

## Environmental, Social, and Governance (ESG) Policy

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Department	Legal/Environmental, Social, and Governance

### Overview

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Allegro MicroSystems is committed to developing innovative semiconductor solutions that drive technological progress while minimizing environmental impact and fostering social responsibility. We endeavor to incorporate sustainability considerations throughout all phases of semiconductor design, development, and manufacturing processes.

Our commitment to environmental sustainability and social responsibility is fundamental to our business strategy and operations, and this policy outlines the key commitments Allegro has made to advance these initiatives. This Environmental, Social, and Governance Policy incorporates our previous Water Policy, Climate Policy, and Environmental Policy into one comprehensive policy.

### Scope

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This policy applies to all employees, contractors, and suppliers involved in Allegro's operations and facilities worldwide including our design, development, manufacturing, and customer interface.

Allegro is committed to ensuring compliance with material ESG regulations and mandatory standards, creating and maintaining policies, programs, and practices that emphasize that sustainability is at the forefront of everything we do. From evaluating purchasing decisions in our offices to monitoring processes across our supply chain, Allegro is committed to taking environmental and social impacts into consideration across our operations.

### Environmental, Social, and Governance Oversight and Signature Initiatives

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Allegro's commitment to ESG matters remains a top priority, led by our dedicated ESG Team with oversight by our ESG Steering Committee and Board of Directors. These teams play a crucial role in driving our five (5) ESG signature initiatives forward and embedding ESG into Allegro's core business strategy:

1. Maximize the positive impact of our products
2. Minimize our impact on the planet
3. Engage our supply chain to advance sustainability
4. Build a diverse and innovative workforce
5. Cultivate opportunities in local communities



## **Environmental Sustainability**

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### ***Climate Change and Carbon Management***

Allegro is committed to designing, developing, and providing our customers with semiconductor products that enable efficiency and emissions reductions.

As part of our product development, Allegro endeavors to manage our energy consumption and emissions to mitigate our business processes' impact on the environment, and this is a fundamental aspect of our ESG strategy. We endeavor to reduce our energy consumption and minimize our carbon footprint through continuous energy efficiency initiatives, focused primarily on our largest sites located in the U.S. and the Philippines where we have operational control and can drive the most progress.

Allegro is committed to achieving 50% renewable energy at our manufacturing facility by our fiscal year 2030 and 100% renewable energy at our global facilities as infrastructure supports the transition. Allegro implements renewable energy procurement practices at our global facilities.

Allegro is committed to developing processes to incorporate Life Cycle Analysis (LCA) in our product development processes. We strive to minimize the environmental impact of our products throughout their entire life cycle, from raw material sourcing to end-of-life management.

Allegro is dedicated to continuous improvement of our environmental performance. We set measurable targets, track our progress, and regularly assess our practices to identify areas for enhancement.

Allegro is committed to not funding climate-denial or lobbying against climate regulations.

### ***Waste Management***

Allegro endeavors to minimize waste throughout our facilities and operations including waste materials, hazardous waste, food waste, packaging, and discarded parts through recycling, waste reduction, and composting programs. We are committed to diverting 95% of our waste from landfills in all locations.

### ***Water Stewardship***

Throughout our global operations, Allegro respects and upholds the United Nation's recognition of every human's fundamental right to water. Allegro is committed to water stewardship throughout our operations. We continuously evaluate and implement strategies to minimize water withdrawal, consumption, and discharge at all our sites.

Allegro endeavors to reduce our dependency on freshwater sources. We are committed to proactively implementing water conservation projects and conducting water risk assessments at our manufacturing facilities to identify and mitigate potential impacts on local water resources. Allegro is committed to mitigating water pollution through responsible wastewater discharge practices and compliance with local regulations. Allegro collects and shares volumetric data on our water usage.

Allegro mandates the provision of safe drinking water and proper hygiene facilities for all employees.



### ***Resource Efficiency***

Allegro sources raw materials responsibly and works towards reducing the environmental impact of our supply chain. Allegro is committed to respecting legally designated protected areas and ecosystems. Allegro has a strong commitment to a circular economic strategy to mitigate our impacts on natural resources.

