

Sustainability

Financing



Sustainable finance initiatives allow companies like ADI to financially reinforce our environmental commitments, which are imperative to tackling society's greatest threats, particularly climate change. ADI is proud to be a pioneer for the U.S. technology sector in helping to shape this emerging market, and green financing is yet another manifestation of our broader commitment to people and the planet. To further strengthen our commitments to ESG initiatives, we deployed three sustainable finance instruments in recent years. 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, and 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.

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. Details of our sustainability targets including renewable energy and greenhouse gas emissions can be found in our ESG Reports on our [Reports Library](#) page. We continue to strive to achieve our ambitious goals as laid out in our [sustainable financing framework](#). As part of our ESG focus, ADI has been proud to work with financing partners dedicated to diversity and inclusion. We continuously look for opportunities to partner with minority-owned, veteran-owned, and women-owned institutions on our capital markets and cash management efforts, and also work to foster relationships between our employee resource groups and these organizations to further our impact in shared missions. We believe sustainable financing will not only support our broad and ambitious environmental sustainability strategy and vision, but also will hold us accountable for meeting established goals.