ANALOG DEVICES SUSTAINABILITY-LINKED FINANCE FRAMEWORK

PRE-ISSUANCE 2ND PARTY OPINION

Scope and Objectives

Analog Devices, Inc (henceforth referred to as “ADI” or “ISSUER”) is an American multinational semiconductor company specializing in data conversion, signal processing and power management technology. ADI’s analog, mixed-signal, and digital signal processing (DSP) integrated circuits (IC) convert, condition, and process light, sound, temperature, motion, and pressure into electrical signals to be used in a wide array of electronic equipment.

DNV Business Assurance USA, Inc. (henceforth referred to as “DNV”) has been commissioned by ADI to provide a 2nd party opinion on ADI’s Sustainability-Linked Bond Framework (the “Framework”).

The Framework enables issuance of Sustainability-Linked Bonds (henceforth referred to as “SLB”), to finance general purposes in ADI, where ADI commits to future sustainability improvements within a predefined timeline.

ADI has chosen to measure performance against the SPT through the following Key Performance Indicator (KPI):

- Absolute greenhouse gas (GHG) emissions - Scopes 1 and 2 (in tCO₂e)

ADI will assess its sustainability performance against Sustainability Performance Targets (SPTs) annually from the period 2021 to 2030, providing a trajectory towards:

- 27% reduction of company-wide absolute GHG emissions (Scopes 1 and 2) from 2019 baseline by the year 2025
- 50% reduction of company-wide absolute GHG emissions (Scopes 1 and 2) from 2019 baseline by the year 2030

No assurance is provided regarding the financial performance of instruments entered into or issued via the Framework, the value of any investments, or the long term environmental & social benefits of the transaction. Our objective has been to provide an assessment on the Sustainability-Linked Bond (SLB) to be issued under the Framework. The scope of this DNV opinion is limited to the Sustainability-Linked Bond Principles June 2020 (SLBP) set out by the International Capital Market Association (ICMA). Our methodology to achieve this is described under ‘Work Undertaken’.

Responsibilities of the Management of ADI and DNV

The management of ADI has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform ADI management and other interested stakeholders in the SLB as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented
to us by ADI. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by ADI’s management and used as a basis for this assessment were not correct or complete.

**Basis of DNV’s opinion**

We have utilized our Sustainability-Linked Bond Principles methodology, which incorporates the requirements of the SLBP, (henceforth referred to as “Protocol”). Our Protocol includes a set of suitable criteria that can be used to underpin DNV’s opinion. The overarching principle behind the criteria is that a Sustainability-Linked Bond should “provide an investment opportunity with transparent sustainability credentials”. As per our Protocol, the criteria against which the Framework has been reviewed are grouped under the five Principles:

- **Principle One: Selection of Key Performance Indicators (KPIs).** The ISSUER of a sustainability-linked loan or bond should clearly communicate its overall sustainability objectives, as set out in its sustainability strategy, and how these relate to its proposed SPTs. The KPI should be reliable, material to the ISSUER’s core sustainability and business strategy, address relevant ESG challenges of the industry sector and be under management control.

- **Principle Two: Calibration of Sustainability Performance Targets (SPTs).** The SPTs should be ambitious, meaningful and realistic. The target setting should be done in good faith and based on a sustainability improvement in relation to a predetermined performance target benchmark.

- **Principle Three: Bond Characteristics.** The bond will need to include a financial and/or structural impact depending on whether the selected KPIs reach (or not) the predefined SPTs. The bond documentation needs to require the definitions of the KPI(s) and SPT(s) and the potential variation of the SLB’s financial and/or structural characteristics. Any fallback mechanisms in case the SPTs cannot be calculated or observed in a satisfactory manner, should be explained.

- **Principle Four: Reporting.** ISSUERS should publish and keep readily available and easily accessible up to date information on the performance of the selected KPI(s), as well as a verification assurance report (see Principle 5) outlining the performance against the SPTs and the related impact and timing of such impact on the bond’s financial and/or structural characteristics, with such information to be provided to those institutions participating in the loan or to investors participating in the bond at least once per annum.