### ***Social Responsibility***

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Allegro is committed to implementing programs in compliance with all material applicable laws, regulations, and requirements in the communities where we operate. As guidelines change, we update our business plans and operations to protect our employees, stakeholders, customers, and communities.

### ***Employee Welfare***

Allegro fosters an inclusive environment where diversity of backgrounds, identities, and skills are valued, and employees are empowered. By bringing together diverse voices we create an atmosphere that sparks innovation.

Allegro is committed to respecting internationally recognized human rights and to promoting employee equality.

Allegro prioritizes the well-being of our employees. Our commitment is to foster a safe, healthy and responsible workplace. Our annual training and [Global Environmental, Health, and Safety Policy](#) reinforces practices and policies.

### ***Community Engagement***

Allegro values its teams as being core to our operations. We are committed to supporting their passions, charitable efforts and local communities, and we strive to prioritize the well-being of Allegro employees and their families.

Allegro is committed to offering various social impact programs designed to engage our teams in meaningful ways. These programs include volunteering, gift matching, donation opportunities, scholarships and educational grants. While our focus is global, we empower our teams to take local action for positive change in their communities in alignment with our strategic initiative to cultivate opportunities in local communities.

### ***Supply Chain Management***

Allegro is dedicated to collaborate with our suppliers to further a collective commitment to human rights, and we require our suppliers to adhere to our [Supplier Code of Conduct](#), which makes clear our requirements of suppliers regarding ethics and integrity, labor and employment practice, and human rights protection.

Allegro is committed to collaborating and engaging with customers, employees, supply chain partners, and other ecosystem members on new ways to reduce energy consumption and water usage, as well as streamline raw material and process needs.



## Governance

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### ***Ethical Conduct***

At Allegro, we strive to uphold the highest standards of business ethics and compliance among our leadership, employees and suppliers. These standards also serve as the foundation for our five signature ESG initiatives. Our values and behavioral expectations are outlined in detail in our [Code of Business Conduct and Ethics](#), which outlines our expectations for reporting potential misconduct. All our directors, officers, and employees are required to follow these guidelines.

Allegro is committed to implementing and enforcing our [Anti-Corruption Policy](#).

Allegro has established a 24/7 ethics alert line, managed by a third-party, by which employees can report suspected environmental or other Code of Conduct concerns or incidents involving Allegro employees, directors or third parties who do business with or on behalf of the Company [online](#) or via telephone (at 877-821-7508 for calls in the U.S.

### ***Board Oversight***

Our Board of Directors takes a proactive approach to ESG oversight and risk management. The full Board is committed to regularly assessing key ESG risks and opportunities facing the Company, in addition to our overall risk management strategy. The Board is committed to dedicating an annual meeting to an in-depth review of our ESG strategy, metrics, and future ambitions. Our Nominating and Corporate Governance Committee is committed to providing guidance on a quarterly basis or as needed to ensure ESG principles are embedded across our operations.

## Sustainable Innovation

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Allegro is dedicated to making our products smaller, lighter, and more user friendly in order to help automotive and equipment manufacturers design products with lower energy needs and smaller carbon footprints, but also to reduce the consumption of fossil fuels, raw materials, and water across the entire supply chain.

## Stakeholder Engagement

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Allegro understands the impacts of our operations, supply chains and products on people, the environment and society. We actively engage internal and external stakeholders worldwide, including employees, customers, suppliers, investors, communities and regulatory bodies. These key groups play a vital role in our business, and we strive to maintain consistent communication and collaboration to understand their perspectives on ESG issues.

## Reporting

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Allegro commits to reporting ESG metrics publicly in accordance with internationally recognized standards and frameworks and making them publicly available. We are committed to disclosing environmental disclosures through the [CDP](#). Allegro is also committed to publishing an annual Environmental, Social, Governance (ESG) report and making it publicly available on our website. [ESG | Allegro Microsystems](#)



## Policy Review

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This policy will be reviewed annually and updated as necessary to reflect any changes in regulations, standards, and company objectives. The policy aims to ensure transparency and accountability.

At Allegro Microsystems, by adopting this ESG policy, we confirm our commitment to environmental sustainability and responsible corporate citizenship. We will strive to achieve our environmental objectives while innovating solutions that meet the needs of our customers and contribute to a sustainable future.

