Leadership in Energy and Environmental Design (LEED) standards or other green building standards, which include aspects on water conservation and efficiency (e.g., rainwater harvesting, use of low-flow fixtures, recycled water use for toilets and landscaping, etc.) over the long term. In 2021, we certified two facilities in Wilmington, for a total of five LEED-certified buildings.

For water effluent, our wastewater discharge is monitored and measured using water meters and site water balances as part of our compliance program. Volume is also tracked as part of our water conservation and efficiency programs. Water is treated on-site per local regulatory requirements, with most water undergoing pH neutralization prior to discharge and subsequent treatment in municipal wastewater treatment plants. In some cases, water is segregated for separate treatment of fluoride, metals or other wastes, and sampling is conducted prior to discharge or collection to ensure compliance with water quality standards.

## Progress

### Water Usage*



■ Water Consumed (millions gallons) ── Water Intensity (gallons/combined revenue, USD) ╌╌ Trend Line

\*   Data represents both Legacy Maxim and ADI.

### Water Intensity

**Decrease from 2021 vs 2020**

⬇ **15%**

**Decrease from 2021 vs 2019**

⬇ **9%**

**Reject Water:** Incoming municipal water goes through a reverse osmosis (RO) process to generate deionized water. The water is separated to a deionized stream and an "RO reject" stream. The RO reject water can be used for non-process applications that don't require deionized water.

In 2021, ADI achieved a recycling rate of 23%, equating to 223 million gallons of water. Our recycling rate was slightly higher in 2020 (24%). While the acquisition of Maxim resulted in higher overall water consumption, it provides us an opportunity to implement our water reduction strategies at the Legacy Maxim facilities. The scrubber at one of our Cavite facilities utilized 100% reverse osmosis (RO) water for its operations. In 2021, the site shifted to 100% RO reject water, reducing the demand for fresh water by 4 million gallons per year – about the number of gallons in six Olympic-sized swimming pools. When normalized against combined revenue, ADI's water intensity has decreased by 9% since 2019 and 15% since 2020.

**23%**

recycling rate achieved

## Plans for Future Reductions

ADI is committed to identifying opportunities to increase the volume of water recycled as well as reduce the total amount of water consumed. Annual recycling goals will be set from now through 2025 to ensure we stay on track with our 2025 target for 50% recycling. Aligned with our philosophy of continuous improvement, a key action in 2022 is to engage subject matter experts to help inform a multi-year roadmap for our water program.

# Waste

## Approach

ADI generates much of its waste through its manufacturing operations and construction activities, and we responsibly manage and dispose of our chemicals and materials. The amount of waste we generate is reduced by limiting what we procure, segregating our waste streams and striving to reuse, reclaim or recycle chemicals and materials to the extent possible. Examples of wastes we recycle include glass, paper, metals and wood. Certain wastes are used for energy recovery. Anything we cannot recycle or reuse we disposition according to local laws.

Each site's EHS team identifies those waste reduction or recycling initiatives that will lead to significant results. We determine ways to further segregate our waste streams and work with our waste disposal vendors to divert those wastes from landfills. We engage with our employees through initiatives like the Green Team Network to educate our workforce on the importance of recycling and reducing waste. Activities promoted include proper bin use, composting and reducing takeout containers and plastic bottles.

ADI follows all local laws and regulations for hazardous waste storage, treatment and disposal, and all waste is appropriately documented and/or registered. Hazardous waste quantities are tracked, and the waste is segregated where possible for recycling or reclaim opportunities. Hazardous waste is managed by licensed waste disposal vendors, which are audited by ADI. Opportunities for chemical reduction are assessed to reduce the amount of hazardous waste generated.

ADI provides products that allow our customers to be compliant with the Restriction of Hazardous Substances (otherwise known as RoHS) Directive.
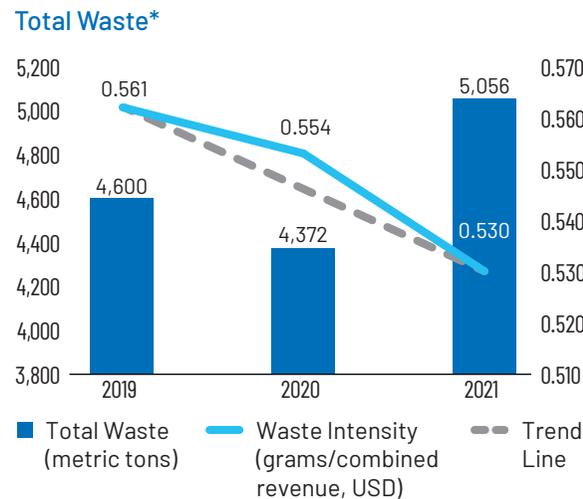
For more information on ADI's RoHS compliance program, see:

> 📄 Analog Devices RoHS Compliance Information ADI's RoHS Position Statement

## Our Progress

**Total Waste***



- ■ Total Waste (metric tons)
- — Waste Intensity (grams/combined revenue, USD)
- --- Trend Line

\* Data represents both Legacy Maxim and ADI.

### WASTE INTENSITY

Decrease from 2021 vs 2020
▼ **4%**

Decrease from 2021 vs 2019
▼ **6%**

In 2021, the total waste generated increased from a 2019 baseline by 10% and 82% was diverted from landfill. When normalized against combined revenue, ADI's waste intensity has decreased by 6% since 2019 and 4% since 2020. One innovative way we reduce waste is creative reuse. For example, in one of our Cavite sites, tarpaulins and nets used as protection for a roof replacement project were recycled as roof and wall cover for the site's greenhouse and organic garden. At our Camas facility, the HF Treatment System was redesigned to improve capacity, removal efficiency and operations. The project involved the replacement of primary reaction tanks, sludge settling tanks and a filter press. The calcium fluoride solids are now directly collected in roll-off boxes, improving ease in handling and allowing the solids to be more readily recycled.

> During the pandemic we upcycled more than 2,600 lightly used smocks and cleanroom suits by donating them to frontline workers at hospitals, local government units and a foundation. Approximately 1,300 were donated in 2021. The rest were donated in 2020.

## Plan for Future Reductions

ADI will act on waste strategies that include upcycling initiatives, waste segregation practices and evaluation of new technology for waste recovery. To facilitate future waste reduction, a team comprised of EHS personnel is reviewing our waste streams, benchmarking best practices and identifying opportunities to achieve zero waste to landfill. We are also considering waste vendors who can provide alternative means to waste disposal that will increase our rate of landfill diversion.

# Environmental Management

## Our Approach

A key component of ADI's approach to environmental management is pollution prevention. We have incorporated relevant practices and plans into our manufacturing operations.









### Stormwater Pollution Prevention Plan

Locations of materials and industrial activities that are potentially exposed to rainwater and snowmelt are included in our stormwater prevention plan to promote application and improvement of appropriate pollution prevention and best management practices. We have built enclosures to protect transportation-associated loading and unloading activities, waste roll-off containers and solid waste/recycling compactors. Our inspection program includes visual monitoring and sampling to promote effectiveness of the plan.

### Hazardous Materials Contingency Plan

This plan is designed to prevent and minimize hazards to public health, safety or welfare of the environment by fires, explosions, spills or any other unplanned release of hazardous wastes, hazardous waste constituents or hazardous materials to the air, soil, surface water or groundwater. This plan is aligned with the emergency preparedness and response requirements in ADI's environmental, health and safety management systems.

### Oil Spill Prevention Control and Countermeasures Plan

This plan features prevention and control technology to reduce the likelihood of a discharge of oil from a site or facility. ADI's manufacturing sites are certified to internationally recognized standards ensuring ADI's Environment Management System (EMS) is functioning to meet internal and external compliance obligations and reduce risk. Under our EMS, ADI sets goals for environmental compliance and sustainability. We also assess risks and opportunities and ensure that tools and programs required to monitor regulatory updates and fulfill compliance obligations are in place and effective. All Legacy ADI and Legacy Maxim manufacturing sites are ISO 14001 certified.

### Oversight of Outsourced Production

We require that our suppliers, including external manufacturers, mirror ADI's Corporate Social Responsibility Policy per the terms and conditions in our supplier contracts. This covers several environmental expectations, including limiting or reducing the use of resources and making a positive impact in local communities. We also require that they be certified to ISO 14001. Onboarding focuses on conformance to ISO 14001, ISO 45001 and the RBA Code of Conduct. As a member of the RBA, ADI also utilizes the RBA's program of Self-Assessment Questionnaires (SAQs) and 3rd party audits to assess suppliers' EHS, labor and ethics programs. To learn more, see the Supply Chain Management section.

**SPOTLIGHT**

**ADI GREEN TEAM NETWORK**

The Green Team Network (GTN) at ADI brings together employees globally to educate, inspire and empower them around sustainability and the environment. Green teams at the country or major site level each has their own local leadership, with employees driving the areas of focus for each chapter. The GTN promotes actions both to make ADI a more sustainable workplace and to help members incorporate sustainability into their personal lives. Below are just a few highlights of 2021 activities.

To hear more from GTN members, see here.

ADCV earned honors from the Philippine Chamber of Commerce and Industry's 2021 "Excellence in Ecology and Economy or E3 Award" for its environmental initiatives.



## Transportation

- **Italy:** Biked ~1,000 miles from northern to southern Italy to promote sustainable mobility and raise funds for an environmental organization.
- **Spain:** Hosted a roundtable discussion with the office facility owner to expand the number of EV charging stations.
- **Boston:** Developed an activity tracker to encourage active mobility.

## Biodiversity

- **India:** Donated 500 saplings through a non-governmental organization.
- **Ireland:** ~1,700 native trees planted with the help of more than 60 employees, family and community members.
- **Philippines:** Engaged more than 200 employee volunteers to plant 15 new species of native trees in the ADI Philippines Forest Park.

## Energy

- **Scotland and UK:** Worked with 2 office facilities teams to switch to suppliers that generate 100% of electricity via renewable sources.
- **Europe:** Launched a GHG emissions workshop as part of a broader education and awareness effort.

## Resource Management

- **China:** Hosted an office marketplace for exchanging goods as a call for employees to participate in a circular economy and engage in sustainable reuse.
- **Germany:** Switched from plastic bottles to glass bottles, helping eliminate single-use products.

# SOCIAL

Our talent is our greatest asset. Innovation thrives when people of different identities, cultures, backgrounds and experiences collaborate. We have strong programs to ensure safe, equitable and inclusive work environments. Guided by the UN Sustainable Development Goals and the Responsible Business Alliance, these values extend beyond our walls to our suppliers and partners. We also have a heritage of local community engagement across the globe, through grassroots initiatives often supported by the ADI Foundation.

# Letter from Mariya Trickett, SVP, Chief People Officer

**At Analog Devices, our people are the bedrock of our culture and success. Over the last half a century, we've grown and evolved through the innovation of our people. Now – with the addition of approximately 7,500 Maxim employees – the ingenuity, curiosity and innovation for which ADI is known has been expanded.**

With almost 25,000 employees around the world, ADI is uniquely poised to scale and deliver customer value better than ever before. The Maxim acquisition created even more opportunity to challenge assumptions and propel ADI into next phase of growth and impact. We are excited about what we'll be able to accomplish in the future.

ADI's talent strategy underscores our commitment to our employees, and we're critically focused on a few areas. The first is to buildout the infrastructure necessary to support engagement, accelerate growth and development, and ensure equity among all employees. This includes systems, processes and people. The second is to strengthen our holistic focus on employee capabilities and well-being. The company's goal is to support and develop employees so they can reach their potential and maximize the impact they have both inside and outside of ADI.

"

We've learned much about our employees and how we work during the challenges of these past two years. As a company whose culture recognizes the importance of continuous learning, we also recognize that the company itself must continually learn and evolve. How we attract and retain innovative talent across the globe, leveraging industry and best practices, presents incredible opportunities for us to solidify our reputation as the destination for the best and brightest minds."

Thanks to the passion and commitment of our employees, ADI will continue to foster strong partnerships with our customers and work to solve the world's most complex problems. We're motivated by purposeful impact and the desire to create an equitable and sustainable future. As we imagine what's possible, we're so proud of our people and their propensity to have positive outcomes for our customers and the world.

*Mariya*

**MARIYA TRICKETT**
Senior Vice President and Chief People Officer

# Talent Priorities

We invest in our people so they can engineer the next generation of technology that betters our world. We care about our employees, offering competitive benefits and compensation, as well as fulfilling career opportunities. To this end, we continuously look for ways to evolve our programs and practices to ensure employee satisfaction.

## 1 Empower Innovation and Learning

**Empowering our teams to innovate and learn across every level and function**

Our pandemic-inspired ADI Ignite Network "innovates how we innovate" by engaging and gathering novel ideas from all employees.

Development teams across departments come together to deliver experiences that quicken onboarding, build managerial skills and ready employees for more complex roles. We prioritize on-the-job experiences as a way to build skills and drive learning.

## 2 Focus on Social Purpose

**Fostering a workplace where the best minds can come together to engineer good**

The ADI Foundation is creating a more sustainable future through community grants, employee matching gifts for both direct donations and volunteer hours, and in-kind donations. Last year, the Foundation awarded $1.8 million in community grants and $1.4 million was donated through employee giving and Foundation matching.

In collaboration with employees, we are addressing inequities in STEM education through new partnerships with two Historically Black Colleges and Universities (HBCUs). This includes providing 350 engineering kits to facilitate hands-on learning, sponsoring research projects and holding technical talks.

## 3 Drive Engagement through Employee Experience

**Listening and responding to employee feedback**

Throughout the year, we conduct employee surveys and listening activities to gain feedback and learn more about the company's strengths as a workplace and opportunities for improvement. This enables us to take action and ensure employees have the tools they need to grow and prosper.

In FY 2021, we received more than 14,000 employee comments that provided insight into company culture. Among our strengths, 80% of employees are likely to recommend ADI. Our biggest opportunity was around work-life balance, which resulted in a new flexible work program to support our employees.

## 4 Foster Inclusion and Ensure Equal Opportunity

**Taking a global approach to ensuring equity and inclusion**

We are evolving our mission to include global dimensions of diversity. This means working with our Global Diversity Council and Working Group to understand what marginalization looks like in countries outside the United States so we can customize efforts to address underrepresentation.

We are committed to building leadership teams that reflect the diversity of our employees and the communities we serve. To support this ambition, we are standardizing our assessment criteria to mitigate bias and tailoring development programs to meet the needs of our underrepresented populations.

## 5 Build the Workforce of the Future

**Evolving our workforce skills to drive innovation and sustain a competitive advantage**

Our engineering team members designed and implemented a Software Engineering Reskilling Program, specifically designed to address ADI's evolving talent needs by expanding the skills of our technical workforce in the software domain.

We are committed to employee growth and development, as well as building high-performing teams. This includes providing essential training such as the Executive Leadership Program and Management Essentials curricula that prepare employees to lead teams today and grow the business tomorrow.