- **Principle Five: Verification (Post-issuance).** The ISSUER should have its performance against its SPTs independently verified by a qualified external reviewer with relevant expertise, at least once per annum. The verification of the performance against the SPTs should be made publicly available.

**Work undertaken**

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by ADI in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:
Assessment of documentary evidence provided by ADI on the SLB and supplemented by a high-level desktop research. These checks refer to current assessment best practices and standards methodology.

Discussions with ADI management

Review of ADI’s published materials and website including relevant documentation such as ADI’s Sustainability Report, CDP submittals, Third-Party Verification statements for GHG Emissions, SLB Strategy and Roadmap and Draft Term Sheet / Description of Notes.

Documentation of findings against each element of the criteria. Our opinion as detailed below is a summary of these findings.

Findings and DNV’s Opinion

DNV has conducted the external review engagement in accordance with the Sustainability-Linked Bond Principles (SLBP). The review has included i) checking whether the provisions of the SLBP were consistently and appropriately applied and ii) the collection of evidence supporting the review. DNV’s findings are listed below:

1. Principle One: Selection of Key Performance Indicators (KPIs). Within the Framework, ADI identified one material KPI to the business where the Company commits to future sustainability improvements within a predefined timeline towards 2030:

   - Absolute carbon emissions, Scope 1 and Scope 2 (in tCO2e)

The KPI selected is core and material to ADI as it was identified as a material issue in the Company’s most recent materiality assessment. It also aligns with the Engineering Good Climate plan launched in 2020 by ADI, in which the Company established goals to become carbon neutral by 2030 and achieve net zero emissions by 2050 or sooner, in line with the Paris Agreement. The KPI is further recognized to be core and material to the semiconductor industry through the Sustainability Accounting Standard Board (SASB) Materiality Map, which identifies Scope 1 Emissions and the approach to manage and reduce emissions from Scope 1 sources as a top ESG issue for the sector.

Based on the work undertaken, DNV can confirm that the KPI is material to the Company’s overarching sustainability strategy. The rationale and process for KPI selection, as well as its definition, measurability and verifiability, are deemed to be robust, reliable and in accordance with the SLBP.

2. Principle Two: Calibration of Sustainability Performance Targets (SPTs). DNV concludes that the SPTs are meaningful and relevant in the context of ADI’s broader sustainability and business strategy and that the SPTs represent a material improvement over a predefined timeline.

DNV considers the SPTs to be aligned with ADI’s sustainability strategy and are reflective of ADI’s environmental sustainability priorities.

The SPTs related to GHG emissions were developed utilizing the Science-Based Target Initiative, considering the 1.5°C scenario. DNV concludes that -27% and -50% reduction in emissions by 2025 and 2030 respectively, as compared to its 2019 baseline, is ambitious compared to the company’s past performance as well as peers, and is consistent with the overall aim of the Paris Climate Goals. DNV can confirm that the SPT is above a “Business as Usual” trajectory.

DNV has reviewed the evidence provided and can confirm that the SPT is based on a clear calculation methodology and ADI has provided historic performance from 2019. The SPT has a defined baseline (2019) and target years (2025 and 2030).

DNV also reviewed the credibility of ADI’s approach to achieving the SPTs by reviewing the Carbon Emissions Reduction Roadmap and concludes that this plan is viable and it is possible to meet the SPT targets outlined in the Framework.
3. **Principle Three: Bond Characteristics.** DNV can confirm the failure to satisfy the SPT on a set Target Trigger/Observation Date will result in a coupon adjustment, that can be represented by, but is not limited to, a one-time coupon step-up. A step-up of the coupon shall be triggered if: a KPI has not achieved the SPT on the target observation date; if the verification of the SPT has not been provided and made public by the time of the Reporting End Date; or ADI fails to provide notice as of the Notification Date related to achieving the SPT.

