

Document Date: 2024-02-29

COMPANY OVERVIEW

Market Cap. (Mil USD)	\$5,946
Revenue (Mil USD)	\$974
No. of Employees	4,687
D&I Index Ranking	4747 / 6018
TRBC Ind. Group	Semiconductors & Semiconductor Equipment
Countries/ Region	United States of America
Fiscal Yr. End	2023-03-31
ESG Reporting Scope	100%

B-  
ESG Score

A+  
ESG Controversies Score

B-  
ESG Combined Score

B  
Environmental Pillar Score

B+  
Social Pillar Score

D+  
Governance Pillar Score

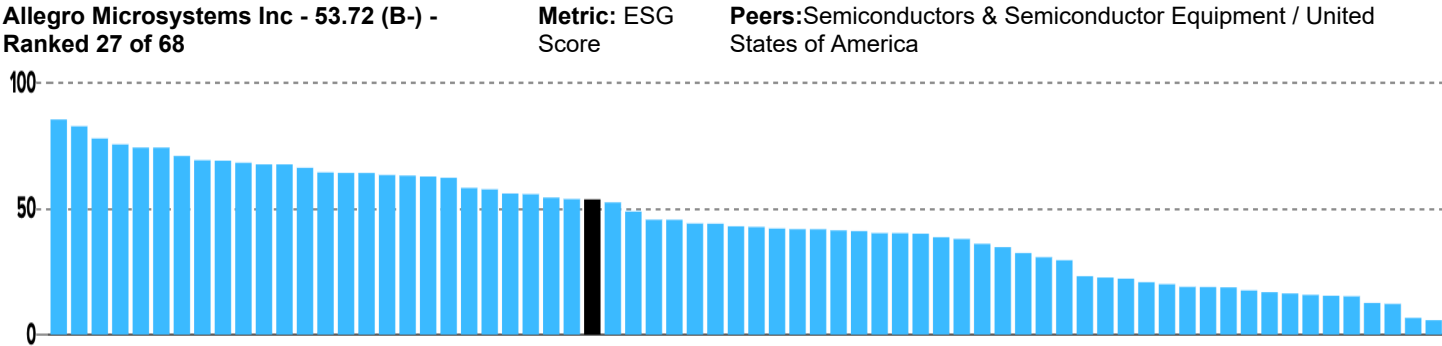
ESG SUMMARY

Allegro Microsystems Inc is a(n) Semiconductors & Semiconductor Equipment company headquartered in the United States of America. For the fiscal year ended in March 2023, ALGM.O received an ESG score of 53.72 (Grade: B-).