# FY21 Workforce Data Snapshot

## Employees by Geography

### 30.6%
North America

### 10.8%
EMEA

### 58.6%
APAC

## Global Leadership by Gender

| Senior Leadership | Manager |
|---|---|
| 14% F | 23% F |
| 86% M | 77% M |

## Hiring by Gender

### Global*

| Gender | % |
|---|---|
| Female | 31.9% |
| Male | 67.3% |

\* Only inclusive of those who made a selection

## Technical Role by Gender

### Global

| Gender | Hires |
|---|---|
| Female | 18.6% |
| Male | 81.4% |

## Race & Ethnicity*

### U.S. Population

| | |
|---|---|
| American Indian or Alaska Native | 0.3% |
| Asian | 35.2% |
| Black or African American | 1.7% |
| Hispanic or Latinx | 4.5% |
| Native Hawaiian or Other Pacific Islander | 0.3% |
| Two or More Races | 1.0% |
| White | 55.1% |
| Unknown | 1.9% |

### U.S. New Hires

| | |
|---|---|
| American Indian or Alaska Native | 0.1% |
| Asian | 41.8% |
| Black or African American | 2.1% |
| Hispanic or Latinx | 6.1% |
| Native Hawaiian or Other Pacific Islander | 0.7% |
| Two or More Races | 2.3% |
| White | 45.5% |
| Unknown | 1.4% |

\* U.S. data only. Based on EEO-1 data filed with the Department of Labor and voluntary self-reporting.

# Diversity, Equity and Inclusion

**We are committed to cultivating an inclusive culture, implementing business practices that counteract systemic inequities and engaging with the communities around us to create a better, more just world. Through structural and cultural change, we aim to ensure that employees of all identities and cultures have an equal opportunity to grow and succeed at ADI.**

"

Our focus is on systemic change. This means driving progress through tough conversations that challenge our dominant culture and historical practices."
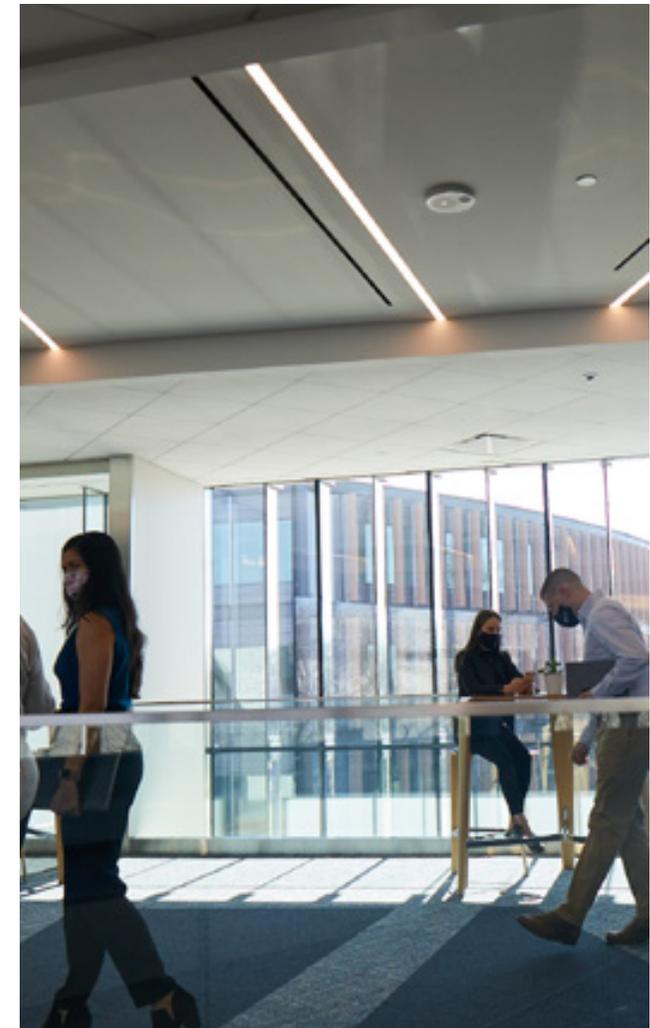
**TEA HUOT**, Director, People & Culture

## Addressing Inequity Through a Holistic and Global Approach

We are transforming the way we operate so inclusion and equity become an integrated part of how we do business. This means redesigning our talent practices to address systemic barriers and building a culture that confronts bias.

At a high level, our focus is on programs that target societal and organizational practices. From a societal perspective, we are establishing new partnerships and launching programs that increase access to STEM education for communities that are historically denied access. From an organizational perspective, we are revising our processes to mitigate bias and customizing our training programs to accelerate the development of underrepresented communities.

We are also evolving our mission to include global dimensions of diversity. This means working with regional teams to understand what marginalization looks like in countries outside of the United States. The goal is to engage more of our global locations so we can tailor efforts to address underrepresentation.
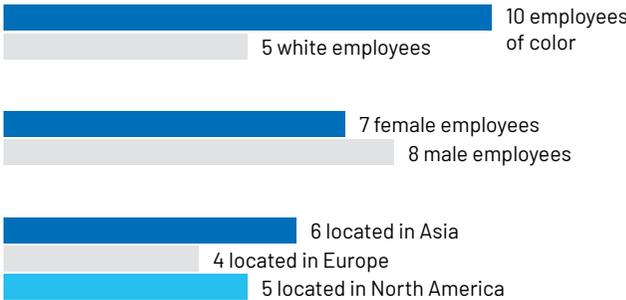
# Engaging and Empowering Employees

To drive our work, we are engaging employees in the design of our future strategy. This ensures that programs designed to address underrepresentation are co-created with individuals who represent those communities. We have formed a Global Diversity Council that is made up of 15 senior leaders from across the organization. Together, they represent a mix of business units, regions, genders and races. They meet quarterly to provide feedback on strategic priorities and help to champion organizational change.

Complementing our Council is our newly formed Diversity Working Group. The Working Group is made up of 17 employees who are early to mid-career. They help to influence the design of individual programs and assist with project rollouts. They collectively meet quarterly, but sub-committees may meet on a more regular basis.

We also have a growing list of Employee Networks that are the driving force behind our evolving culture. Comprised of over 1,700 members across eight networks and 35 chapters, they foster community, build allyship, accelerate professional development and impact organizational policy. Each network has a formalized leadership team and structure which includes an executive sponsor and annual goals.

Our current networks organized around a dimension of diversity include the Analog Veterans Network, LGBTQ+ Network, Neurodiversity Network, People of Color and Allies Network, Women's Leadership Network and Young Professionals Network. Our current networks that help shape organizational culture and policy unrelated to a dimension of diversity include the Green Team and Cultural Activities Board.

## Global Diversity Council

- 10 employees of color
- 5 white employees

- 7 female employees
- 8 male employees

- 6 located in Asia
- 4 located in Europe
- 5 located in North America

## Diversity Working Group

- 6 employees of color
- 11 white employees

- 11 female employees
- 6 male employees

**NEW IN 2021**

We're thrilled to announce the launch of our **Neurodiversity Network** this past year. This group of nearly 150 initial members was formed to drive understanding and increase support for individuals with differences in brain function and behavioral traits, such as those with autism spectrum disorders. As part of the network's first initiative, they are participating in the design of a neurodiversity hiring program aimed at increasing access to employment for neurodivergent candidates.

"

Removing barriers and enabling talented neurodivergent colleagues to join ADI and thrive here is important for creating a more inclusive society. It's also a key part of the culture at ADI, which values innovation and diversity of thought – these are critical to our competitive advantage."

**KEN R.,** Senior Manager, Data Science

We were also excited to launch our **Cultural Activities Board** in 2021. This group of 100 employees has assembled to help drive community engagement and volunteering across many of our global locations. They lead community service projects and help connect our employee networks to additional volunteering opportunities.

# Building Educational Partnerships

To expand our outreach and support higher education, we've launched new partnerships with two Historically Black Colleges and Universities (HBCUs). This includes providing 350 engineering kits to facilitate hands-on learning, sponsoring research projects so students have dedicated time to explore and innovate, and holding five talks including space technology and crypto design.

In addition, we launched a dedicated initiative in North America meant to increase the number of applications from Black, Hispanic and Latinx students. Through increased outreach to student organizations, enhancements to marketing and more robust student support, we increased the percentage of Black, Hispanic and Latinx new college graduate hires from 1.5% to 5% in 2021.

# Enhancing and Supporting Diversity

It is important that our leadership teams reflect the diversity of our employees and the communities we serve. We have approached this challenge in two ways – by standardizing our assessment criteria to mitigate bias and by tailoring development programs to meet the needs of our underrepresented populations.

Through the creation of an Enterprise Leader Success Profile (ELSP), we were able to focus attention on the key leadership capabilities critical for success by outlining core competencies and providing a standardized framework for assessing candidate strengths. ELSPs remove some of the personal subjectivity and allow for a more unbiased evaluation of employee readiness. The assessments were used to help create leadership slates and succession plans.

We also recognize that employees of different identities encounter different systemic and cultural challenges. Understanding these unique experiences allows us to create impactful learning programs that build community, drive performance and advance gender and racial equity.

One example is Elevate, our flagship leadership development series for women, which graduated 63 participants this past year. Employees built new skills and expanded their global networks through an exciting combination of action learning, mentorship and sponsorship. The program places an emphasis on enhancing business insight, increasing customer focus, developing strategic mindsets and improving situational adaptability. The program cohorts were thoughtfully assembled to include representation from technical, sales and corporate functions across Asia, Europe and North America.

Another example is a leadership academy for our employees of color. In 2021, 48 employees in the United States – nine Black, 20 Hispanic or Latinx, and 19 Asian employees – enrolled in the academy. They participated in group projects, live virtual sessions and reflective on-demand activities, all designed to sharpen their business acumen and increase their visibility.

We also continue driving awareness and action around unconscious bias. In 2021, all people managers were required to complete an unconscious bias training.



"

ADI provides an environment that has been conducive to my growth and development as an engineer and leader. I've been empowered to meet the challenges of the dynamic and competitive business environment. Working for ADI has been an exciting experience."

**DON N.**, Sales Director, Aerospace and Defense NA, United States
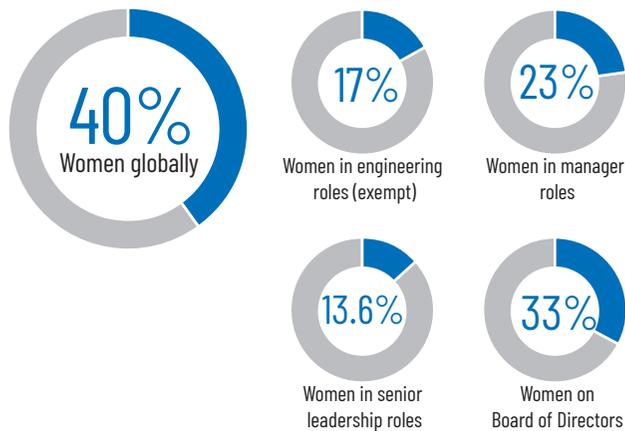
# Setting Targets to Diversify Our Workforce

For years, ADI has worked to advance gender equity and create an environment where women have the same opportunities for growth and success as their male colleagues. We were excited to be named as one of "The World's Top Female-Friendly Companies" by Forbes magazine in 2021 and are renewing our commitment for continued change. We have aspirational targets that outline the progress we hope to make in increasing female representation. Over the next five years, we look to increase our global female manager population from 23% to 29% and our global female engineering (exempt) population from 17% to 26%.

We are also increasing our focus on racial equity in the United States and more attention will be placed on addressing systemic issues that impact our employees of color. Similar to our aspirational targets for women, we have developed targets for increased representation from Black, Hispanic and Latinx communities. Over the next five years, we look to increase our combined Black, Hispanic and Latinx employee population in the United States from 6% to 9%.
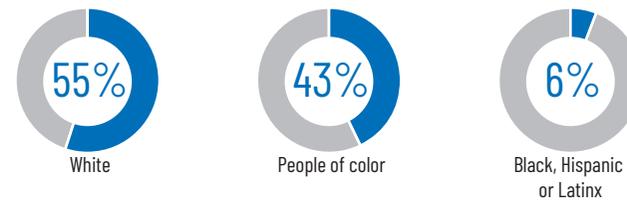
# Ensuring Governance and Oversight

The Nominating and Corporate Governance Committee oversees the company's environment, social and governance (ESG) policies, goals and programs. Management regularly reports to the full Board of Directors on ESG topics, providing an update on key metrics and progress. The Board provides direct feedback on strategic approach and initiatives once a year. Our senior leadership team is engaged collectively on a semi-annual basis and individual leaders provide ongoing sponsorship of core initiatives, such as our HBCU partnerships and secondary school outreach program.
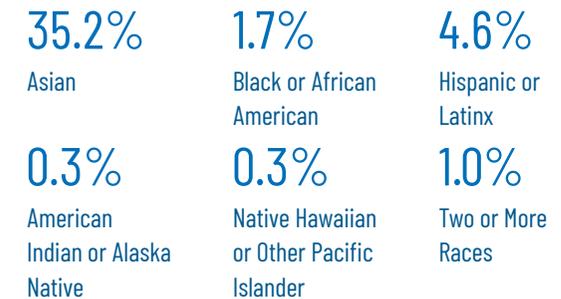
## Global Female Representation in 2021

**40%** Women globally

**17%** Women in engineering roles (exempt)

**23%** Women in manager roles

**13.6%** Women in senior leadership roles

**33%** Women on Board of Directors

## U.S. Race & Ethnicity Representation in 2021*

**55%** White

**43%** People of color

**6%** Black, Hispanic or Latinx

\* U.S. data only. Based on EEO-1 data filed with the Department of Labor and voluntary self-reporting.

## U.S. Full Breakdown

**35.2%** Asian

**1.7%** Black or African American

**4.6%** Hispanic or Latinx

**0.3%** American Indian or Alaska Native

**0.3%** Native Hawaiian or Other Pacific Islander

**1.0%** Two or More Races

ADI named as one of "The World's Top Female-Friendly Companies" by Forbes magazine in 2021

# Talent Recruitment and Retention

**At ADI, we invest in our people, so they can engineer solutions and make our world a better place. This includes our efforts to recruit and retain creative problem solvers from around the globe.**



"

"ADI is a green innovator. Our technology plays a critical role in improving our planet and I am very proud to be a team member of this great company."

**LAURA Y.**, Senior Director for Marcom China and Asia, China

## Targeting the Best Talent

We use a data-driven approach to better understand the labor market and ensure our recruiting efforts are wide-reaching and effective. Leveraging data from a third-party partner, we gain insights that enable us to pinpoint which markets to target when hiring new talent. To facilitate our success in competitive markets, we are adjusting both our programming and our team structure. This includes having dedicated regional recruitment teams who understand local market dynamics.

We have increased our outreach efforts to ensure we are reaching candidates with high-demand skills. These efforts include creating customized regional webpages and paid marketing campaigns on social media and partnering with organizations to help us connect with diverse candidates. We also launched an enhanced recruiting strategy in North America to help increase the number of applicants from historically underrepresented communities.