For any securities issued under this Framework, there will only be one Trigger Event impacting the financial characteristics of the security. The occurrence of a Trigger Event will result in a coupon step-up, accruing from the date specified in the relevant Bond or an increase of the premium.

DNV can confirm that the financial characteristics of Bonds issued under the Framework are impacted based on KPI performance under SPTs, in line with SLBP.

4. **Principle Four: Reporting.** ADI has committed to reporting the KPI on an annual basis within its Corporate Social Responsibility (CSR) report and/or its Sustainable Finance report. The report may include:

   - Updated information on the performance of the selected KPI, including the baseline where relevant, accompanied by a verification assurance report relative to the calculation of the KPI;
   - A discussion of the progress towards the SPTs, the related impact and the timing of such impact on a bond’s financial performance; and
   - Any other relevant information enabling investors to monitor the progress of the SPT.

Information may also include when feasible and possible:

   - Qualitative or quantitative explanations of the contribution of the main factors, including M&A activities, behind the evolution of the performance/KPI on an annual basis;
   - Illustration of the positive sustainability impacts of the performance improvement; and
   - Any reassessments of the KPI and/or restatement of the SPT and/or pro-forma adjustments of baselines, including baseline recalculations, or KPI scope.

DNV concludes that the Framework will ensure that the required information, as outlined in SLBP, will be published at an appropriate interval and kept publicly available.

5. **Principle Five: Verification.** DNV confirms that ADI will have its performance against each SPT independently verified annually until achieving the deadline of ADI’s 2025 and 2030 sustainability goals or for any date/period relevant for assessing the SPT performance leading to a potential adjustment of the SLB financial and/or structural characteristics, until after the last SPT Trigger Event of the bond has been reached.
On the basis of the information provided by ADI and the work undertaken, it is DNV's opinion that the ADI Sustainability-Linked Finance Framework meets the criteria established in the Protocol and that it is aligned with the stated definition of Sustainability-Linked Bonds within the SLBP, which is to "incentivize the issuer’s achievement of material, quantitative, pre-determined, ambitious, regularly monitored and externally verified sustainability (ESG) objectives through KPIs and SPTs", thereby providing "an investment opportunity with transparent sustainability credentials".

For DNV Business Assurance USA, Inc
23 September, 2021

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About DNV
Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers’ decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight.

With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.
SCHEDULE 1: DESCRIPTION OF ADI’S KEY PERFORMANCE INDICATORS (KPIs) AND SUSTAINABILITY PERFORMANCE TARGETS (SPTs)

<table>
<thead>
<tr>
<th>Number</th>
<th>KPI</th>
<th>SPT 2025</th>
<th>SPT 2030</th>
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<tbody>
<tr>
<td>1</td>
<td>Absolute GHG Emissions, Scope 1 and Scope 2 (in tCO2e)</td>
<td>27% Reduction from 2019 Baseline</td>
<td>50% Reduction from 2019 Baseline</td>
</tr>
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</table>

KPIs
ADI has chosen to measure performance through the following KPI:

1. Absolute GHG emissions - Scopes 1 and 2 (in tCO2e)

Carbon emissions are a widely used metric in the semiconductor industry to monitor and report operational impacts of manufacturing and production.

The GHG emissions for the original 2019 baseline year were verified by a third party, but at that time ADI only accounted for and reported on GHG emissions from its manufacturing sites. In July 2021, ADI recalculated the 2019 baseline to also include carbon emissions from non-manufacturing sites as part of their SBTi commitment. For the recalculated 2019 baseline, emissions from the manufacturing sites were verified (87% of total emissions), while the emissions from non-manufacturing sites (13% of total emissions) have not yet been verified by a third party.

ADI expects to have the entirety of their GHG emissions (for both manufacturing and non-manufacturing sites) verified by a third party in 2022, as the Company will need to recalculate the 2019 baseline year following the acquisition of Maxim Integrated.

