



/ 100 YEARS & COUNTING

Avnet Sustainability Report / FY21

TABLE OF CONTENTS

Avnet Sustainability Report / FY21

[About Avnet.....](#)

2

[100 Years and Counting: CEO and Board of Directors \(BOD\) letters](#)

3

[Environmental, Social and Governance \(ESG\) is core to how we do what we do](#)

5

[The key to our future: our people, our communities](#)

7

[Responding to the COVID-19 pandemic](#)

14

[Protecting our environment](#)

16

[Ensuring strong corporate governance](#)

21

[Our commitment to human rights.....](#)

25

[Applying ingenuity to advance the United Nations Sustainable Development Goals \(U.N. SDGs\).....](#)

26

[Resources: awards, associations, GRI and SASB data tables, and additional resources](#)

28

ABOUT AVNET

Over the last 100 years and counting, Avnet has helped customers and suppliers around the world activate the transformative possibilities of technology. As a leading global distributor and solutions provider, Avnet serves our customers' evolving needs from our position in the center of the technology value chain. We act as an extension of our customers' teams, and they can leverage our deep technical and supply chain expertise throughout the product lifecycle. This helps maximize their return on investment. Customers often come to us to accelerate product design or streamline their supply chain, and they can plug in our capabilities to optimize their own.

Avnet positively impacts our global communities by creating sustainable operations and enabling technology solutions that improve lives. We strive to do the right thing and remain accountable to our key stakeholders by protecting our environment, embracing social responsibility and inclusiveness, and ensuring corporate governance.

Headquartered in Phoenix, Arizona, Avnet (Nasdaq: AVT) serves more than 1 million customers in more than 140 countries and partners with global suppliers from almost every technology segment. In fiscal year 2021 (FY21), Avnet generated \$19.5 billion in sales. See [our investor relations website](#) for annual financials. Avnet's 14,500 employees operated in the Americas, Asia Pacific (APAC) and Europe, the Middle East and Africa (EMEA). We operated 14 major distribution centers, six technology campuses and six programming centers, and approximately 300 secondary facilities located in 47 countries during FY21.

Our expansive global network enables us to streamline solutions and improve efficiency for all our customers. Avnet serves a range of markets, including aerospace and defense, automotive and transportation, communications, embedded vision, energy, healthcare, home and building automation, industrial, security, lighting, and wearables. Whether we're working on large-scale production or early prototypes, we meet customer needs through individualized, end-to-end service.

Avnet's commitment to responsible, ethical conduct starts with the Board of Directors (BOD), CEO and the Avnet Leadership Team (ALT), which includes C-suite executives. We emphasize ethical conduct across the company through specific policies and initiatives. The ALT is responsible for decision-making on Environmental, Social and Governance (ESG) topics, with oversight from the BOD and the [BODs' Corporate Governance Committee](#).

Avnet positively impacts our global communities by creating sustainable operations and enabling technology solutions that improve lives. We strive to do the right thing and remain accountable to our key stakeholders by protecting our environment, embracing social responsibility and inclusiveness, and ensuring corporate governance.

About this report

This sustainability report includes information on the areas of Avnet's environmental, social and economic impact. The report presents how Avnet manages and identifies ESG performance, risks and opportunities.

This report's key areas of focus are based on an [ESG materiality analysis](#) done in FY20. Our ESG materiality analysis was designed to identify the most relevant, or material, issues from an ESG perspective, which is a broader standard than that used in our financial disclosures. The use of "material" or "salient" when referring to ESG topics or risks throughout this report is intended to flag the most important issues from our ESG assessment, and does not speak to the materiality of those issues to Avnet. The key focus areas from the analysis are:

- Our people, with a focus on diversity, inclusion and training
- Our environmental impact, with a focus on climate change and waste
- Our governance processes, with a focus on ethics and compliance

The information and data provided pertain to activities undertaken during FY21 (June 28, 2020 to July 3, 2021). Carbon emissions, energy, water and waste data are reported for the calendar year 2020 (CY20). Last year's report provided information and data pertaining to activities undertaken from our fiscal years 2019-20 (July 1, 2018 to Dec. 31, 2020), unless otherwise stated.

The report covers Avnet Inc.'s global operations. The report is in accordance with Global Reporting Initiative (GRI) core option standards. By applying the GRI's international guidelines, Avnet reports on sustainability-related content relevant to its stakeholders in a balanced and transparent way. The [GRI guideline table](#) shows published, disclosed information in this sustainability report and on [Avnet's ESG website](#). This report is indexed to the Sustainability Accounting Standards Board's (SASB) industry-specific standards, which identify the minimal set of financially material sustainability topics and their associated metrics for the typical company in an industry. SASB assigns Avnet to the Multiline and Specialty Retailers & Distributors industry. We report to this set of standards and augment additional important environmental data for the Technology & Communications industries to provide further insights into relevant ESG issues. The [SASB table](#) shows the location of pertinent information in this sustainability report and on Avnet's website.