# Engaging Early Career Talent

We are committed to developing and hiring the next generation of innovators. We've expanded our outreach to colleges and universities around the world – including two new partnerships with Historically Black Colleges and Universities (HBCUs) – to encourage STEM education and create a strong recruiting pipeline of talent. In FY 2021, we participated in campus events at 124 colleges and universities.

Internships at ADI also provide a pathway to employment and enable interns to gain critical on-the-job experience. In FY 2021, 81% of our interns became full-time employees.

Analog Devices Inc. is a RippleMatch's 2022 Campus Forward Award winner. This award recognizes the top early career teams and programs in the nation.

**HIRING COLLEGE GRADUATES (NORTH AMERICA)\***

## 78%
accepted our job offer

## 31%
were female

## 6%
were Black, Hispanic or Latinx

**HIRING INTERNS (NORTH AMERICA)\***

## 81%
of our interns became full-time employees
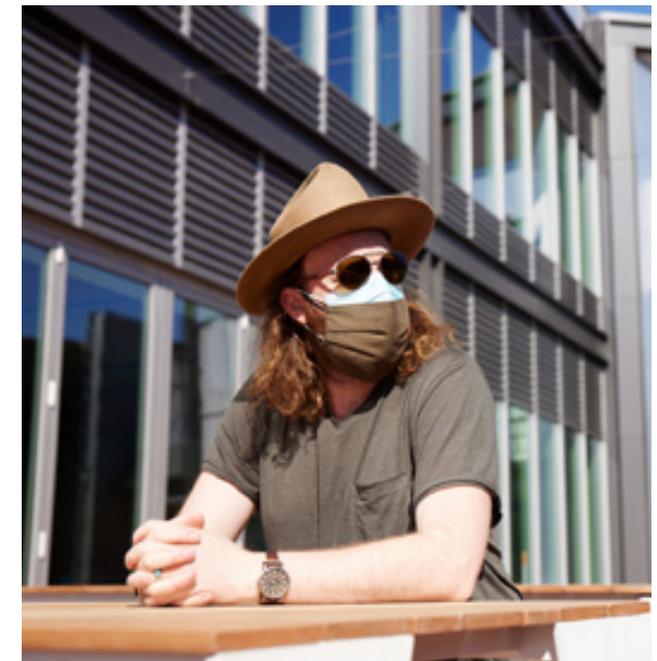
## 34%
were female

## 8%
were Black, Hispanic or Latinx

*Data is for the 2020–2021 school year

# Supporting Employees Throughout Their Careers

Retention is a key priority. We foster belonging and commitment by taking a holistic approach and directing our energy on programming that promotes inclusion, engagement, continued learning and enhanced rewards and recognition. We are continuously evolving our efforts and are proud that our retention rate in FY 2021 was 91%, especially with the continued impact of COVID-19, the "Great Resignation" and our acquisition of Maxim.
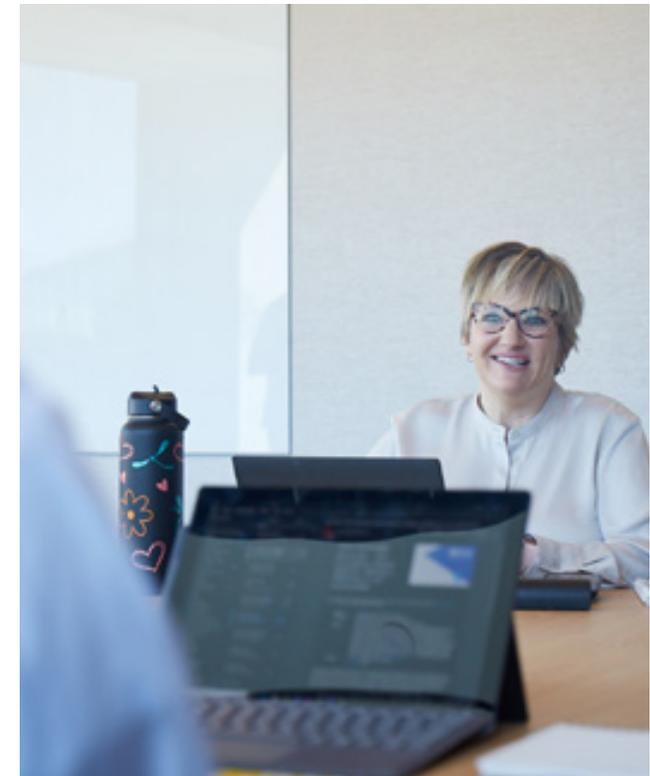
# Talent Development

Our culture is driven by lifelong learners and a genuine curiosity to innovate and solve our customers' toughest challenges. We are committed to aligning that curiosity with opportunity, providing employees with educational experiences that match their desire to learn and innovate, so they can grow their abilities to new levels. Through a combination of hands-on, collaborative and formal learning programs, employees can explore their interests and build new skills that both equip them for today and ready them for tomorrow.

## Learning for Everyone

Learners at ADI have choices. Development teams across engineering, sales, operations and human resources come together to deliver experiences that quicken onboarding, enhance performance, build managerial skills and ready employees for more complex roles. We employ the 70-20-10 learning model which places less emphasis on the traditional classroom learning (10%) and greater value on collaborative (20%) and on-the-job experiences (70%). This theme is woven throughout our learning programs.

We conduct an annual learning needs survey so employees have a say in their own development. Based on the findings, we update course offerings to ensure our suite of learning programs align with the most employee-requested topics. Individuals have the option to choose between live instruction or digital, self-paced content. Course run-times range from minutes to multiple days, so employees can select the content that best fits their needs.



Employees attended over 1,944 days of professional, business and leadership trainings

- Topics included subjects such as decision making, project management and situational leadership

Employees completed 5,745 digital, on-demand courses for a total of 5,863 hours of content

- Courses include those available through online partners such as LinkedIn Learning and EdX

# Preparing the Next Generation of Leaders

We recognize that to create and nurture high performing teams, it is critical that managers lead effectively. To create consistency around the employee experience and prepare managers for their leadership responsibilities, new managers are enrolled in a 12-week development program. At the end of last year, 90% of new managers had completed or were actively enrolled in this program.
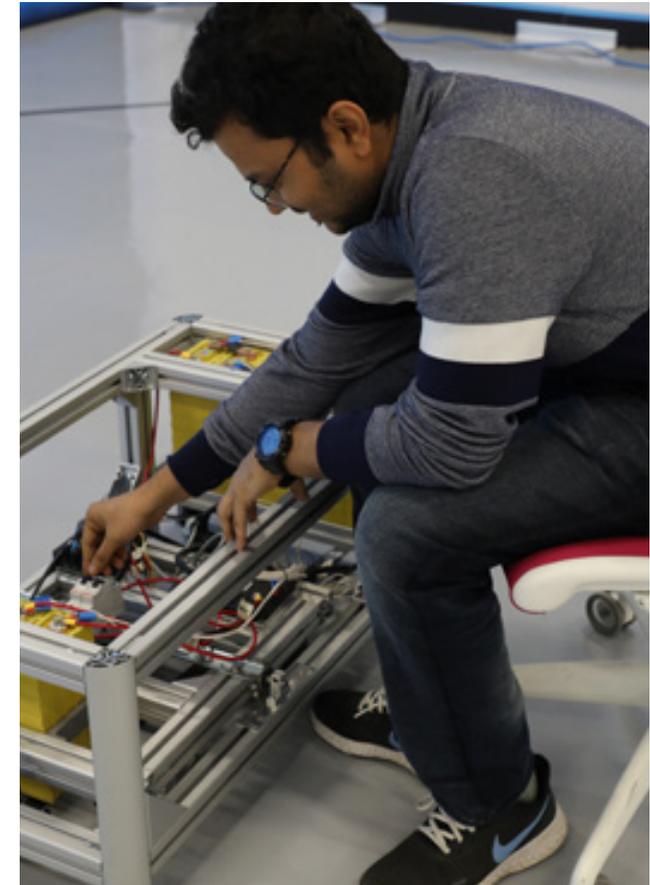


## LEADERSHIP PROGRAMS

- Elevate – leadership development for women
- People of Color Leadership Academy – leadership development for employees of color
- Enterprise Leader Program (ELP) – leadership development for senior leaders

# Building Engineering Skills for the Future

Our engineering teams are used to employing a test and learn methodology and working with ambiguity. Tapping into their curiosity and innovative mindset, they've been exploring how best to pivot and develop technical skills at a rapid pace and at scale. Their proactive approach to re-skilling and up-skilling has led them to create a new learning pathway for software.

The Software Engineering Reskilling Program is specifically designed to address ADI's evolving talent needs by expanding the skills of our technical workforce in the software domain. Recognizing that our employees are core to our competitive advantage, the program trains our existing engineers and immediately deploys them on a project that exercises their newly learned software skills. The program consists of a four-week course, an assigned software project aligned to their current objectives and expert mentoring to further support them throughout their journey. Through this program, average software proficiency assessment scores went up from 29% pre-program to 68% post-program. Based on the positive results, the program will be expanded both domestically and internationally. Using the software reskilling effort as a template, new learning paths for other emerging specialties are also being explored.



"

The two individuals who attended the first cohort of the Software Engineering Reskilling Program are already producing results and contributing to our explosive growth. The intense program has been well worth the investment. I am eager to send the remaining members on my team to the same program."

**MANAGER**, Technology Group

# Meeting the Needs of a Mobile Sales Workforce

Our culture of learning and curiosity also extends across our sales teams and channel partners. By understanding the unique needs of our sales function, our Sales Learning & Enablement team and ADI events team are able to design experiences that meet the needs of an on-the-go workforce.

Last fall, for our first Customer Engagement Conference, a cross-functional team – including senior executives, business unit leaders, technology group experts, and learning and event teams – developed a blend of on-demand, live instruction and just-in-time content that continues to deliver value even months after the close of the event. The team delivered a combination of 404 technical training videos (available on-demand), 68 live video demonstrations, 19 keynote sessions, 9 partner presentations and 28 workshops. During the conference, 908 unique viewers consumed over 2,000 hours of video content (equivalent to one work year worth of content).

In the five months after the end of the conference, an additional 221 unique viewers have consumed over 800 hours of video content. The continued usage highlights the relevance and impact of our growing learning libraries. By leveraging artificial intelligence and an advanced search engine, employees are able to search the videos for spoken words, text and graphics, increasing efficiency and giving them the content they need quickly. Our focus is not only on creating great content, it's also on providing the tools employees need to use and capitalize on these assets.

# Driving Excellence and Problem Solving

Our Global Operations and Technology (GO&T) team is on a constant mission to improve and deliver greater customer value. Through the design and delivery of employee skills development programs targeting Excellence at ADI, Quality Culture, Scientific Problem-Solving Methodologies – they're able to stay at the forefront of Lean-Agile practices, Six-Sigma tools, quality and innovation. With topics such as business priority alignment, product development execution and productivity optimization, the Excellence at ADI program reinforces our culture of quality and excellence; nearly 60% of all GO&T employees have now completed the Excellence at ADI and Quality Culture program. The Scientific Problem-Solving training offerings targets skills related to defect elimination, systematic root cause analysis and the development of high-performing systems, giving employees exposure to concepts around process improvement, bottom-line improvement, business responsiveness and customer-centricity. Switching to a completely virtual format, GO&T navigated the complexities of a distributed remote team and employees still managed to consume 19,197 hours of training content.

# Charting a Career

Careers at ADI can take many paths. To help employees navigate the opportunities, we launched the Analog Mentoring Program (AMP). In our first round of matching, we paired 298 employees with a mentor. The program matches participants based on area of expertise, personal objectives, experience level and a few personality characteristics. The structured design of the program means participants have access to guides, milestone trackers and reminders. AMP follows the success of previous, more targeted mentoring programs launched for our Young Professionals Network and our Women's Leadership Development program.



"

My mentor is very approachable and has a lot of wisdom. She gives me a lot of advice on how to manage and own my employment. I aspire to be a leader like her."

**MENTEE IN MANUFACTURING**, Philippines

# Compensation and Benefits

Our business is based on innovation and helping our customers solve some of the world's most complex problems. As a knowledge-based business, we believe that the skills, expertise and experience of our employees are unique and critical factors in our overall success. The competition for talent in the technology sector is fierce globally. To drive continued successful operational and financial performance, our total rewards package is designed to attract, retain and motivate our employees through generous compensation packages and provide highly relevant benefits that meet the needs of our employees worldwide.



## Compensation

ADI's compensation package provides market-competitive pay consisting of base salary and broad-based bonuses. In addition, a portion of employees of certain professional levels are eligible for stock awards.

Rewarding performance is a key component of our compensation philosophy. Employee bonus programs link employees' compensation to ADI's revenue and operational performance goals as we believe having all employees striving to achieve the same goals creates a common drive for excellence and celebrating achievement.

We examine pay, benefits and stock programs at least annually, including in-depth analysis against industry market data in all of the regions where we do business, to ensure our compensation programs remain competitive and compliant. As part of the Maxim integration, we have focused on creating a best in class compensation and benefits program to reflect the combined organization.

For example, beginning in June 2022, our employees will have the opportunity to purchase ADI stock at a competitive discount through our new Employee Stock Purchase Plan.

## Pay Equity

We are committed to equitable compensation regardless of gender, race or ethnicity. Our goal is to attain 100% pay equity. To this end, we conduct regular equal pay assessments with rigorous statistical analyses of employees performing similar work and make adjustments where appropriate. Also, we monitor our worldwide compensation for women compared to men, working to make adjustments within local practices. To assist in our efforts, we utilize a pay equity analytical tool that enables us to be more agile in addressing pay equity on a case-by-case basis as warranted.

We are in the process of integrating Legacy Maxim and Legacy ADI job architectures and compensation structures and will complete an updated pay equity analysis once the data for the combined organization is fully available.

# Benefits

ADI is proud to support our employees through their most important life moments with benefits programs that address their physical, mental and financial well-being. We provide benefits to most of our employees around the world. The benefits programs vary by country and are designed to adhere to local laws and regulations, as well as be competitive in the marketplace. Our benefits programs include a comprehensive healthcare plan – from medical, dental and vision plans to short-term and long-term disability plans – a retirement plan and paid time off.

We recognize that employees sometimes need flexibility in their work and life flow, and we have various leave programs to allow employees to take time away from work. As an example, ADI believes in the importance of providing parents time to bond with their new child. Our parental leaves vary by country and are often subject to local regulations.

During the fall annual enrollment in the United States, we announced expanded offerings:

- Six weeks of fully paid, gender-neutral parental leave benefits (for birth, adoption or foster placement)
- 10 weeks of paid medical recovery time through disability for birth-giving parents
- Medical, dental, vision and life insurance coverages extended to include domestic partners

With the Maxim integration, we will continue to review our benefits programs as we harmonize the offerings by country around the world. With the U.S. integration, we maintained several of our core benefits that include: transgender reassignment; generous fertility benefits through our UHC medical option; adoption financial assistance; and access to mental health treatments through virtual mental health visits, as well as up to six confidential, no cost counseling

sessions through our Employee Assistance Program. To assist with balancing caregiving needs, we continue to provide up to 10 backup child or adult care days through Bright Horizons. Also, we offer covered College Coaching services to employees and their families as they pursue continued education for their children, in addition to an education assistance plan for eligible employees who enroll in an ADI job- or career-related degree or certificate program. Through our U.S. 401(k) plan, we provide employees with a company contribution of 5% of their eligible pay, plus up to 3% matching contributions. We believe that financial well-being contributes to overall well-being, and this plan encourages a partnership with our employees to save towards their future.

