

GHG Emissions

Methodology

Scope 1 + 2

ADI monitors Scope 1 and Scope 2 emissions under its operational control. These emissions are measured and estimated using the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, using Global Warming Potentials (GWPs) from the IPCC Fifth Assessment report. Process emissions are calculated using IPCC Tier 2a Guidelines for National Greenhouse Gas Inventories, specifically for the electronics industry. Location-based emission factors are sourced from the US EPA's Climate Leadership Emission Factors for Greenhouse Gas Inventories for US sites and the International Energy Agency for non-US sites. When available, market-based emission factors are sourced directly from suppliers, and, when unavailable, location-based factors are adjusted using residual mix factors. Gases in our GHG inventory include CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃.

Scope 3

To calculate Scope 3 emissions, ADI uses a mixture of primary and secondary data, contingent on the emissions category, as well as a combination of methodologies, depending on the data available. ADI's Scope 3 inventory includes categories 1-9 as defined by the Greenhouse Gas Protocol. Downstream categories 10-12 are excluded due to the intermediary nature of our products reflecting a wide range of potential downstream applications. Categories 13-15 are not currently applicable to ADI.

A comprehensive Carbon Accounting tool is utilized to store and model emissions. Data to support each category is collected from internal stakeholders. For ADI's principal Scope 3 categories, Category 1: Purchased Goods and Services and Category 2: Capital Goods, we use CDP Primary Data and CEDA emission factors to calculate emissions utilizing a spend-based model. The remaining categories are modeled using a combination of location, distance, weight, and headcount based assumptions as applicable. The Carbon Accounting tool references relevant emissions factors across multiple published databases including, but not limited to, the US EPA, DEFRA, IEA, and the IPCC.