SPTs

- **Reduce absolute GHG emissions (Scopes 1 and 2) by 27% from the 2019 baseline, by the year 2025**
- **Reduce absolute GHG emissions (Scopes 1 and 2) by 50% from the 2019 baseline, by the year 2030**

ADI has chosen to assess its carbon emissions reduction objectives for its operations against a predefined trajectory towards 2030. The SPTs for carbon follow a linear trajectory with a 27% reduction in company-wide total carbon emissions in 2025 and 50% reduction in company-wide total carbon emissions in 2030 from a 2019 baseline.

ADI’s target of reducing Scope 1 and 2 carbon emissions 50% by 2030 was validated in July 2021 by the Science-Based Targets Initiative (SBTi).
## SCHEDULE 2: SUSTAINABILITY-LINKED BOND ELIGIBILITY ASSESSMENT PROTOCOL

### 1. Selection of Key Performance Indicators (KPIs)

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<th>Work Undertaken</th>
<th>DNV Findings</th>
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</table>
| 1a   | KPI – material to core sustainability and business strategy | The issuer’s sustainability performance is measured using sustainability KPIs that can be external or internal. The KPIs should be material to the issuer’s core sustainability and business strategy and address relevant environmental, social and/or governance challenges of the industry sector and be under management’s control. The KPI should be of high strategic significance to the issuer’s current and/or future operations; It is recommended that issuers communicate clearly to investors the rationale and process according to which the KPI(s) have been selected and how the KPI(s) fit into their sustainability strategy. | Review of:  
- ADI sustainability-linked bond Framework  
- ADI CSR Report 2020  
- ADI CSR Report 2019  
- ADI Sustainability Report 2016-2018  
- ADI GRI Index 2019  
- ADI Climate Change – CDP submittal in 2020  
- ADI Climate Change – CDP submittal in 2019  
Discussion with ADI’s management team. | DNV has reviewed ADI’s KPI and can confirm it is material and relevant to the company’s core sustainability and business strategy.  
ADI states its purpose is to “engineer good” for both its customers and society at large. ADI is committed to using its technology, people and voice to help regenerate the planet and improve quality of life and fulfill its obligation to future generations by ensuring sustainability and driving positive change.  
Engineering good drives ADI’s approach to sustainability, specifically delivering holistic solutions that make a positive and demonstrable impact on the world. This is evidenced by the 3 sustainability goals established in 2019 and communicated in ADI’s sustainability-linked bond framework.  
The chosen KPI is outlined in more detail in Schedule 1, and entail:  
- Absolute carbon emissions, Scope 1 and Scope 2 (in tCO₂e)  
Greenhouse gas (GHG) emissions is widely recognized as a material metric in the semiconductor industry to monitor and report operational performance efficiency. It also aligns with regulatory and operating risks within the industry. The KPI is therefore of high strategic relevance for the ISSUER now and |
Ref. | Criteria | Requirements | Work Undertaken | DVN Findings |
--- | --- | --- | --- | --- |
1b | KPI - Measurability | KPIs should be measurable or quantifiable on a consistent methodological basis; externally verifiable; and able to be benchmarked, i.e. as much as possible using an external reference or definition to facilitate the assessment of the SPT’s level of ambition. Issuers are encouraged, when possible, to select KPI(s) that they have already included in their previous annual reports, sustainability reports or other non-financial reporting disclosures to allow investors to evaluate historical performance of the KPIs selected. In situations where the KPIs have not been previously disclosed, issuers should, to the extent possible, provide historical externally | Review of: - ADI sustainability-linked bond Framework - ADI CSR Report 2020 - ADI CSR Report 2019 - ADI Climate Change – CDP submittal in 2020 - ADI Climate Change – CDP submittal in 2019 Discussions with ADI’s management team | DNV concludes that the absolute carbon emissions KPI is measurable on a consistent methodological basis, externally verifiable and able to be benchmarked to external references. DNV concludes it is a robust and reliable metric to measure. 1. Absolute carbon emissions for the entire company The KPI is consistent with reporting on carbon emissions for the industry. ADI’s goal of reducing 50% of its emissions was developed using the Science-based Target tool, the General Contraction Approach and the Trajectory of 1.5°C, determined by the IPCC. ADI has publicly disclosed its performance for years 2019 (baseline) and 2020 in sustainability related disclosures (CDP submittal, Corporate Social Responsibility Report) and the data have been externally verified. |
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| 1c   | KPI – Clear definition | A clear definition of the KPI(s) should be provided and include the applicable scope or perimeter as well as the calculation methodology | Review of:  
- ADI sustainability-linked bond Framework  
- ADI CSR Report 2020  
- ADI CSR Report 2019  
- ADI Climate Change – CDP submittal in 2020  
- ADI Climate Change – CDP submittal in 2019  
Discussions with ADI’s management team | DNV confirms the KPI chosen by ADI provides a clear scope and calculation methodology.  
The absolute carbon emissions KPI is company-wide, including manufacturing and non-manufacturing sites. The KPI uses the parameters of direct emissions from stationary combustion and process emissions (i.e., PFCs, SF6, and NF3) and indirect GHG emissions from purchased energy (i.e., electricity and steam); all are measured and reported in tonnes of CO2e. |
### 2. Calibration of Sustainability Performance Targets (SPTs)