As the COVID-19 global pandemic continued during 2021, we responded with additional paid time off programs by regional need for employees that were required to be onsite to perform their jobs. These programs were extended in India, Ireland, Malaysia, Philippines, Singapore and the United States. Most of these programs provided for up to two weeks at full pay for employees who were unable to be at work due to COVID-19 related issues. When India experienced a significant surge last May, we quickly responded by implementing several special COVID-19 employee support programs: up to four weeks of additional paid time off for all employees; teleconsulting medical visits; vaccination; and financial support, in addition to ongoing access to our local Employee Assistance Program (EAP). Local human resources and management teams also organized a virtual volunteer task force to help connect employees with needs to resources and information during this uncertain time. Our Philippines' employees organized local support networks for fellow colleagues impacted by COVID-19 illness.

We've also created ADI Flexible Work that allows eligible employees to work remotely up to two days a week, subject to government regulations and job requirements. The new flexible work policy, which includes both remote days and alternate schedule options, provides employees with more options to be productive and engaged. We believe that mobile technology, the nature of many work activities and our responsibility to reduce carbon emissions requires a new philosophy and culture regarding where and when work is conducted.

As we reflect on another year of navigating the global pandemic, it continues to shape our focus on employee well-being and providing flexibility with work and life flow. Over the next year and beyond, we will continue to listen to our employees and adapt the support we provide to match their emerging and evolving needs.

# Employee Engagement

At ADI, we believe the source of our greatness stems from our people. Over the past five decades, we have built our culture upon our core values of continuous learning, improvement and accountability. Our vision is to create a place where our employees have the freedom, skills and support to reach their full potential and make a meaningful impact on our customers and the greater communities we serve.
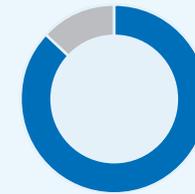
## Ensuring Employee Satisfaction

To ensure employees have what they need to thrive, we employ our ADI Pulse survey tool that uses the Glint Engagement platform. We view engagement as employee investment of their cognitive, emotional and behavioral energies toward positive company outcomes. Our engagement platform provides the flexibility, security and artificial intelligence to determine the factors that contribute to or take away from employee engagement. Through this platform, we measure metrics of engagement, employees' willingness to recommend ADI and their overall happiness on an annual basis. We use shorter ADI "mini" pulse surveys, town halls and roundtables to dive deeper into key topics and track our progress against core actions.
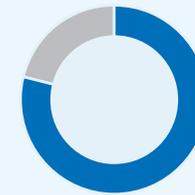
In 2021, we captured over 14,000 comments that help provide insights into specific attributes, scores and drivers of engagement. To ensure honest feedback and anonymity, we leverage Glint's security and anonymous thresholds so comments can't be tied back to an individual. Professional development, removing barriers to execution and a work-life balance were key themes that emerged from the survey and we're working in partnership with leaders and employees to address at a local and enterprise level.
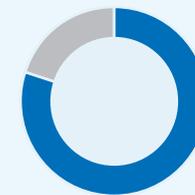
### 2021 SURVEY RESULTS

**87%**
Global Participation Rate
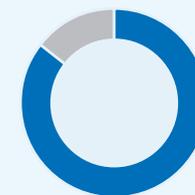(up 7pts vs. 2020)

**79**pts.
Overall Engagement
(up 3pts vs. 2020, up 5pts vs. 2020 benchmark)

**80**pts.
Likely to Recommend ADI
(up 3pts vs. 2020)

**77**pts.
Happy to Work at ADI
(up 3pts vs. 2020)

\*   Scores out of a 100 point scale

# Conducting a Comprehensive Review

Our survey review includes looking at both themes and suggestions from employees. We review the comments and identify connected themes that map back to our agility index, employee experience and leader effectiveness.

In order to drive transparency and action, we cascade the information through the organization, sharing first with the executive team, senior leaders and managers. At each level, actions are identified and tailored in support of themes at the organizational, business, functional and regional levels. Our managers hold meetings after results are shared so they can build action plans as a team. Lastly, we publish the overall results and actions to employees so we build credibility and reinforce that meaningful action will be taken on employee feedback.





"

Analog Devices is a company with a great culture. We've increased our ESG efforts and this helps every employee to find their place and feel engaged. I'm looking forward to seeing the great things the future holds."

MONICA R., Director, Systems Integration Engineering, Spain

# Health and Safety

## Our Approach

The health and safety of our employees and contractors is a top priority. All manufacturing sites have employee health and safety committees, which ensure our commitment to a safe operating environment is implemented. Our new Code of Corporate Social Responsibility details ADI's policies for itself and its suppliers in the areas of labor and human rights, health and safety, ethics, management systems and data privacy.

## ISO 45001

All of our Legacy ADI manufacturing facilities across the globe are certified to ISO 45001 Occupational Health and Safety management system standards or will be in 2022. All sites certified to ISO 45001 have an EHS policy that addresses the health and safety of employees. To maintain ISO-certification, we undergo independent third-party audits, and we ensure compliance with regulatory requirements through government agency inspections. ADI has high standards for health and safety programs and maintaining ISO 45001 certification is part of our expectations. We are developing a plan to bring the Legacy Maxim sites in line.
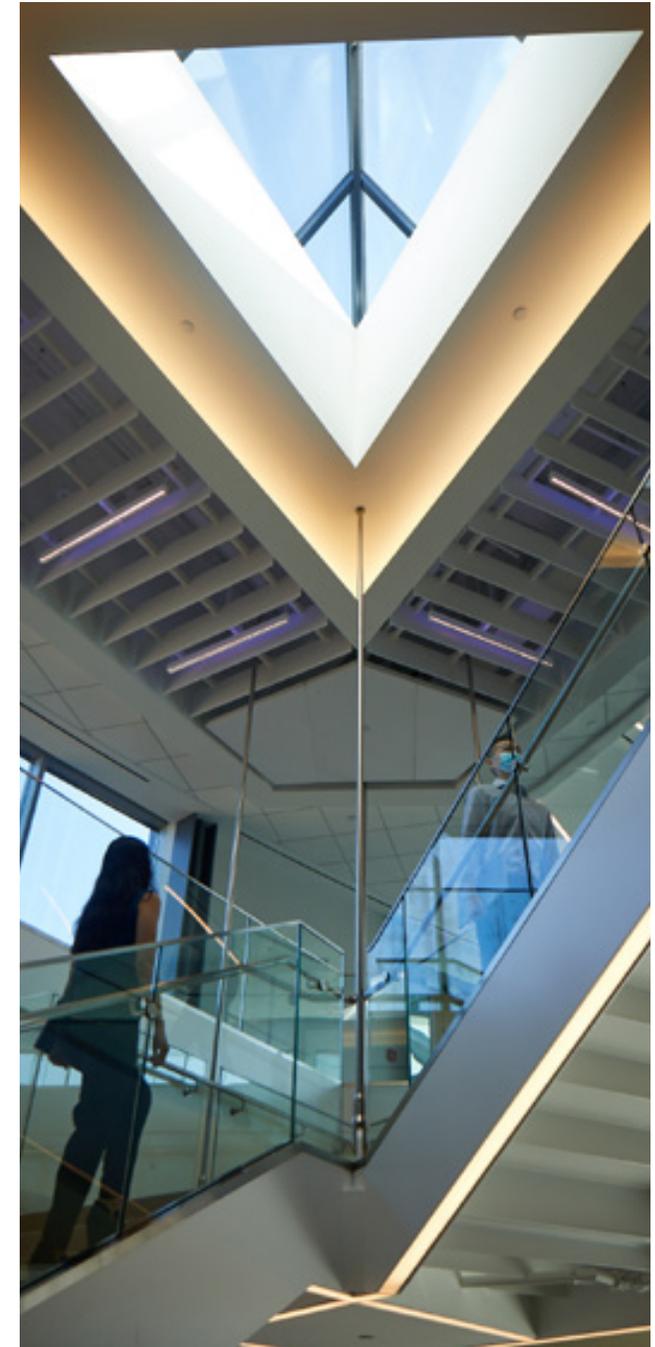
## Our Continued Response to COVID

In 2021, we continued to prioritize the protection of our essential workers as well as our employees working remotely in response to COVID-19 by making workplace adaptations and modifications to ensure the safety of our workforce. We implemented the use of thermal scanners in all our manufacturing facilities and, wherever it was feasible, devices were installed to ensure that social distancing is observed. In addition, Legacy ADI continued to provide qualified employees in specific countries and locations with additional paid time off for specific COVID-19 reasons under the COVID-19 Supplemental Paid Leave (CSPL) Program.

## Health and Safety Training

To support our employees in conducting their environmental health and safety (EHS) responsibilities, ADI provides comprehensive health and safety training that builds awareness and skills. Manufacturing employees undergo EHS training when they join ADI. Varied learning methodologies are employed to meet the needs of our diverse workforce, and EHS training is offered in different languages and through both web-based and on-site platforms. Training information is also tailored to what is needed for specific jobs, such as hazardous materials management, electrical safety, tool safety and ergonomic workplace design.

Planning for emergencies is another aspect of keeping our employees safe. Employees receive training on what to do in the event of an emergency, reporting an emergency and how to safely evacuate the building. Members of our emergency response teams (ERT) receive training which includes first aid, CPR, AEDs, bloodborne pathogens and chemical response.
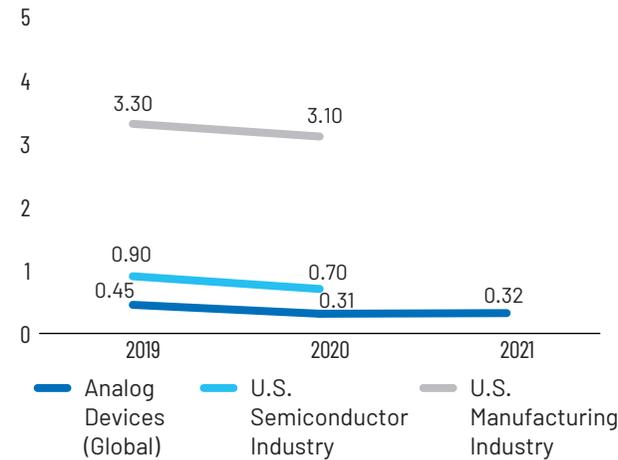
# 2021 Performance

ADI recognizes the importance of metrics to support our commitment to continuous improvement of our health and safety performance. We use two industry standard metrics to assess our injury performance and trends globally: incident rates and lost workday rates. We review our metrics on a consistent basis to understand how we are doing and learn where we can improve. We compare our incident rate and lost workday rate against the US Semiconductor Industry and US Manufacturing Industry rates as benchmarks.
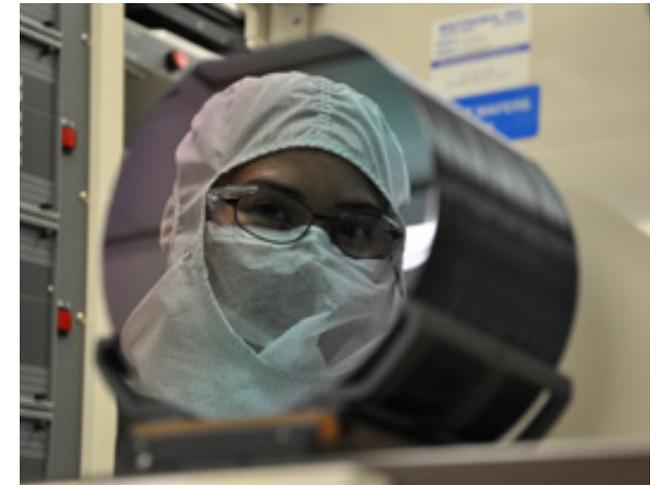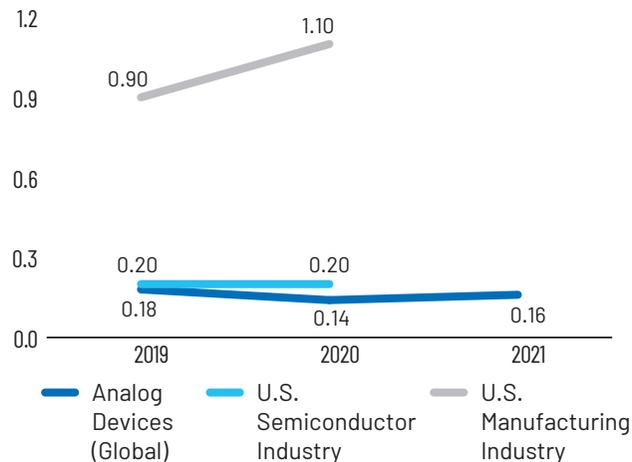
For 2021, ADI's record reflects our efforts to protect people. We achieved better rates than the industry averages for incident rates and lost workday rates. Our measurements include contingent workers and temporary workers in addition to all employees. The types of injuries are tracked at the site level; prevalent injury categories include slips and falls, overexertion and ergonomic issues.

There were no high-consequence injuries and no fatalities at any Legacy ADI or Legacy Maxim sites. To continuously improve our health and safety performance, every site maintains EHS-specific procedures and specifications, performs a periodic self-assessment or self-audit, posts health and safety communications, tracks its injury metrics, conducts investigations of safety incidents, and identifies causes and corrective actions.

## Incident Rates per 100 Workers



Line chart showing Incident Rates per 100 Workers for 2019, 2020, 2021. U.S. Manufacturing Industry: 3.30 (2019), 3.10 (2020). U.S. Semiconductor Industry: 0.90 (2019), 0.70 (2020). Analog Devices (Global): 0.45 (2019), 0.31 (2020), 0.32 (2021).

Legend: Analog Devices (Global) — U.S. Semiconductor Industry — U.S. Manufacturing Industry

## Lost Workday Rates per 100 Workers



Line chart showing Lost Workday Rates per 100 Workers for 2019, 2020, 2021. U.S. Manufacturing Industry: 0.90 (2019), 1.10 (2020). U.S. Semiconductor Industry: 0.20 (2019), 0.20 (2020). Analog Devices (Global): 0.18 (2019), 0.14 (2020), 0.16 (2021).

Legend: Analog Devices (Global) — U.S. Semiconductor Industry — U.S. Manufacturing Industry



## OVERSIGHT OF SUPPLIERS REGARDING LABOR AND WORKING CONDITIONS

All ADI suppliers are expected to meet the same standards for health and safety as ADI has set for itself. Suppliers must adhere to our Code of Corporate Social Responsibility and Code of Business Conduct and Ethics. These documents outline standards for labor and working conditions that include providing safe and healthy work environments.