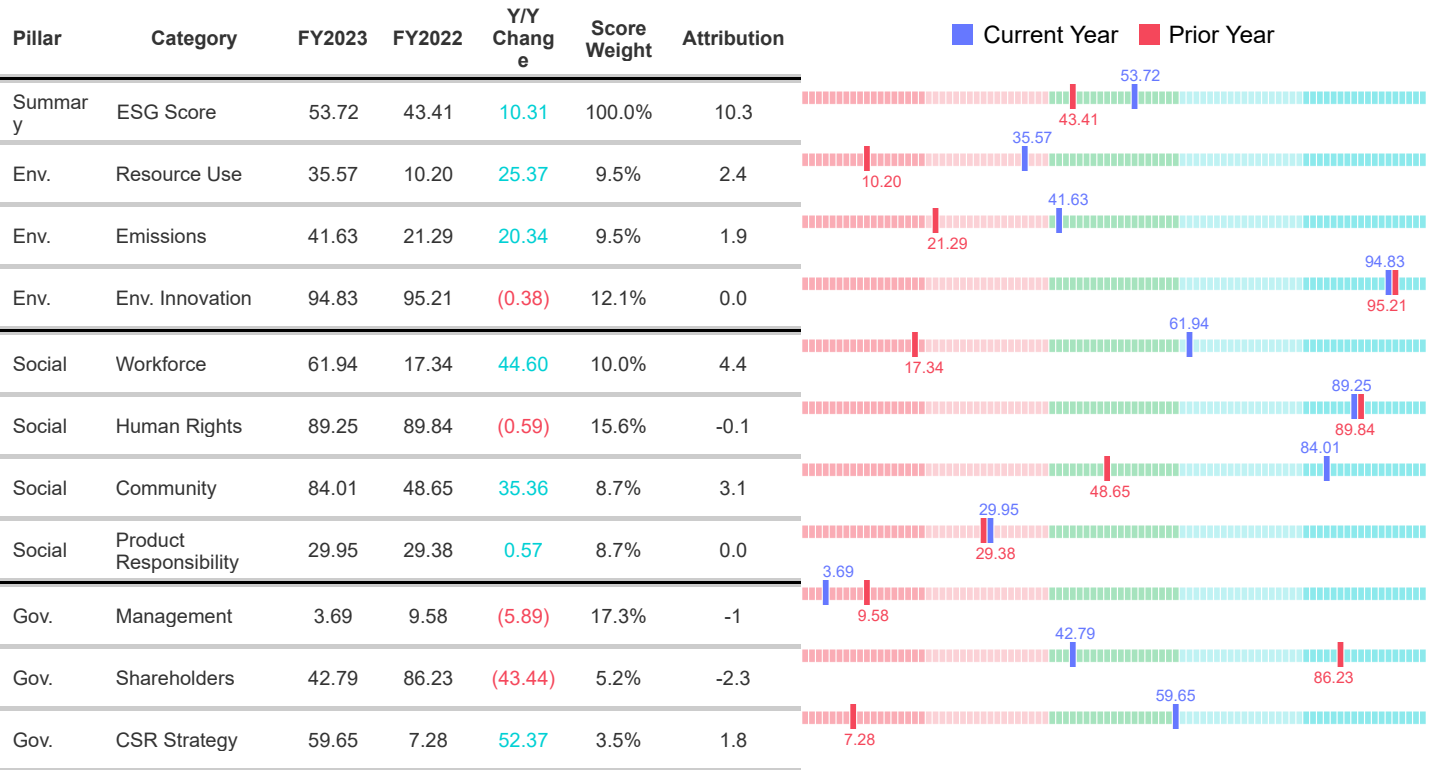
Over the last 5 years, the company has an average ESG score of 45.57, and a median ESG score of 43.41. Refinitiv ESG score is calculated as a sum of weighted individual pillar scores. For ALGM.O, Environmental, Social, and Governance pillars are weighted 31.17%, 42.86%, and 25.97% respectively in ESG score weighting, consistent with companies within the Semiconductors & Semiconductor Equipment industry groups.

ALGM.O's controversy score of 100.00 (Grade: A+) is calculated based on total count of controversies related to the company, as collected by Refinitiv ESG team and normalized based on company's market capitalization. Discounted by its controversies, ALGM.O received an ESG Combined score of 53.72 (Grade: B-) for the year.

COMPANY RELATIVE PERFORMANCE					
Company Ranking Compared to	Refinitiv ESG Universe	Refinitiv ESG Universe	Semiconductors & Semiconductor Equipment	United States of America	Semiconductors & Semiconductor Equipment / United States of America
Number of Companies	11751		222	3403	68
ESG Combined Score	3811		88	716	21
ESG Score	4259		94	920	27
Environmental Pillar Score	2936		64	512	17
Social Pillar Score	2374		51	487	12
Governance Pillar Score	10456		205	2953	62
ESG Controversy Score	1		1	1	1



YEAR-OVER-YEAR ESG PERFORMANCE - ATTRIBUTION



## YEAR-OVER-YEAR ESG PERFORMANCE - MATERIAL FACTORS

Changes in company's year-over-year ESG scores are driven by two factors: Company's relative ranking against its peers, and changes in underlying data as reported by company. In the table below, "Metric Score" section identifies material changes in scores and the "Metric Value" section highlights any changes in the underlying values. Materiality is defined as any directional changes in scores greater than 8.33 (approximately one letter grade).