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| 2a   | Target Setting - Meaningful | The SPTs should be ambitious, realistic and meaningful to the issuer’s business and be consistent with the issuers’ overall strategic sustainability/ESG strategy. | Review of:  
- ADI sustainability-linked bond Framework  
- ADI Sustainability Report 2020  
- ADI SBTi Peer Benchmarking  
- ADI Roadmap Initiatives 2030  
Discussions with ADI’s management team | DNV confirms the SPTs are consistent with the ADI’s overall strategic sustainability strategy, as they are fully aligned with ADI’s Engineering Good Climate plan announced in 2020. The targets are meaningful to the Company’s business as the reduction of carbon emissions addresses critical environmental and regulatory risks to the business.  
The SPTs are considered ambitious, as ADI is one of five companies in the semiconductor industry with SBTi-aligned goals, and one of three companies in the semiconductor industry whose SBTi goals are aligned with a 1.5°C trajectory.  
After review of the carbon emissions reduction roadmap, DNV concludes that the SPTs are realistic and ADI’s plan for meeting the SPT targets outlined in the Framework is viable and possible. |
| 2b   | Target Setting - Meaningful | SPTs should represent a material improvement in the respective KPIs and be beyond a “Business as Usual” trajectory; where possible be compared to a benchmark or an external reference and be determined on a predefined timeline, set before (or concurrently with) the issuance of the bond. | Review of:  
- ADI sustainability-linked bond Framework  
- ADI CSR Report 2020  
- ADI CSR Report 2019  
- ADI Climate Change – CDP submittal in 2020  
- ADI Climate Change – CDP submittal in 2019  
- ADI SBTi Peer Benchmarking  
- ADI Roadmap Initiatives 2030  
Discussions with ADI’s management team | ADI reports that the chosen SPTs represent a material improvement of the KPI. Without interventions, the anticipated business as usual trajectory is 10 percent increase in emissions. ADI will not achieve the targets without the deployment of technical and operational measures to its production.  
The Company’s goal of reducing 50 percent of its emissions was constructed using the Science-based target tool, the General Contraction Approach and the Trajectory of 1.5°C, determined by the IPCC.  
DNV concludes that 27 percent and 50 percent reduction in emissions by 2025 and 2030 respectively as compared to its 2019 baseline is ambitious compared to the company’s past performance, as well as peers, and is consistent with the |
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<td>2c</td>
<td>Target Setting – benchmarks</td>
<td>The target setting exercise should be based on a combination of benchmarking approaches: 1. The issuer’s own performance over time for which a minimum of 3 years, where feasible, of measurement track record on the selected KPI(s) is recommended and when possible forward-looking guidance on the KPI 2. The SPTs relative positioning versus the issuer’s peers where comparable or available, or versus industry or sector standards 3. Systematic reference to science-based scenarios, or absolute levels (e.g. carbon budgets) or official country/Regional/international targets or to recognised Best-Available-Technologies or other proxies</td>