As a member of the Responsible Business Alliance (RBA), ADI adheres to the RBA Code of Conduct, which outlines standards for labor and health and safety that aim to uphold the human rights and dignity of workers as well as minimize work-related injuries and illnesses. All of our manufacturing facilities are audited every two years through the RBA Validated Audit Program, which is the leading standard for onsite compliance verification and effective, shareable audits.

For more information, see the Supply Chain Management section of this report.

# ENGAGING WITH IMPACT

"The Foundation has continued to address new and ongoing challenges in 2021 to help protect and advance the health and wellbeing of our communities. We are thrilled to have had such a positive impact during the Foundation's second year and we remain as committed as ever to our mission in 2022."
– **ADI Foundation Board**

## IN THIS SECTION:

# ADI Foundation

## Focusing on Our Purpose and Priorities

ADI's purpose and commitment to Engineering Good is more important than ever, especially in these unprecedented times, as our world continues to deal with challenges associated with the COVID-19 pandemic. Since its creation in April 2020, the ADI Foundation has helped to expand our positive social impact and align our employee engagement and community investment initiatives. Our mission is to engineer a more sustainable future for our planet and people. We support charitable organizations that advance ADI's sustainability framework with myriad programs including employee matching gifts, employee matching volunteer hours, community grants and in-kind donations. The sustainability framework is centered on environmental, educational and societal pillars:

- *Protect the Environment:* Support initiatives that help reduce carbon emissions, conserve water and reduce waste, protect the ocean, and promote renewable energy sources.

- *Improve Education Access:* Support initiatives that broaden access to high-quality STEM education and job opportunities, as well as provide underserved communities with the tools they need to progress and thrive.

- *Advance Societal Change:* Leverage innovative solutions to solve community problems, support efforts to eradicate poverty, and promote health and well-being.



**The following information is based on the Foundation's fiscal year of November 1, 2020–October 31, 2021.**

**OUR IMPACT**

**FY 2021 Financial and Achievement Highlights**

**$1.8 M**
in community grants

**$1.4+ M**
in employee donations + Foundation match

**2,000+**
hours volunteered by ADI employees

**900+**
organizations supported

**16**
countries impacted

Click here to read our Foundation Report.

# Responding to the Pandemic

In FY 2021, ADI and the Foundation took action to help people around the world affected by the global pandemic. As ADI continued to produce technology for essential medical equipment, the Foundation extended its commitment to make charitable donations to both global and local pandemic response efforts. This includes the Foundation's support for vaccines in the ongoing fight against the COVID-19 virus.

On May 8, 2021, Global Citizen hosted VAX Live, a concert to raise funds for COVAX, a global program under Gavi, the Vaccine Alliance. The Foundation donated $1 million to Gavi through a contribution and employee matching program. For every $1 of employee donations, the Foundation contributed $4. In total, with the help of ADI's donation, Gavi delivered 987 million COVID-19 vaccines to 144 countries.

Additionally, as part of our continued support of the Massachusetts General Hospital's Vaccine & Immunotherapy Center (VIC), the Foundation once again granted over $500,000 dollars in 2021 to research on testing, treatments and vaccines.

# Access to STEM Education

Since our founding in 1965, ADI has devoted time, resources and unwavering support to promote STEM initiatives across the world. Our STEM education sponsorships focus on expanding access to STEM learning and careers, volunteering and mentoring, and investing in research opportunities.

"

This gift will allow over 1,400 middle-school students across the Malden schools to experience high-quality, rigorous STEM instruction that is aligned with the Massachusetts Curriculum Frameworks. It is wonderful that Malden, a gateway city with one of the most diverse school systems in the state, has the support of organizations such as the Analog Devices and the Museum."

**DOUGLAS DIAS**, director of STEM K-12 for Malden Public Schools

## Partnering to Advance STEM Initiatives

### Boston's Museum of Science

ADI sponsors the Engineering is Elementary (EiE) program at Boston's Museum of Science, supporting our shared goal of inspiring a lifelong love of science and helping to close the STEM opportunity gap. EiE provides environmental and engineering kits for middle school students in various Gateway Cities – midsize urban centers that face persistent social and economic challenges – across Massachusetts. In FY 2021, ADI supported 4,300 students across the various districts with STEM kits and our support will continue in 2022.

# FIRST®

Since 2003, ADI has proudly sponsored FIRST® (For Inspiration and Recognition of Science and Technology) through a range of activities and challenges. These include the organization's Robotics Competitions (ages 14-18), Technology Competitions (ages 12-18), Lego League (ages 9-14) and Junior Lego League (ages 6-10). In 2021, ADI sponsored a total of 38 teams where employees volunteered as team mentors and competition judges. ADI also contributed ADALM1000 and ADALM2000 (active learning modules) as well as the ADAP2000 (parts kit) to FIRST® teams.

"

FIRST® shares ADI's commitment to STEM programs in the communities where we work and live by inspiring the next generation of young people to pursue careers in engineering and math."
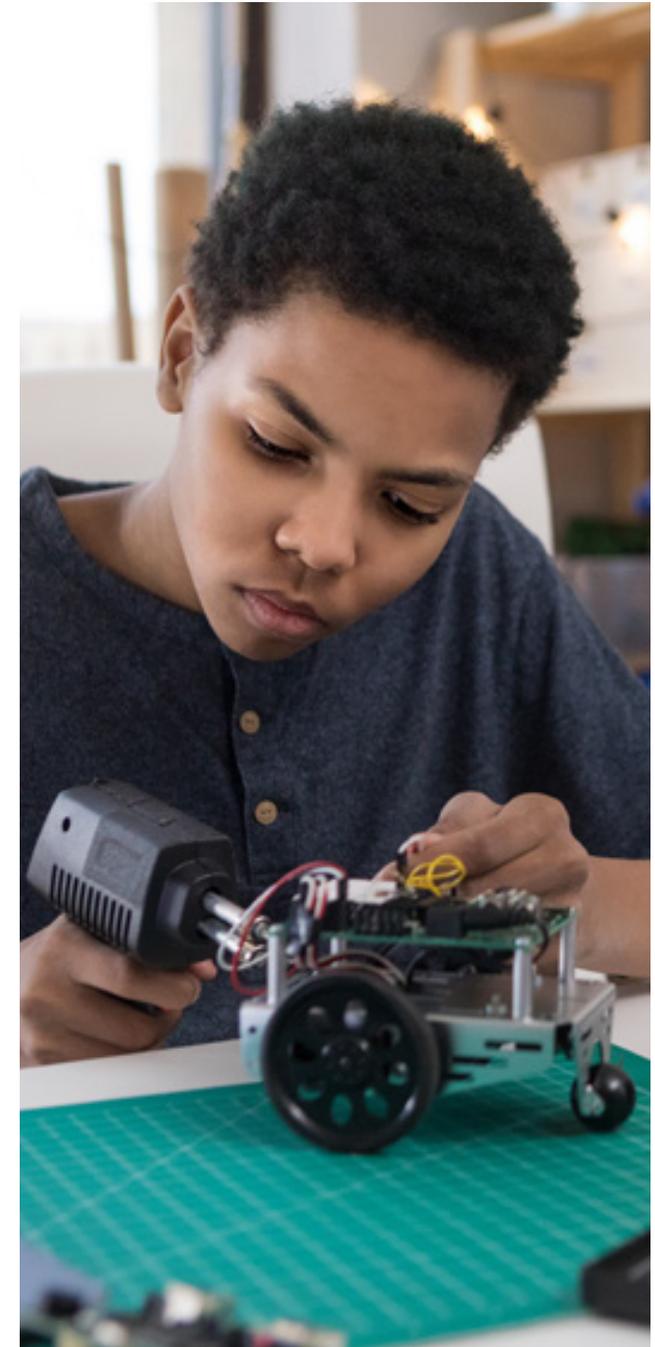
**VINCENT ROCHE**, Chief Executive Officer and Chair of the Board

# Science Buddies

ADI's Young Professionals Network used their knowledge to contribute learning materials to Science Buddies, creating a digestible curriculum on the complex topic of autonomous vehicles for students in grades K-12. Science Buddies – which reaches more than 19 million educators and students – is a nonprofit organization that aims to inspire and educate students through hands-on STEM educational experiences that reflect the students' unique personal interests. The organization's resources are free and open to everyone, making STEM learning possible for students of all ages and demographics. Science Buddies autonomous vehicle collection, created by ADI, will reach at least 25,000 students per year, helping them to better understand how these vehicles work and stoking interest in STEM disciplines.

# California Invention Convention

For over four years, Maxim has sponsored the California Invention Convention, which promotes innovation and entrepreneurship for students in grades K-12, and enables students to compete for awards in the state-wide event. Last year, the convention showcased over 400 innovative thinkers and 52 were honored with awards at the event, which was held virtually because of the pandemic.

# Engaging Students Globally

In the Philippines, ADI's Junior Aspirant (AJA) program encourages students in grades 10–12 to pursue engineering and technology courses. Sponsored by our Young Professionals Network (YPN), a virtual immersive program allows students to experience a day in the life of an engineer. Additionally, through the Philippines' Academe Linkage program, ADI provided demos, workshops, mentorship and a coder's guild where a virtual hackathon was hosted with over 22 schools and 66 teams participating.

In India, ADI held its annual technical competition, Anveshan, that provides an opportunity for engineering students to innovate and design products that can uplift the standard of living of our society. Selected project teams are funded and given access to hardware and tools, as well as ADI mentoring for over six months. Each year there is a theme for the competition. In previous years, the Anveshan themes were focused on applications. This past year, the theme pivoted to "silicon design to verification" to help address a technical gap in engineering talent in the region. In addition to Anveshan, ADI also supported the setup of laboratories in the Indian Institute of Technology (IIT) Bombay and Tirupati by donating ADALM1000s and SHARC DSP boards.

# Ensuring Continued Learning through Virtual Connections

The COVID-19 pandemic and subsequent worldwide shutdown created a new challenge for the educational system. In many ways, it accelerated certain trends of remote education and emphasized the importance of remote experimental work. ADI has been ideally positioned to provide capabilities to key partner educational institutions.

In the United States, ADI provided active learning modules to enable an urgent transition to remote lab work. Rensselaer Polytechnic Institute (RPI) – which has a long history of collaboration with ADI – developed a concept of "Pandemic-Proof Pedagogy" for the 2020-2021 academic year using ADI's active learning module ADALM1000. This enabled remote lab work for the Introduction to Electrical, Computer and System Engineering course. The initiative was made possible by the generous donation of Douglas Mercer, ADI Fellow, who pioneered key curriculum modules.

To grow the accessibility of the active learning modules to regions outside North America, ADI translated the Graphical User Interface (GUI) into multiple languages including Arabic, Simplified Chinese, Traditional Chinese, English, French, German, Italian, Japanese, Korean, Romanian, Spanish and Thai.

In China, ADI sponsored Tongji University DIAN racing team in the Formula Student Electric China (FSEC) competition, a worldwide formula electric motor racecar competition for students who want hands-on experience in innovative electric racing car design. The team designed, manufactured, and tested their small-scale formula-style race cars using donated ADI products such as LTC6804, LTC6820, and LT1111.

One of the exceptional features of active learning modules is the capability to measure and study usage of the platforms. ADI worked with a team at Morgan State University to gain insights into usage practices, which resulted in an NSF sponsored project, "Adapting an Experiment-centric Teaching Approach to Increase Student Achievement in Multiple STEM Disciplines." This project aims to serve the national interest by implementing an evidence-based, experiment-focused teaching approach, the Experiment Centric Pedagogy (ECP) in multiple STEM disciplines.



"

The ADALM1000 allows students to gain hands-on laboratory experience directly using their own laptop and parts, and then apply or reinforce their knowledge using industry-grade equipment on campus. The ADALM1000 is also 'open,' which means it has an open interface to allow students to be creative and find new ways to use the board."

**JOHN WEN**, Head of the Department of Electrical, Computer and Systems Engineering at Rensselaer Polytechnic Institute
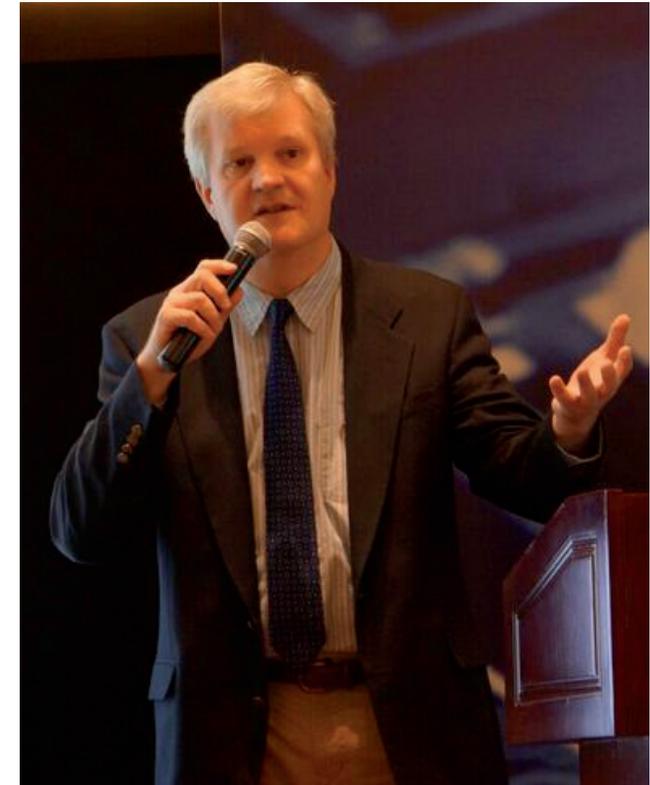
# Investing in Research to Support Sustainability

To stay at the forefront of technology innovation, ADI is continuously investing in leading research activities that support a sustainable future. These investments span a wide range, from basic scientific explorations to applied research. Some examples include:

- UC Berkeley Sensor and Actuator Center (BSAC)
- UC Berkeley Wireless Research Center (BWRC)
- Stanford System X Alliance
- Center for Power Electronics Systems (CPES)
- NSF Power Management Integration Center
- NSF Center for Advanced Electronics through Machine Learning (CAEML)
- NSF Advanced Self-Powered Systems of Integrated Sensors and Technologies (ASSIST)
- University of Michigan transportation research at MCity
- MIT Medical Electronic Device Realization Center (MEDRC)
- MIT Center for Quantum Engineering
- NSF Center for Hardware and Embedded System Security and Trust (CHEST)
- UMass Lowell Printed Electronics Research Collaborative

In the past year, ADI has added several new programs to expand in scope. We have:

- Partnered in establishing 2021 Semiconductor Research Corporation Multi-Center Joint University Microelectronics Program (JUMP) 2.0 public/ private partnership program that supports high-risk, high-payoff research that addresses existing and emerging challenges in information and communication technologies.
- Joined MIT Future Energy Center to engage in transition of energy as new technology and understand impact on policy, demographic and sustainability.
- Engaged with NSF Broadband Wireless Access & Applications Center (BWAC) to advance wireless technologies and provide cost-effective and practical solutions for next-generation (5G & beyond) wireless systems, including millimeter-wave communications and wireless cybersecurity.
- Joined 2021 MIT Center for Transportation and Logistics (CTL) to focus on sustainable supply chain and green logistics topics.
- Become an inaugural member of MIT AI Hardware Program that will define and develop translational technologies in hardware and software for the AI and quantum age.