			Metric Score			Metric Value		
Pillar	Category	Metric Name	FY2023	FY2022	YoY Change	FY2023	FY2022	YoY Change
Env.	Resource Use	Targets Water Efficiency	84.01	0.00	84.01	TRUE	FALSE	Yes
Env.	Resource Use	Environmental Materials Sourcing	74.77	0.00	74.77	TRUE	FALSE	Yes
Env.	Resource Use	Water Use To Revenues USD in million	62.31	--	62.31	170.49	--	170.49
Env.	Resource Use	Environmental Supply Chain Management	64.41	0.00	64.41	TRUE	FALSE	Yes
Env.	Resource Use	Environmental Supply Chain Monitoring	69.14	--	69.14	TRUE	--	Yes
Env.	Emissions	Total Waste To Revenues USD in million	63.43	--	63.43	1.17	--	1.17
Env.	Emissions	Waste Recycled To Total Waste	20.33	--	20.33	47.00%	--	47.00%
Env.	Emissions	Total Hazardous Waste To Revenues USD in million	49.54	--	49.54	0.56	--	0.56
Env.	Emissions	e-Waste Reduction	86.04	0.00	86.04	TRUE	FALSE	Yes
Social	Workforce	Employees Health & Safety OHSAS 18001	65.54	0.00	65.54	TRUE	FALSE	Yes
Social	Workforce	Net Employment Creation	72.29	32.10	40.19	16.13%	4.18%	11.95%
Social	Workforce	Women Employees	96.50	--	96.50	56.60%	--	56.60%
Social	Workforce	Women Managers	83.18	--	83.18	28.00%	--	28.00%
Social	Workforce	Flexible Working Hours	81.08	0.00	81.08	TRUE	FALSE	Yes
Social	Workforce	Injuries To Million Hours	47.14	--	47.14	0.90	--	0.90
Social	Workforce	Training Costs Per Employee	--	25.00	(25.00)	--	\$25	(\$25)
Social	Workforce	Employee Resource Groups	92.57	0.00	92.57	TRUE	FALSE	Yes
Social	Community	Total Donations To Revenues in million	50.95	--	50.95	179.74	--	179.74
Social	Community	Corporate Responsibility Awards	78.38	0.00	78.38	TRUE	FALSE	Yes
Gov.	Management	Board Size More Ten Less Eight	92.42	77.38	15.04	1	0	1
Gov.	Management	Board Specific Skills, Percent	71.52	88.25	(16.73)	69.23%	81.82%	(12.59%)
Gov.	Management	Non-Executive Board Members	18.30	33.23	(14.93)	76.92%	81.82%	(4.90%)
Gov.	Management	Independent Board Members	3.93	23.55	(19.62)	53.85%	72.73%	(18.88%)
Gov.	Management	Board Member Affiliations	58.25	45.12	13.13	0.46	0.64	(0.17)
Gov.	Management	Highest Remuneration Package	2.16	20.30	(18.14)	\$35,348,600	\$11,191,000	\$24,157,600
Gov.	Shareholders	Litigation Expenses To Revenues in million	--	76.75	(76.75)	--	0.00	0.00
Gov.	Shareholders	Auditor Tenure	70.13	79.04	(8.91)	5.00	4.00	1.00
Gov.	CSR Strategy	CSR Sustainability Reporting	76.10	0.00	76.10	TRUE	FALSE	Yes
Gov.	CSR Strategy	CSR Sustainability Report Global Activities	76.73	--	76.73	TRUE	--	Yes
Gov.	CSR Strategy	CSR Sustainability External Audit	93.84	--	93.84	TRUE	--	Yes

## PERFORMANCE DRIVER SUMMARY

ALGM.O's ESG score changed from previous year's 43.41 to 53.72, improving materially, driven by changes in 10 of the 10 ESG categories.

Relative improvements in CSR Strategy, Workforce, Community categories were partially offset by relative deteriorations in Shareholders, Management, Human Rights categories (See Year-Over-Year ESG Performance - Attribution section for details)

At the metrics level, changes in 78 out of 152 number of metric scores are the primary drivers for category and summary score changes.

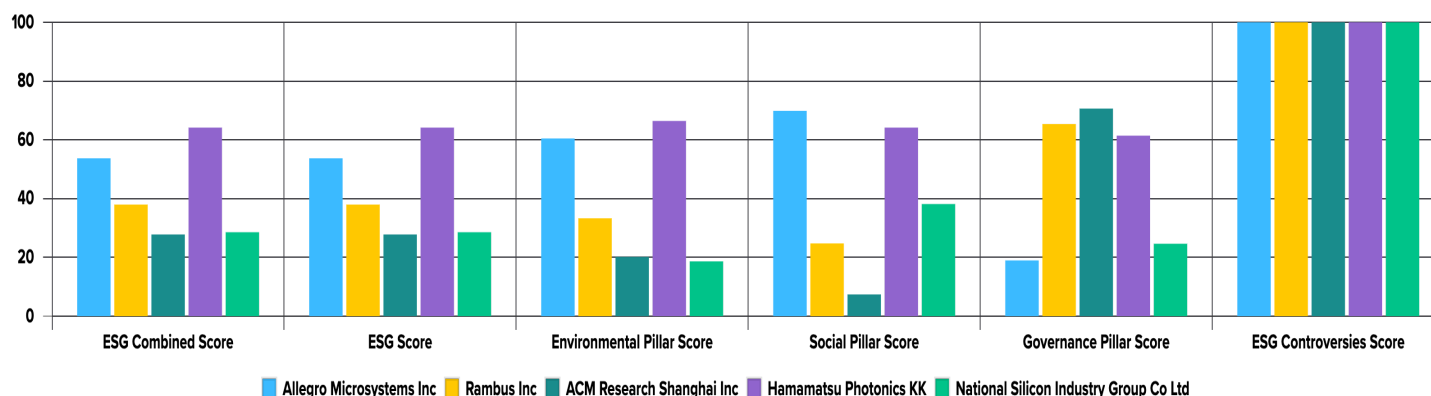
Of the 78 metrics identified, changes in relative ranking against peers drove 44 number of changes while changes in underlying reported metric values drove the rest (See Year-Over-Year ESG Performance - Material Factor section for details)