<td>Review of:  - ADI sustainability-linked bond Framework  - ADI CSR Report 2020  - ADI CSR Report 2019  - ADI Climate Change – CDP submittal in 2020  - ADI Climate Change – CDP submittal in 2019  - ADI SBTi Peer Benchmarking  - ADI Roadmap Initiatives 2030 Discussions with ADI’s management team</td>
<td>DNV confirms that the SPT target setting exercise has been based on an appropriate combination of benchmarking approaches: 1. DNV confirms that the Framework provides a KPI performance track-record going back to 2019 and provides forward year-on-year guidance leading up to 2030 – in accordance with the ICMA principles. ADI recently updated its KPI performance to account for company-wide emissions, as other public disclosures, to date, only accounted for emissions generated from manufacturing sites owned or controlled by ADI across nine facilities. Going forward, ADI will report on and disclose company-wide emissions. Additional details are included in the Framework. 2. DNV concludes that the SPTs outlined are aligned with those of the leading peers in the semiconductor industry. The carbon emissions SPT is modelled using the Science-Based Target tool. 3. DNV concludes that the SPT is put in an appropriate context of international climate change mitigation efforts and is aligned with the 1.5 degree pathway.</td>
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<td>2d</td>
<td>Target setting – disclosures</td>
<td>Disclosures on target setting should make clear reference to: 1. The timelines of target achievement, the trigger</td>
<td>Review of:  - ADI sustainability-linked bond Framework  - ADI CSR Report 2020  - ADI CSR Report 2019</td>
<td>DNV confirms that the relevant disclosures on target setting are appropriately referenced: 1. The timelines of SPT target achievement are clearly referred to with achievements in 2025 and 2030. Securities</td>
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<td>3. The Framework appropriately defines the situations that could lead to a recalculation of the KPI baseline/trajectory. ADI will recalculate the 2019 baseline in the event of significant changes that affect the structure of the company (i.e., acquisitions, divestitures, mergers, insourcing or outsourcing, or other corporate actions with similar effects). For any business acquired or divestiture with consolidated total revenues of 5% or greater than the total revenue for ADI and its consolidated subsidiaries (from the last fiscal year for which financial information is available), ADI will provide a recalculation of absolute GHG emissions (Scope 1 and 2) during the baseline year 2019. ADI is not required to perform a baseline recalculation to the extent it determines in good faith that it does not have sufficient information. Should the baseline be recalculated due to significant events, the SPT targets set in the Framework shall remain the same and will be based on the recalculated baseline.</td>
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<td>4. After review of the ADI roadmap for its carbon emission reduction initiatives, DNV concludes that the SPTs are realistic</td>
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and that the plan is viable and possible to meet the SPT targets outlined in the Framework.