"

ADI programs are designed to nurture the translation of basic research into applied technology, to help educate new generations of scientists and engineers, and to attract new talent to ADI."

**ZORAN ZVONAR**, Fellow, Director of University Programs

# Employee Participation

## Contributing to Our Communities

The Foundation is proud to support the volunteer work and charitable giving of ADI employees, as we recognize that our communities benefit from their enthusiasm, generosity and creative spirit. The Foundation offers matching gifts for both direct donations and volunteer hours at eligible charitable organizations, up to $1,000 per employee, per fiscal year. This includes the Foundation donating $10 for every hour volunteered by an employee, benefiting the organization where the employee volunteered. In 2021, ADI employees volunteered more than 2,000 hours, and employee donations matched with Foundation funds generated $1.4 million for charitable organizations.



ADI participated in the virtual Race to End Hunger to raise money for local food bank Second Harvest of Silicon Valley. Last year, we raised enough to provide for 345,456 meals. In all, the race will provide over 2 million meals.

For over seven years, ADI has been a contributing to Habitat for Humanity Lowell, whose mission is creating affordable homeownership with a "hand up, not a handout." Families are required to put in "sweat equity" hours working on their homes, attending financial training classes and volunteering at the Habitat ReStore. When their homes are complete, each family will pay an affordable, no interest mortgage, which allows for building other affordable houses for local families.





Employees participate in the Massachusetts Coalition for the Homeless program, "A Bed for Every Child." The statewide program provides beds for families in need.



Employees from the CTO and Human Resources business units, summer interns and members of both the POCAN (People of Color and Allies Network) and the YPN (Young Professionals Network) hammered, sawed and sweated their way through build days during July, September and October 2021.

**"**

It's not just about where you've written a check. It's how you have rolled up your sleeves and gotten involved."

**CHRISTINA DERVIN**, Executive Director, ADI Foundation

# Supporting Community Grants

One of our key objectives in offering community grants is driving meaningful change and a more sustainable future by identifying grant recipients that are important to our employees and representative of the communities in which we live and work. We believe our employees have great ideas for rewarding grants, and we encourage them to propose local charitable organizations that align with our mission and sustainability focus areas. With an average grant of $25,000, the Foundation provided a total of $1.8 million in global community grants last year.



"

At ADI, we know that everyone must do something every day to stem the environmental emergency. For this reason, I support Plasticaqquà, because they keep the sea and the coast clean from plastic for a more sustainable environment."

**COSIMO CARRIERO**, Field Applications Engineer and Green Team Leader, Italy



**NONPROFIT SPOTLIGHT**

The ADI Foundation and ADI's global team members fundamentally believe we have a responsibility to protect our environment, which is why the Foundation engages in impactful initiatives alongside our employees.

In Italy, we have partnered with Plasticaqquà APS – a group of citizens who voluntarily clean up the coasts and the beaches of Taranto. The organization promotes environmental awareness actions in schools, parishes, scout groups, organizations and associations, including the enhancement of abandoned coastal stretches, sustainability and reporting.

ADI's Foundation provided a $12,000 grant that allows Plasticaqquà APS to expand its insurance coverage so more people can take part in cleanup events and buy additional resources, such as gloves, bags, boots, overalls and other tools for their activities. This resulted in 5,022 kilograms (11,072 pounds) of garbage collected over the course of 18 cleanups. The donation also supported educational materials about the recycling and reuse of plastic for school workshops, and bought merchandise for Plasticaqquà APS's Eco-Bookshop, where a book can be bought for 10 plastic bottles or 10 cans.

ADI employees also rally behind Plasticaqquà APS's mission. Cosimo Carriero, a field applications engineer based in Como, biked 1,500 kilometers (932 miles) across Italy to raise funds for the organization. Donations made in support of his journey helped fund several projects, including the purchase of boats for cleaning the stretches of coast inaccessible from the mainland, carrying out remediation interventions in the open sea and purchasing machines to recycle plastics.

**NONPROFIT SPOTLIGHT**

ADI has called Massachusetts home since its founding in 1965 and, since day one, has dedicated its resources to inspiring young people in the local area through a range of science and math activities and mentorship programs. As world leaders in technical innovation, ADI has a rich legacy of fostering the next generation of innovators to create a stronger economy and better future.

To advance science- and engineering-based research, ADI partnered with UMass Lowell, a national research university that provides education to 18,000 undergraduate and graduate arts and sciences students.

In 2021, the ADI Foundation funded a grant of $125,000 and provided $165,000 worth of lab equipment to UMass Lowell to accelerate engineering research. In addition, to counteract the challenges of remote learning during the pandemic, the Foundation financed the construction and development of a new research lab, equipping three classrooms with the necessary equipment to enable a live-like classroom experience for remote students. This included adding video cameras with tracking capabilities, audio and computer equipment, and improved lighting of the classroom stage.



**NONPROFIT SPOTLIGHT**

The ADI Foundation is helping Life Services Alternatives (LSA) reduce its operational costs through a $30,000 grant to purchase solar panels. LSA is a non-profit organization based in San Jose, California, that provides community living and programs for adults with developmental disabilities. LSA manages and operates 15 licensed residential care homes in neighborhood settings, enabling its residents – including those with enduring medical needs – to receive life-long services while living in a community. LSA assists in the purchasing, renovation and personalization of each home, and provides trained care providers to help residents.

The addition of solar panels for these homes significantly lowers energy costs, as well as greenhouse gas emissions, particularly carbon dioxide ($CO_2$).


Life Services Alternatives

# Donating Needed Supplies

ADI is pleased to provide organizations with goods and supplies that truly make a difference in the lives of our community members. These include school supplies for homeless students and donated laptops that are used for learning, communication and therapy. Many of these supplies were collected by our summer interns, who created four different service projects based on the needs of the nonprofit organizations they selected.

"

Analog Devices: Thank you for your generous gift to School on Wheels. Your support will help us provide students with the tools they need to be successful in their education. Thank you for helping us make a difference in the lives of children experiencing homelessness."

**MARISOL FARFAN**, Volunteer Engagement Specialist at School on Wheels

# Making Waves: The Ocean and Climate Innovation Accelerator

For decades, Analog Devices has built bridges between the physical and digital worlds, transforming complex, real-world signals into insights and actions that improve lives. Problem solvers by trade, we realize that one of the greatest challenges of our time is the climate crisis. Why? Our future depends on it.

But humanity's growing carbon footprint is damaging the very life-support systems that sustain us. Many approaches to address climate change are land-based, but because Earth is an ocean planet and the ocean and climate are linked as part of a single "Earth system," a comprehensive and successful approach to climate change must also involve the ocean.

A critical part of the ocean-climate system is the planetary carbon cycle. Our ocean stores roughly 50 times more carbon than our atmosphere. The ocean has vast capacity to absorb carbon – enough to make a real difference in efforts to stem, and perhaps even reverse, the long-term impacts of climate change. But the ocean is a remote, challenging and corrosive environment to operate in, and ocean-based solutions are difficult to scale. To create viable solutions to our climate crisis, we need collective action across the public, academic and business landscape.

That's why we launched the Ocean and Climate Innovation Accelerator (OCIA) with Woods Hole Oceanographic Institution (WHOI) in 2021, a first-of-its-kind consortium. The OCIA is an engine for continuous knowledge and solutions development focused on restoring ocean and planetary health. The combination of Analog Devices and WHOI's world-class ocean scientists and engineers, together with other like-minded industry players, will help us accelerate the pace of innovation for ocean-based climate solutions.

"Tackling climate crises requires collective action, and collective courage, from everyone," said WHOI President and Director Peter de Menocal. "ADI has shown it is not shying away from the climate fight, and we could not ask for a better partner."

# Looking Ahead

The OCIA framework focuses on innovation hubs that inform market strategy and advance ocean technologies in sensing, measuring, power and networking. As a start, Analog Devices committed $3 million over 3 years for the OCIA. In the first year, OCIA awarded grants to five distinct science and technology projects, all based on the overarching theme of ocean-based carbon capture and transport. These grants, consist of three Incubation Awards which are smaller grants to fund early exploration work and two Acceleration Awards, which are larger grants to support design and/or early execution of new, cutting-edge scientific initiatives. The OCIA will take a venture-capital-style approach to help scale the most successful of these projects with further support.

Inaugural projects include:

### INCUBATION AWARDS

- **Carbon and pH Sensors:** Develop and deploy cost-effective carbon and pH sensors to enable cost-effective fishery and community-based carbon observing networks.

- **Tiny Respirometers:** Accelerate exploration and understanding of carbon's path through the ocean by monitoring carbon flux continuously through the ocean's midwater – or "twilight zone" – with development of new instrument called CRITTR (Continuous Reconnaissance In-situ Twilight zone Tiny Respirometer). This will shed new light on one of the most critical processes involved in ocean-based carbon capture and sequestration.

- **Zero Power Buoyancy Engine:** Develop zero-power-return buoyancy engine for autonomous underwater vehicles monitoring ocean conditions to extend the life of these robots and make them easier to retrieve from the ocean.

### ACCELERATION AWARDS

- **Carbon Dioxide Removal:** Explore the effectiveness of oceanic iron fertilization in capturing and sequestering carbon using a special iron isotope – iron 57 – that can act as a marker enabling scientists to trace the carbon journey through ocean food webs and ultimately into the deep sea, where it can remain for hundreds to thousands of years.

- **Air-sea carbon dioxide exchange:** Direct measurement of air-sea carbon dioxide exchange via whitecap activity over coastal and open ocean areas, a critical first step in the ocean carbon cycle.

Working towards a "grand challenge" vision of ocean-based climate solutions, the OCIA will award grants annually. The theme for year two is sea-level rise and coastal risk reduction.

## Bringing the Full Potential of ADI

"

At ADI, we bring the full depth and breadth of our resources to support the OCIA. We've provided access to ADI's smartest minds for collaboration, ideation and innovation. Collaboration between our teams occurs in many ways.

"For instance, we connect each grant recipient with an ADI engineer in the needed area of expertise. From there, we also hold monthly Lightning Talks between ADI and WHOI and have private, online collaboration spaces so employees from both organizations can share ideas. Every WHOI scientist and engineer, not just grant recipients, can connect with ADI sales teams to access our existing technologies and get help designing them into current projects. In fact, these employee-to-employee interactions are a key component of the OCIA.

"Our people expect ADI's ESG commitment go beyond charitable giving and green targets. Our employees have already shown their passion to connect to something larger, especially in the inaugural year of the OCIA. This is just the beginning."

**DAN LEIBHOLZ,** Chief Technology Officer, Analog Devices

# APPENDICES

IN THIS SECTION:

# About this Report

## Our Commitment to Transparency

This report covers ADI's environmental, social and governance activities, primarily for 2021. Financial data included in this report is aligned to ADI's fiscal year end in October and, unless otherwise noted, is unaudited and includes Maxim's financial results from November 1, 2020 through August 26, 2021 (the date of acquisition), which have not been included in ADI's income statement for fiscal year 2021. Other data sets included in this report are on a calendar-year basis, unless otherwise noted.

This report reflects ADI's commitment to our planet, communities and people. ADI is our committed to

transparency in order to deepen existing conversations with our stakeholders about our important programs. While the contents within this report have not been externally assured, the information and data within has been quality reviewed for completeness and accuracy by management and ADI's dedicated internal resources.

In addition to the UN SDGs, we have considered three key sustainability reporting frameworks as we developed this report: (1) the Task Force on Climate-related Financial Disclosures (TCFD) framework, (2) industry-specific standards from the Sustainability

Accounting Standards Board (SASB) and (3) the Global Reporting Initiative (GRI) Standards (Core). TCFD, SASB and GRI indices can be found here.

In 2021, we continued our commitment to integrated reporting by including environmental, social and governance information in our 2021 Annual Report on Form 10K and 2021 Proxy Statement, available on our Investor Relations website.

# Environmental Performance Summary

## Environmental Data*

| | | Units | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| **Greenhouse Gas (GHG) Emissions**** | Total Scope 1 – direct GHG emissions | $CO_2$e metric tons | 167,937 | 168,487 | 162,740 |
| | Total Scope 2 – indirect GHG emissions | $CO_2$e metric tons | 182,187 | 186,987 | 179,902 |
| | Total Scope 3 – other indirect GHG emissions | $CO_2$e metric tons | *** | *** | *** |
| **Energy** | Non-renewable electricity (purchased) | Megawatt hours | 344,655 | 355,533 | 345,844 |
| | Renewable energy – direct procurement | Megawatt hours | 194,308 | 178,283 | 177,112 |
| | Renewable energy – renewable energy certificates (RECs) | Megawatt hours | 29,042 | 13,370 | 12,906 |
| **Water** | Water consumed | Gallons | 961,438,867 | 938,363,280 | 911,527,228 |
| | Water recycled | Gallons | 223,472,131 | 223,498,497 | 217,368,422 |
| **Waste** | Total waste | Metric tons | 5,056 | 4,372 | 4,600 |
| | Total non-hazardous waste recycled | Metric tons | 2,076 | 1,740 | 1,820 |
| | Total non-hazardous waste to landfill | Metric tons | 843 | 723 | 651 |
| | Total hazardous waste | Metric tons | 1,485 | 1,368 | 1,455 |
| | Total hazardous waste recycled | Metric tons | 265 | 273 | 427 |

\* All data is for a combined ADI, inclusive of Legacy ADI and Legacy Maxim.

\*\* Manufacturing site data received external review with limited assurance. Non-manufacturing data was not externally assured at the time of this report's issuance, but is forthcoming.

Historically, we have only accounted for emissions generated from manufacturing sites owned or controlled by ADI because they are more resource-intensive compared to our non-manufacturing sites. As part of our updated target setting, we have expanded the scope of our emissions inventory to now include both manufacturing and non-manufacturing sites owned or controlled by ADI, covering 100% of our Scope 1 and 2 emissions.

\*\*\* Value chain emissions are a critical component of understanding our environmental impact. We are inventorying our Scope 3 emissions, and are currently calculating upstream and downstream categories for Legacy ADI and Legacy Maxim. Verified data is forthcoming.

To view our Assurance Statements click here.

# Methodology

For our greenhouse gas (GHG) and energy inventory process, we follow the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard*. ADI utilizes the Standard for all definitions, assumptions and calculations unless stated otherwise. As recommended by the Standard, ADI will recalculate historic emission data following significant structural changes such as acquisitions, divestitures and mergers. ADI's 2021 ESG Report reflects emission data for a combined ADI, inclusive of Legacy ADI and Legacy Maxim.