Please note changes in ESG scores are driven by two primary factors: Changes in underlying company-reported metric values and/or their relative ranking to the peer group.

## PEER SUMMARY

### Closest four peers by market capitalization and Semiconductors & Semiconductor Equipment

	ALGM.OQ	RMBS.OQ	688082.SS	6965.T	688126.SS
	Allegro Microsystems Inc	Rambus Inc	ACM Research Shanghai Inc	Hamamatsu Photonics KK	National Silicon Industry Group Co Ltd
Company Market Cap (Mil USD)	\$5,946	\$6,134	\$5,946	\$5,886	\$5,882
Total Revenue (Mil USD)	\$974	\$461	\$548	\$1,483	\$522
ESG Combined Score	53.72	37.98	27.81	64.17	28.57
ESG Score	53.72	37.98	27.81	64.17	28.57
Environmental Pillar Score	60.47	33.31	20.17	66.43	18.65
Social Pillar Score	69.87	24.76	7.40	64.17	38.16
Governance Pillar Score	18.97	65.38	70.64	61.43	24.65
ESG Controversies Score	100.00	100.00	100.00	100.00	100.00

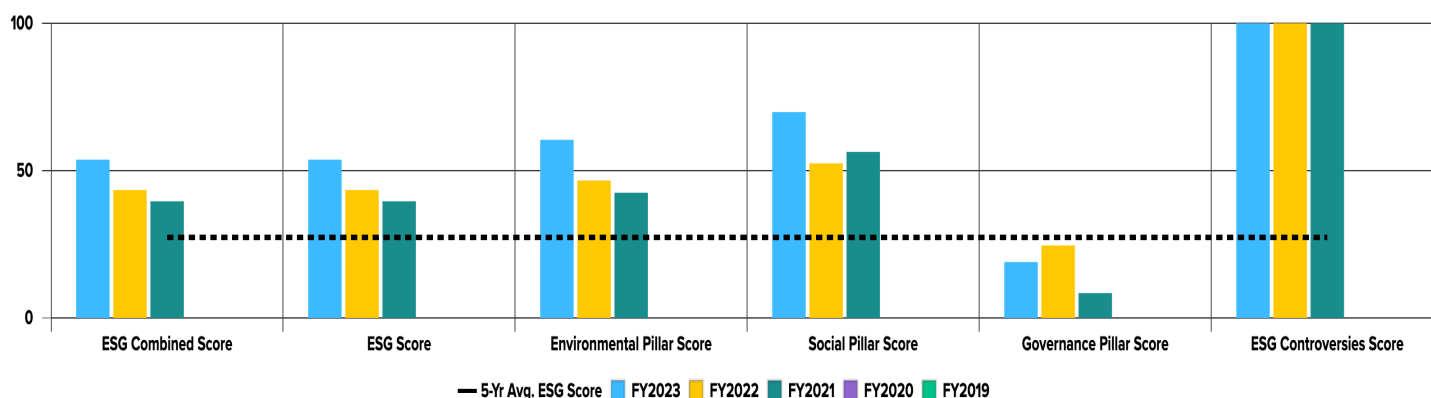


## PEER DETAIL

	ALGM.OQ	RMBS.OQ	688082.SS	6965.T	688126.SS
	Allegro Microsystems Inc	Rambus Inc	ACM Research Shanghai Inc	Hamamatsu Photonics KK	National Silicon Industry Group Co Ltd
Policy Water Efficiency	TRUE	FALSE	FALSE	TRUE	TRUE
Policy Energy Efficiency	TRUE	FALSE	FALSE	TRUE	TRUE
Targets Water Efficiency	TRUE	FALSE	FALSE	TRUE	FALSE
Targets Energy Efficiency	FALSE	FALSE	FALSE	TRUE	FALSE
Total Energy Use To Revenues USD in million	--	123.51	--	968.40	1,412.11
Renewable Energy Use Ratio	--	11.57%	--	5.12%	--
Water Use To Revenues USD in million	170.49	3,774.76	267.67	609.35	4,789.24
Water Recycled	--	--	--	--	--