ADI has detailed that capital expenditure approvals to invest in energy efficiency, renewable energy systems and fossil fuel substitution will be the driving factors that support achievement of the carbon emission reduction SPTs.
### 3. Bond Characteristics

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</table>
| 3a   | Bond Characteristics – SPT Financial/structural impact | The SLB will need to include a financial and/or structural impact involving trigger event(s) based on whether the KPI(s) reach the predefined SPT(s). | Review of:  
- ADI sustainability-linked bond Framework  
Discussions with ADI’s management team | DNV can confirm that the inclusion of trigger event(s) under the Framework is in line with the requirements outlined by ICMA’s SLBP.  
Trigger events, with corresponding target observation date(s) and performance requirements under specific SPTs - as outlined in each specific financial security issued under the Framework - will ensure that the financial characteristics of the security changes in accordance with performance. The extent of this impact will be outlined in the specific Bond documentation. |
| 3b   | Bond Characteristics – Fallback mechanism | Any fallback mechanisms in case the SPTs cannot be calculated or observed in a satisfactory manner should be explained. Issuers may also consider including, where needed, language in the bond documentation to take into consideration potential exceptional events | Review of:  
- ADI sustainability-linked bond Framework  
Discussions with ADI’s management team | As detailed in the Framework, a step-up of the coupon shall be triggered if:  
- A KPI has not achieved the SPT on the Target Observation Date;  
- the verification (as per the Verification section of the Framework) of the SPT has not been provided and made public by the time of the Notification Date, as defined in the bond documentation; or  
- the Company fails to provide Satisfaction Notice as of the Notification Date related to achieving the SPT, each as defined in the bond documentation.  
The Framework highlights that significant changes affecting the structure of the company (i.e. mergers, acquisitions, divestures etc.) can lead to a recalculation of the 2019 baseline for the KPI. |
## 4. Reporting

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| 4a   | Reporting| Issuers of SLBs should publish, and keep readily available and easily accessible:  
  1. Up-to-date information on the performance of the selected KPI(s), including baselines where relevant  
  2. A verification assurance report relative to the SPT outlining the performance against the SPTs and the related impact, and timing of such impact, on the bond’s financial and/or structural characteristics  
  3. Any information enabling investors to monitor the level of ambition of the SPTs  
  This reporting should be published regularly, at least annually, and in any case for any date/period relevant for assessing the SPT performance leading to a potential adjustment of the SLB’s financial and/or structural characteristics. | Review of:  
  - ADI sustainability-linked bond Framework  
  Discussions with ADI’s management team | ADI has committed to reporting progress against the KPI within its CSR report and/or Sustainable Finance report. The reporting may include:  
  - Updated information on the performance of the selected KPI, including the baseline where relevant, accompanied by a verification assurance report relative to the calculation of the KPI;  
  - A discussion of the progress towards the SPTs, the related impact and the timing of such impact on a bond’s financial performance; and  
  - Any other relevant information enabling investors to monitor the progress of the SPT.  
  Information may also include when feasible and possible:  
  - Qualitative or quantitative explanations of the contribution of the main factors, including M&A activities, behind the evolution of the performance/KPI on an annual basis;  
  - Illustration of the positive sustainability impacts of the performance improvement; and  
  - Any reassessments of the KPI and/or restatement of the SPT and/or pro-forma adjustments of baselines, including baseline recalculations, or KPI scope. |
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<td>DNV concludes that the Framework will ensure that required information, as required by the SLBP, will be published in a timely manner and kept publicly available:</td>
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<td>1. KPI performance relative to the SPT targets will be published annually, at least until Target Observation Date, in the Sustainability Report and/or a Sustainable Finance Report which will be made available on the Company website, as well as for any date/period relevant for a trigger event relevant for assessing the trigger of the SPT performance leading to a potential coupon adjustment.</td>
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<td>2. ADI’s performance relative to outlined SPTs will be subject to annual verification from an External Verifier. The verification of the KPI performance, along with the External Verifier’s report, will be made publicly available on the Company’s website.</td>
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<td>3. ADI’s Sustainability Report and/or Sustainable Finance Report will provide updates that are relevant to monitoring progress and the level of ambition of the SPTs.</td>
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</tbody>
</table>
5. Verification

<table>
<thead>
<tr>
<th>Ref.</th>
<th>Criteria</th>
<th>Requirements</th>
<th>Work Undertaken</th>
<th>DNV GL Findings</th>
</tr>
</thead>
</table>
| 5a   | External Verification        | Issuers should have its performance against each SPT for each KPI independently verified by a qualified external reviewer with relevant expertise, at least once a year and for each SPT trigger event. | Review of:  
- ADI sustainability-linked bond Framework  
Discussions with ADI’s management team  | DNV confirms that ADI has committed in their Sustainability-Linked Finance Framework to obtain external and independent verification of its annual KPI performance relative to the SPT and in connection with any trigger event as specified in the Bond documentation. |
About DNV

Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers’ decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight.

With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.