The Standard defines Scope 1 emissions as direct GHG emissions from sources that are owned or controlled by the company, Scope 2 emissions are those from the generation of purchased electricity consumed by the company and Scope 3 (value chain emissions) are those that arise because of the activities of the company but occur from sources not owned or controlled by the company. ADI reports all GHG data with the unit of $CO_2$-equivalent, the universal unit of measurement.

For Scope 1 and 2, we report under the Standard's "control approach" for emission from sources over which we have full control. Our inventory process includes data from all our sites including manufacturing facilities and non-manufacturing offices. Data was collected from all manufacturing sites and "large" non-manufacturing sites (greater than 80 employees). During our 2019 baseline year calculations, we determined which offices to collect data from using headcount coverage. We collected actual data for sites covering a minimum of 95% of employee, the remaining sites were estimated using benchmarks calculated internally. That initial assessment revealed that non-manufacturing office locations less than 5,000 ft$^2$, for which we do not assume full control, comprise less than 0.5 percent

of our overall emissions. ADI does not collect detailed emissions data from worldwide office locations that fall within the remaining 5% of headcount due to the difficulty and expense that would be associated with such an effort in comparison to the relative significance of the emissions in our overall inventory. This ensures that our emissions inventory covered a minimum of 95% of emissions and aligns with the SBTi criteria regarding "target boundaries". The inventory scope is adjusted annually to reflect acquisitions, divestures or sites that meet the reporting criteria for the first time. Emissions for remaining offices that do not meet our minimum are extrapolated. For Scope 2, the Standard requires that calculations use both the location-based method (showing what the company is physically emitting) and the market-based method (showing what the company emits through purchasing decisions).

For Scope 3, a combination of methodologies is used depending on the data available. Where primary data is not available, we model emissions using industry benchmarks and publicly available databases.

ADI uses emissions factors to determine the GHG emissions from a unit of activity data. These factors, for Scope 1, are primarily from the U.S. Environmental Protection Agency (EPA) *Climate Leadership Emission Factors for Greenhouse Gas Inventories*. Where EPA factors did not include $CH_4$ or $N_2O$, the BEIS ratio vs. carbon was applied. For Scope 2 location-based emissions, relevant country emission factors were applied (IEA and EPA). For market-based emissions, residual emission factors were applied where available; otherwise, location-based emission factors were used (eGRID and AIB). Global warming potentials were aligned to Intergovernmental Panel on Climate Change's *Fourth Assessment Report*.

Several initiatives are underway to define more clearly what constitutes "green" business activity, with stakeholders across geographies and industries engaged in deep conversation. In light of the lack of a singular standard, ADI references the FTSE Russell Green Revenues Classification System 2.0 (GRCS), one of the few public, comprehensive taxonomies for green products and services. The GRCS provides set descriptions for sectors, sub-sectors and micro-sectors, to which we consulted as we mapped our product families to applications that benefit the environment. Our technology broadly align with the Energy Generation, Energy Management & Efficiency, Energy Equipment, Transport Equipment, and Water Infrastructure & Technology sectors of the GRCS. As the field evolves, we will reference the GRCS, other classification systems and regulatory guidance as appropriate.

# SASB

## Table 1. Sustainability Disclosure Topics & Accounting Metrics

| Topic | Accounting Metric | Category | Unit of Measure | Code | Response | Location |
|---|---|---|---|---|---|---|
| Greenhouse Gas Emissions | (1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds | Quantitative | Metric tons (t) $CO_2$-e | TC-SC-110a.1 | (1) 167,936 $CO_2$e metric tons (2) Not specified | *2021 ESG Report*: Environmental – Climate and Energy, page 64; ESG Performance Summary, page 106 |
| | Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | Discussion and Analysis | n/a | TC-SC-110a.2 | | *2021 ESG Report*: Environmental – Climate and Energy, pages 64-65 |
| Energy Management in Manufacturing | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable | Quantitative | Gigajoules (GJ), Percentage (%) | TC-SC-130a.1 | (1) Not disclosed (2) Not disclosed (3) 39% | *2021 ESG Report*: Environmental – Progress on Environmental Goals, page 63 |
| Water Management | (1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress | Quantitative | Thousand cubic meters ($m^3$), Percentage (%) | TC-SC-140a.1 | (1) Not disclosed (2) 961,888,584 gallons (3,641 thousand cubic meters) | *2021 ESG Report*: Environmental – Water, page 67; ESG Performance Summary, page 106 |

| Topic | Accounting Metric | Category | Unit of Measure | Code | Response | Location |
|---|---|---|---|---|---|---|
| Waste Management | Amount of hazardous waste from manufacturing, percentage recycled | Quantitative | Metric tons (t), Percentage (%) | TC-SC-150a.1 | Hazardous waste: 1,489 metric tons<br><br>Recycled hazardous waste: 265 metric tons<br><br>Percentage recycled: 18% | *2021 ESG Report*: Environmental – Waste, page 68; ESG Performance Summary, page 106 |
| Employee Health & Safety | Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards | Discussion and Analysis | n/a | TC-SC-320a.1 | | *Code of Corporate Social Responsibility*: Health and Safety, pages 2–3 |
| | Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations | Quantitative | Reporting currency | TC-SC-320a.2 | | |
| Recruiting & Managing a Global & Skilled Workforce | Percentage of employees that are (1) foreign nationals and (2) located offshore | Quantitative | Percentage (%) | TC-SC-330a.1 | (1) Not disclosed<br><br>(2) 10.8% of employees are in EMEA countries and 58.6% of employees are in APAC countries | *2021 ESG Report*: Social – Workforce Data Snapshot, page 74 |
| Product Lifecycle Management | Percentage of products by revenue that contain IEC 62474 declarable substances | Quantitative | Percentage (%) | TC-SC-410a.1 | Not disclosed | |
| | Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops | Quantitative | Various, by product category | TC-SC-410a.2 | Not disclosed | |
| Materials Sourcing | Description of the management of risks associated with the use of critical materials | Discussion and Analysis | n/a | TC-SC-440a.1 | | *2021 ESG Report*: Governance – Responsible Mineral Sourcing, pages 56–57 |

| Topic | Accounting Metric | Category | Unit of Measure | Code | Response | Location |
|---|---|---|---|---|---|---|
| Intellectual Property Protection & Competitive Behavior | Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations | Quantitative | Reporting currency | TC-SC-520a.1 | | |

## Table 2. Activity Metrics

| Activity Metric | Category | Unit of Measure | Code | | |
|---|---|---|---|---|---|
| Total production | Quantitative | See note | TC-SC-000.A | Not disclosed | |
| Percentage of production from owned facilities | Quantitative | Percentage (%) | TC-SC-000.B | | *2021 Form 10-K:* Item 1. Business – Production Resources, pages 7-8 |

# TCFD

| Topic | Recommended disclosure | Response or location |
|---|---|---|
| **Governance:** Disclose the organization's governance around climate-related risks and opportunities. | a. Describe the board's oversight of climate-related risks and opportunities. | *2021 ESG Report:* Governance – Risk Oversight, pages 40-41; Enterprise Risk Management, pages 44-45<br><br>*2022 Proxy Statement:* Proxy Summary – Corporate Responsibility – Sustainability Governance, page 9 |
| | b. Describe management's role in assessing and managing climate-related risks and opportunities. | *2021 ESG Report:* Governance – Risk Oversight, pages 40-41; Enterprise Risk Management, pages 44-45<br><br>*2022 Proxy Statement:* Proxy Summary – Corporate Responsibility – Sustainability Governance, page 9 |
| **Strategy:** Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material. | a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. | *2021 ESG Report:* Economy – Sustainability as a Business, pages 20-24<br><br>*2021 Form 10-K:* Item 1A. Risk Factors, page 19<br><br>*2022 Proxy Statement:* Innovating for Environmental Sustainability, page 10 |
| | b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. | *2021 ESG Report:* Economy – Sustainability as a Business, pages 20-24<br><br>*2021 Form 10-K:* Item 1A. Risk Factors, page 19<br><br>*2022 Proxy Statement:* Innovating for Environmental Sustainability, page 10 |
| | c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | *Sustainability-Linked Financing Framework September 2021:* I – Introduction – Sustainability Strategy – 1. Protect and Regenerate the Environment, pages 4-6; II – Analog Devices Sustainability-Linked Financing Framework – Selection of Key Performance Indicator (KPI), pages 12-15 |
| **Risk Management:** Disclose how the organization identifies, assesses, and manages climate-related risks. | a. Describe the organization's processes for identifying and assessing climate-related risks. | *2021 ESG Report:* Governance – Risk Oversight, pages 40-41; Enterprise Risk Management, pages 44-45; Environmental, pages 58-70 |
| | b. Describe the organization's processes for managing climate-related risks. | *2021 ESG Report:* Governance – Risk Oversight, pages 40-41; Enterprise Risk Management, pages 44-45; Environmental, pages 58-70 |
| | c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management. | *2021 ESG Report:* Governance – Risk Oversight, pages 40-41; Enterprise Risk Management, pages 44-45; Environmental, pages 58-70 |

| Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material. | a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. | *2021 ESG Report:* Environmental, pages 58-70<br><br>*Sustainability-Linked Financing Framework September 2021*: I – Introduction – Sustainability Strategy – 1. Protect and Regenerate the Environment, pages 4-6; II – Analog Devices Sustainability-Linked Financing Framework – Selection of Key Performance Indicator (KPI), pages 12-15 |
|---|---|---|
| | b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. | *2021 ESG Report:* Climate and Energy, page 64; ESG Performance Summary, page 106<br><br>*Sustainability-Linked Financing Framework September 2021*: I – Introduction – Sustainability Strategy – 1. Protect and Regenerate the Environment, pages 4-6; II – Analog Devices Sustainability-Linked Financing Framework – Selection of Key Performance Indicator (KPI), pages 12-15 |
| | c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets. | *2021 ESG Report:* Environmental, pages 58-70<br><br>*Sustainability-Linked Financing Framework September 2021*: I – Introduction – Sustainability Strategy – 1. Protect and Regenerate the Environment, pages 4-6; II – Analog Devices Sustainability-Linked Financing Framework – Selection of Key Performance Indicator (KPI), pages 12-15 |

# GRI Index

| Disclosure Number | Disclosure Title | Response or Disclosure Location |
|---|---|---|
| 102-1 | Name of the organization | Analog Devices, Inc. |
| 102-2 | Activities, brands, products, and services | *2021 ESG Report:* About ADI – Who We Are – About Analog Devices, pages 5-7 |
| | | *2021 Form 10-K:* Item 1. Business – Company Overview, Strategy and Mission, page 2; Products, pages 3-4 |
| 102-3 | Location of headquarters | Wilmington, Massachusetts U.S.A |
| 102-4 | Location of operations | *2021 ESG Report:* About ADI – Who We Are – About Analog Devices, pages 5-7 |
| | | *2021 Form 10-K:* Item 1. Business – Company Overview, Strategy and Mission, page 2; Production Resources, pages 7-8; Item 2. Properties, page 23 |
| 102-5 | Ownership and legal form | *2021 Form 10-K:* Item 1. Business – Company Overview, Strategy and Mission, page 2 |
| 102-6 | Markets served | *2021 ESG Report:* About ADI – Who We Are – About Analog Devices, pages 5-7 |
| | | *2021 Form 10-K:* Item 1. Business – Markets, pages 5-6 |
| 102-7 | Scale of the organization | Fiscal 2021 Revenue: $7.3B |
| | | *2021 ESG Report:* About ADI – Who We Are – About Analog Devices, pages 5-7 |
| 102-9 | Supply chain | *2021 ESG Report:* Governance – Supply Chain Management, pages 54-55; Responsible Mineral Sourcing, pages 56-57 |
| 102-10 | Significant changes to the organization and its supply chain | *2021 ESG Report:* Who We Are, Acquisition of Maxim Integrated, page 6 |
| 102-11 | Precautionary Principle or approach | Code of Corporate Social Responsibility |
| 102-12 | External initiatives | Global Reporting Initiative (GRI) |
| | | Task Force on Climate-Related Financial Disclosures (TCFD) |
| | | Sustainability Accounting Standards Board (SASB) |

| Disclosure Number | Disclosure Title | Response or Disclosure Location |
|---|---|---|
| 102-13 | Membership of associations | U.N. Global Compact (UNGC) |
| | | Responsible Business Alliance (RBA) |
| | | Responsible Minerals Initiative (RMI) |
| | | Responsible Labor Initiative (RLI) |
| | | Semiconductor Industry Association (SIA) |
| | | SEMI |
| | | Semiconductor Research Corporation |
| | | Open RAN Policy Coalition |
| | | Science Based Targets initiative (SBTi) |
| | | Ocean & Climate Innovation Accelerator |
| 102-14 | Statement from senior decision-maker | *2021 ESG Report:* Message from Our CEO, pages 2-3 |
| 102-15 | Key impacts, risks, and opportunities | *2021 ESG Report:* Economy – Sustainability as a Business, pages 20-24 |
| | | *2021 Form 10-K:* Item 1A. Risk Factors, pages 11-22 |
| | | *2022 Proxy Statement:* Innovating for Environmental Sustainability, page 10 |
| 102-16 | Values, principles, standards, and norms of behavior | *2021 ESG Report:* About ADI – Who We Are – Mission, page 5; Governance – Compliance and Business Ethics – Code of Business Conduct and Ethics, Code of Corporate Social Responsibility, page 48; Supply Chain Management – Supplier Code of Conduct, page 54 |
| | | Code of Business Conduct and Ethics |
| | | Code of Corporate Social Responsibility |
| 102-17 | Mechanisms for advice and concerns about ethics | *2021 ESG Report:* Governance – Compliance and Business Ethics – Whistleblower Program, Reports, Investigations and Corrective Measures, page 49 |
| 102-18 | Governance structure | *2021 ESG Report:* Governance – Corporate Governance Overview – Board Structure, page 36; Risk Oversight – ESG Program Oversight, page 41 |
| | | *2022 Proxy Statement:* Proxy Summary – Corporate Responsibility – Sustainability Governance, page 9; Corporate Governance – Board of Directors Meetings and Committees, pages 20-23 |
| 102-19 | Delegating authority | *2021 ESG Report:* Governance – Risk Oversight – ESG Program Oversight, page 41 |
| 102-20 | Executive-level responsibility for economic, environmental, and social topics | *2021 ESG Report:* Governance – Risk Oversight – ESG Program Oversight, page 41 |
| | | *2022 Proxy Statement:* Proxy Summary – Corporate Responsibility – Sustainability Governance, page 9 |
| 102-21 | Consulting stakeholders on economic, environmental, and social topics | *2021 ESG Report:* Governance - Stakeholder Engagement, pages 42-43 |