## HISTORIC PERFORMANCE

	FY2023	FY2022	FY2021	FY2020	FY2019
Period End Date	2023-03-31	2022-03-25	2021-03-26	--	--
Historic Market Cap (Mil USD)	\$9,202	\$5,542	\$4,787	--	--
Total Revenue (Mil USD)	\$974	\$769	\$591	\$650	\$724
ESG Combined Score	B-	C+	C	--	--
ESG Score	B-	C+	C	--	--
Environmental Pillar Score	B	C+	C+	--	--
Social Pillar Score	B+	B-	B-	--	--
Governance Pillar Score	D+	D+	D	--	--
ESG Controversies Score	A+	A+	A+	--	--



## HISTORIC PERFORMANCE SUMMARY

Over the last 3 reporting periods, ALGM.O has an average ESG score of 45.57, ranging from a high of 53.72 (FY2023) to a low of 39.59 (FY2021).

Of the three pillars that make up the overall ESG score, Social pillar performed the best, with an 3-year average score of 59.57, followed by Environmental pillar (Average score: 49.87) and then Governance pillar (Average score: 17.33).

By category and on average, Env. Innovation, Human Rights, and Community are the three best performing categories over the last 3 years while Management, Resource Use, and CSR Strategy are the three laggard categories during the same period.

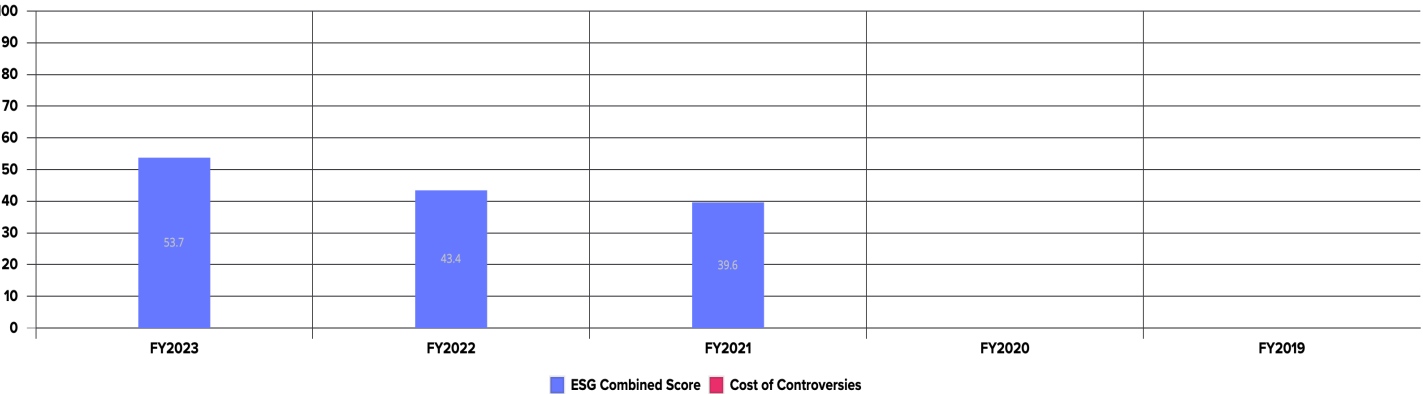
CONTROVERSIAL BUSINESS PRACTICES

Does the company engage in any controversial business activities?**No**

Did the company have any controversies in violation of the Ten Principles of the UN Global Compact?**No**

ESG CONTROVERSIES

Bad press can be costly to companies. Controversies reported in the media can bring damages to reputation, future business opportunities, and ultimately the bottom line. ESG controversies score aims to recognize these potential damages, and account for these factors in the scoring of a company's overall ESG performance. From a scoring perspective, controversies could significantly impact a company's overall rating in a negative way. Below is a list of controversies collected from the public domain.



ESG METHODOLOGY

Refinitiv's ESG Scores are designed to transparently and objectively measure a company's relative ESG performance across ten themes based on company reported data. Below document provides detailed information on ESG scoring methodology. [ESG Scores Methodology](#)

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