

# GHG Emissions

## Methodology

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### Scope 1 + 2

ADI monitors Scope 1 and Scope 2 emissions that fall under its operational control. These emissions are measured and estimated in accordance with the World Resources Institute's (WRI) and World Business Council for Sustainable Development's (WBCSD) Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, utilizing Global Warming Potentials (GWPs) from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment report. Process emissions are calculated based on the IPCC Tier 2a Guidelines for National Greenhouse Gas Inventories, specifically for the electronics industry. For sites in the US, location-based emission factors are obtained from the US Environmental Protection Agency's (EPA) Climate Leadership Emission Factors for Greenhouse Gas Inventories, while those for non-US sites come from the International Energy Agency (IEA). When possible, market-based emission factors are sourced directly from suppliers. Otherwise, location-based factors are adjusted using residual mix factors when available, or retained as market-based factors. The gases included in our GHG inventory are CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, and NF<sub>3</sub>.

### Scope 3

To calculate Scope 3 emissions, ADI utilizes primary and secondary data based on the emission category, employing various methodologies according to the available data. Currently, ADI reports upstream Scope 3 categories 1-8 as outlined by the Greenhouse Gas Protocol. Downstream categories 9-12 are omitted due to the intermediary nature of our products, which represent a wide range of potential downstream applications. Categories 13-15 are not applicable to ADI at this time.

ADI leverages a comprehensive third-party carbon accounting tool for emission storage and modeling. Data for 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 utilize primary supplier data from CDP when available, alongside Comprehensive Environmental Data Archive (CEDA) industry-economic factors to compute emissions via a spend-based model. The other categories are modeled using activity data grounded in a combination of location, distance, mass, and headcount-based assumptions as applicable. Our calculation tool references relevant emission factors from numerous published databases, including but not limited to the US EPA, the UK Department for Environment Food & Rural Affairs (DEFRA), the IEA, and the IPCC.