| Disclosure Number | Disclosure Title | Response or Disclosure Location |
|---|---|---|
| 102-22 | Composition of the highest governance body and its committees | *2021 ESG Report:* Governance – Board Composition, pages 37-38<br><br>*2022 Proxy Statement:* Proposal 1: Election of Directors – Director Criteria, Qualifications and Experience, pages 11-18 |
| 102-23 | Chair of the highest governance body | *2021 ESG Report:* Governance – Corporate Governance Overview – Board Structure, page 36 |
| 102-24 | Nominating and selecting the highest governance body | *Corporate Governance Guidelines:* B. Director Qualification Standards – 7. Selection of New Director Candidates |
| 102-25 | Conflicts of interest | *2022 Proxy Statement:* Corporate Governance – Certain Relationships and Related Transactions, pages 30-31<br><br>Related Person Transaction Policy |
| 102-26 | Role of highest governance body in setting purpose, values, and strategy | *2021 ESG Report:* Governance - Risk Oversight, pages 40-41 |
| 102-27 | Collective knowledge of highest governance body | *2021 ESG Report:* Governance – Risk Oversight – ESG Program Oversight, page 41<br><br>*Corporate Governance Guidelines:* G. Director Orientation and Continuing Education |
| 102-28 | Evaluating the highest governance body's performance | *Corporate Governance Guidelines:* H. Management Evaluation and Succession; I. Annual Performance Evaluation of the Board |
| 102-29 | Identifying and managing economic, environmental, and social impacts | *2021 ESG Report:* Governance – Risk Oversight – Enterprise Risk Oversight, pages 40-41; Enterprise Risk Management, pages 44-45<br><br>*2022 Proxy Statement:* Corporate Governance – The Board of Directors' Role in Risk Oversight, page 25 |
| 102-30 | Effectiveness of risk management processes | *2021 ESG Report:* Governance – Enterprise Risk Management, pages 44-45 |
| 102-31 | Review of economic, environmental, and social topics | *2021 ESG Report:* Governance – Enterprise Risk Management, pages 44-45 |
| 102-32 | Highest governance body's role in sustainability reporting | *2021 ESG Report:* Governance – Enterprise Risk Management, pages 44-45 |
| 102-33 | Communicating critical concerns | *2022 Proxy Statement:* Corporate Governance – Communications from Shareholders and Other Interested Parties, pages 24-25<br><br>*Corporate Governance Guidelines:* J. Board Interaction with Stockholders, Institutional Investors, the Press, Customers, Etc. |
| 102-35 | Remuneration policies | *2021 ESG Report:* Governance – Executive Compensation, page 39<br><br>*2022 Proxy Statement:* Corporate Governance – Director Compensation, pages 28-30; Information about Executive Compensation – Compensation Discussion and Analysis, pages 33-50<br><br>*Corporate Governance Guidelines:* F. Director Compensation |

| Disclosure Number | Disclosure Title | Response or Disclosure Location |
|---|---|---|
| 102-36 | Process for determining remuneration | *2022 Proxy Statement:* Corporate Governance – Director Compensation, pages 28-30; Information about Executive Compensation – Compensation Discussion and Analysis, pages 33-50<br><br>*Corporate Governance Guidelines:* F. Director Compensation |
| 102-37 | Stakeholders' involvement in remuneration | *2021 ESG Report:* Governance – Stakeholder Engagement, pages 42-43 |
| 102-38 | Annual total compensation ratio | *2022 Proxy Statement:* Information about Executive Compensation – CEO Pay Ratio, page 63 |
| 102-40 | List of stakeholder groups | *2021 ESG Report:* Governance – Stakeholder Engagement, pages 42-43 |
| 102-41 | Collective bargaining agreements | In full compliance with laws, ADI respects the rights of workers to associate freely, form and join workers organizations, seek representation and bargain collectively.<br><br>*2021 ESG Report:* Governance – Human Rights, pages 52-53 |
| 102-42 | Identifying and selecting stakeholders | *2021 ESG Report:* Governance – Stakeholder Engagement, pages 42-43 |
| 102-43 | Approach to stakeholder engagement | *2021 ESG Report:* Governance – Stakeholder Engagement, pages 42-43 |
| 102-44 | Key topics and concerns raised | *2021 ESG Report:* Governance – Setting ESG Priorities, page 46 |
| 102-45 | Entities included in the consolidated financial statements | *2021 Form 10-K:* Exhibit 21 (Subsidiaries of the Company), page 92 |
| 102-46 | Defining report content and topic Boundaries | *2021 ESG Report:* Governance – Stakeholder Engagement, pages 42-43 |
| 102-47 | List of material topics | *2021 ESG Report:* Governance – Setting ESG Priorities, page 46 |
| 102-48 | Restatements of information | *2021 ESG Report:* Who We Are – Acquisition of Maxim Integrated, page 6; Progress on Environmental Goals, page 63; Environmental Performance Summary, including Methodology, pages 106-107 |
| 102-49 | Changes in reporting | *2021 ESG Report:* Who We Are, Acquisition of Maxim Integrated, page 6 |
| 102-50 | Reporting period | Combined financial data is aligned to ADI's fiscal year end in October, and other data sets included in this report are on a calendar year basis unless otherwise noted. |
| 102-51 | Date of most recent report | Our 2020 ESG Report was published last May, 2021. |
| 102-52 | Reporting cycle | Annual |
| 102-53 | Contact point for questions regarding the report | Mary Farris, ADI Senior Director, ESG and Sustainability Programs |
| 102-54 | Claims of reporting in accordance with the GRI Standards | This report has been prepared in accordance with the GRI Standards: Core option. |
| 102-55 | GRI content index | *2021 ESG Report:* Appendices, GRI Index, page 113 |
| 102-56 | External assurance | *2021 ESG Report:* Environmental Performance Summary Methodology, pages 106-107 |
| 103-1 | Explanation of the material topic and its Boundary | *2021 ESG Report:* Economy, pages 13-30; Governance, pages 31-57; Environment, pages 58-70; Social, pages 71-90 |

| Disclosure Number | Disclosure Title | Response or Disclosure Location |
|---|---|---|
| **103-2** | The management approach and its components | *2021 ESG Report:* Economy, pages 13-30; Governance, pages 31-57; Environment, pages 58-70; Social, pages 71-90<br><br>Policies that can be found here: https://investor.analog.com/governance/governance-documents |
| **103-3** | Evaluation of the management approach | *2021 ESG Report:* Economy, pages 13-30; Governance, pages 31-57; Environment, pages 58-70; Social, pages 71-90 |
| **ECONOMIC PERFORMANCE** | | |
| **201-1** | Direct economic value generated and distributed | *2021 ESG Report:* Engaging with Impact – ADI Foundation, pages 92 |
| **201-2** | Financial implications and other risks and opportunities due to climate change | *2021 Form 10-K:* Item 1A. Risk Factors, page 19 |
| **201-3** | Defined benefit plan obligations and other retirement plans | *2021 Form 10-K:* Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – 11. Retirement Plans, pages 75-80 |
| **INDIRECT ECONOMIC PRESENCE** | | |
| **203-2** | Significant indirect economic impacts | *2021 ESG Report:* Economy – Sustainability as a Business, pages 20-24<br><br>*2022 Proxy Statement:* Innovating for Environmental Sustainability, page 10 |
| **ANTI-CORRUPTION** | | |
| **205-1** | Operations assessed for risks related to corruption | *2021 ESG Report:* Governance - Code of Business Conduct and Ethics, Code of Corporate Social Responsibility, pages 48 |
| **205-2** | Communication and training about anti-corruption policies and procedures | *2021 ESG Report:* Governance - Code of Business Conduct and Ethics, Code of Corporate Social Responsibility, pages 48 |
| **ANTI-COMPETITIVE BEHAVIOR** | | |
| **206-1** | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | 2021 Form 10-K |
| **TAX** | | |
| **207-1** | Approach to tax | *2021 ESG Report:* Economy – Taxation, page 30<br><br>Global Tax Policy |
| **207-2** | Tax governance, control, and risk management | *2021 ESG Report:* Economy – Taxation, page 30<br><br>Global Tax Policy |
| **207-3** | Stakeholder engagement and management of concerns related to tax | Global Tax Policy |
| **207-4** | Country-by-country reporting | Global Tax Policy |

| Disclosure Number | Disclosure Title | Response or Disclosure Location |
|---|---|---|
| **ENERGY** | | |
| 302-1 | Energy consumption within the organization | *2021 ESG Report:*Environmental Performance Summary, pages 106-107 |
| 302-3 | Energy intensity | *2021 ESG Report:* Climate and Energy, pages 64-66 |
| 302-4 | Reduction of energy consumption | *2021 ESG Report:* Environmental Performance Summary, pages 106-107 |
| **WATER AND EFFLUENTS** | | |
| 303-1 | Interactions with water as a shared resource | *2021 ESG Report:* Environment – Water, page 67 |
| 303-2 | Management of water discharge-related impacts | *2021 ESG Report:* Environment – Water, page 67 |
| 303-5 | Water consumption | *2021 ESG Report:* Environment – Water, page 67; ESG Performance Summary, page 106 |
| **EMISSIONS** | | |
| 305-1 | Direct (Scope 1) GHG emissions | *2021 ESG Report:* Environment – Climate and Energy, pages 65; ESG Performance Summary, pages 106-107 |
| 305-2 | Energy indirect (Scope 2) GHG emissions | *2021 ESG Report:* Environment – Climate and Energy, pages 65 |
| 305-3 | Other indirect (Scope 3) GHG emissions | *2021 ESG Report:* Environment – Climate and Energy, pages 66; ESG Performance Summary, pages 106-107 |
| 305-4 | GHG emissions intensity | *2021 ESG Report:* Environment – Climate and Energy, pages 66 |
| 305-5 | Reduction of GHG emissions | *2021 ESG Report:* Environment – Climate and Energy, pages 64-66; ESG Performance Summary, pages 106-107 |
| **WASTE** | | |
| 306-1 | Waste generation and significant waste-related impacts | *2021 ESG Report:* Environment – Waste, page 68 |
| 306-2 | Management of significant waste-related impacts | *2021 ESG Report:* Environment – Waste, page 68 |
| 306-3 | Waste generated | *2021 ESG Report:* Environment – Waste, page 68; ESG Performance Summary, pages 106 |
| 306-4 | Waste diverted from disposal | *2021 ESG Report:* Environment – Waste, page 68; ESG Performance Summary, pages 106 |
| 306-5 | Waste directed to disposal | *2021 ESG Report:* Environment – Waste, page 68; ESG Performance Summary, pages 106 |
| **EMPLOYMENT** | | |
| 401-1 | New employee hires and employee turnover | *2021 ESG Report:* Social – Workforce Data Snapshot, page 74; Talent Recruitment and Retention, pages 80-81<br>*2021 Form 10-K:* Items 1. Business – Human Capital and Empowerment, pages 9-10 |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | *2021 ESG Report:* Social – Compensation and Benefits, page 85<br>*2021 Form 10-K:* Items 1. Business – Human Capital and Empowerment, pages 9-10 |

| Disclosure Number | Disclosure Title | Response or Disclosure Location |
|---|---|---|
| **OCCUPATIONAL HEALTH AND SAFETY** | | |
| 403-1 | Occupational health and safety management system | *2021 ESG Report:* Social – Health and Safety, pages 89 |
| | | *2021 Form 10-K:* Item 1. Business – Environmental, Health and Safety Compliance, pages 8-9 |
| 403-2 | Hazard identification, risk assessment, and incident investigation | *2021 ESG Report:* Governance – Human Rights – Our Commitment, page 52 |
| 403-3 | Occupational health services | *2021 ESG Report:* Social – Health and Safety – 2021 Performance, page 90 |
| | | *Code of Corporate Social Responsibility:* Health and Safety, pages 2-3 |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | *2021 ESG Report:* Social – Health and Safety, pages 89 |
| 403-5 | Worker training on occupational health and safety | *2021 ESG Report:* Social – Health and Safety – Health and Safety Training, page 89 |
| 403-6 | Promotion of worker health | *2021 ESG Report:* Social – Health and Safety, pages 89-90 |
| 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | *2021 ESG Report:* Social – Health and Safety, pages 89-90 |
| 403-8 | Workers covered by an occupational health and safety management system | *2021 ESG Report:* Social – Health and Safety, pages 89-90 |
| 403-9 | Work-related injuries | There were no high-consequence injuries and no fatalities at any Legacy ADI nor Legacy Maxim sites. |
| | | *2021 ESG Report:* Social – Health and Safety – 2021 Performance, page 90 |
| 403-10 | Work-related ill health | There were no high-consequence injuries and no fatalities at any Legacy ADI nor Legacy Maxim sites. |
| | | *2021 ESG Report:* Social – Health and Safety – 2021 Performance, page 90 |
| **TRAINING AND EDUCATION** | | |
| 404-1 | Average hours of training per year per employee | *2021 ESG Report:* Social – Talent Development, pages 82-84 |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | *2021 ESG Report:* About ADI – Who We Are – People/Culture, page 8; Social – Talent Development, pages 82-84 |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | A formal assessment of employee specific achievements, behaviors and performance is performed annually. |
| | | *2021 ESG Report:* Social – Compensation and Benefits – Compensation, page 85 |

| Disclosure Number | Disclosure Title | Response or Disclosure Location |
|---|---|---|
| **DIVERSITY AND EQUAL OPPORTUNITY** | | |
| **405-1** | Diversity of governance bodies and employees | *2021 ESG Report:* Governance – Board Composition, page 37; Social – Workforce Data Snapshot, page 74; Diversity, Equity and Inclusion – Setting Targets to Diversify Our Workforce, page 79 |
| | | *2021 Form 10-K:* Items 1. Business – Human Capital and Empowerment, pages 9-10 |
| **405-2** | Ratio of basic salary and remuneration of women to men | *2021 ESG Report:* Social – Compensation and Benefits – Pay Equity, page 85 |
| **CHILD LABOR** | | |
| **408-1** | Operations and suppliers at significant risk for incidents of child labor | *2021 ESG Report:* Social – Human Rights, pages 52-53 |
| **FORCED OR COMPULSORY LABOR** | | |
| **409-1** | Operations and suppliers at significant risk for incidents of forced or compulsory labor | *2021 ESG Report:* Social – Human Rights, pages 52-53 |
| **SUPPLIER SOCIAL ASSESSMENT** | | |
| **414-1** | New suppliers that were screened using social criteria | *2021 ESG Report:* Governance - Supply Chain Management, pages 54-55 |
| **414-2** | Negative social impacts in the supply chain and actions taken | *2021 ESG Report:* Governance - Supply Chain Management, pages 54-55 |
| **PUBLIC POLICY** | | |
| **415-1** | Political contributions | We do not make political contributions of any kind to parties or candidates, including any direct contributions through intermediary organizations. This policy applies worldwide, even where these contributions are permitted by law. |
| | | *2021 ESG Report:* Governance – Public Policy, page 51 |
| | | Political Contributions and Expenditures |
| **CUSTOMER PRIVACY** | | |
| **418-1** | Substantiated complaints concerning breaches of customer privacy and losses of customer data | We have not experienced a material security breach in the last three years, and as a result, we have not incurred any net expenses from such a breach. Furthermore, we have not been penalized or paid any amount under an information security breach settlement over the last three years. |
| | | *2021 ESG Report:* Economy – Global Data Privacy Compliance, page 26 |
| | | *2021 Form 10-K:* Items 1. Business – Cybersecurity and Information Security Risk Oversight, page 9 |

ANALOG
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