Avnet publishes other annual statements and reports related to responsible business, such as a [Statement against modern slavery and human trafficking](#) and a [Conflict Minerals Report](#) on our website. Avnet has reported to the [Carbon Disclosure Project \(CDP\)](#) for 10 years.

/ 100 YEARS AND COUNTING



A message from Phil Gallagher, Avnet CEO

Serving as Avnet's CEO during our 100th anniversary year was a unique honor, and it was an exciting time to reflect on our company's impact on the world throughout the past century.

From enabling space exploration to advancing medical care, our strong relationships and expertise helped customers overcome technological barriers to improving our world. Thanks to the work of thousands of Avnet employees, we became part of the elite 1% of U.S. companies to reach 100 years in business. Our strong culture and industry relationships continue to enable us to equip customers and suppliers to navigate today's complex issues.

This foundation was especially important in FY21 as our industry managed through the impact of a global pandemic, natural disasters, geopolitical and racial tensions, and a semiconductor shortage. The confluence of these events may have felt sudden. In reality, they are an acceleration of existing trends. Avnet's foresight, steeped in the principles of resiliency and sustainability, places us in a strong position to respond to current supply chain disruptions and surges in design activity.

The significance of our position at the center of the technology value chain is clear as we shape the product designs and supply chains of the future. Throughout this work, we remain committed to building a sustainable future for our company and for all our stakeholders.

While the principles of resiliency and sustainability have been the bedrock of Avnet's business for more than a century, we must constantly adapt how we act on those principles as needs change. Last year we laid out our new sustainability strategy and goals, as well as our commitment to reporting our performance by using the Global Reporting Initiative Standards and those set forth by the Sustainability Accounting Standards Board. We continue to support and be a signatory of the United Nations Global Compact. We formalized our governance framework for our ESG programs this year by forming a global ESG Governance Council and a global ESG Working Team.

We remain committed to our core areas as we continue to intensify our focus on sustainability and ESG performance. Our focus on Diversity, Equity and Inclusion (DEI), environmental sustainability, ethics and governance is reinforced by the commitment of our leadership team, all held accountable to the following performance goals. In FY21, 10% of the ALT's total discretionary incentive compensation was linked to our DEI goals and executive compensation will continue to be linked to ESG goals in FY22.

I am proud to say that our Board of Directors is actively involved in our ESG strategy. These leaders bring a unique mix of diverse backgrounds, experiences and perspectives to this work. DEI is going to continue to be an important focus area for boards. Avnet continues to work with organizations such as 50/50 Women on Boards to advocate for gender balance and diversity on corporate boards.

Our company continues to better reflect the diversity of our customers and communities. I'm convinced that our focus on DEI is the right thing to do and will become an even stronger competitive advantage. We also continue to focus on sustainability issues where we can make the most significant impact by introducing goals to improve our renewable energy mix, reduce greenhouse gas emissions and increase recycling. Finally, our commitment to ethics and governance remains steadfast and we are increasing our programs and oversight in this area to ensure we remain ever vigilant in our evolving world.

I'm honored to lead Avnet as we enter our second century in business deeply rooted in the same principles that helped us succeed in the first place: We stay focused on resiliency and sustainability to remain situated at the center of the technology value chain — constantly adjusting our position to support the needs of our customers, suppliers, investors, shareholders and employees.

Sincerely,



Phil Gallagher



A message from Rod Adkins, Avnet Chairman of the Board

Whether resulting from the COVID-19 pandemic, geopolitical and domestic social instability, or worsening climate change, the level of continuous disruption in our world increased over the past year. The way we live and work rapidly changed as society adapted and as organizations sought new ways to have a positive impact on our world.

Amid this change, people re-evaluated the role of work in their lives, while corporations like Avnet continued to increase focus on talent retention and development.

While Avnet is a technology company, the most critical aspect of our future is, in fact, human capital. Our people and our culture enable us to deliver the support and foresight customers and suppliers need to succeed in an ever-changing world. Nearly 4,000 Avnet employees globally are essential and frontline workers, and we celebrate their accomplishment of keeping our facilities open throughout the pandemic. Our highest priority continues to be keeping employees safe — whether in our facilities or working remotely — so we can support our communities and customers in the ongoing fight against COVID-19.

Our culture emphasizes inclusion and respect while providing employees with a fulfilling sense of purpose at work. We've made great progress with our strategic investment in people and our DEI strategies. We formed committees to address remote and in-person office work, launched a program focused on employee well-being, developed baseline DEI programs and training, increased our employee resource groups, and held 14 listen-and-learn sessions globally. To ensure continued progress, Avnet's executive compensation continues to be linked to our DEI goals.

As we celebrated Avnet's 100th year in business, our employee engagement rate was higher than most Fortune 500 companies. That means Avnet's employees are invested in our continuing success. We are proud of the progress made, but there is still much to do as our society adapts to the collective challenges before us. Our actions as socially responsible global citizens can further translate into economic value. We do this by helping customers and suppliers create opportunity out of disruption and bringing more good jobs and training to the communities Avnet serves.

Avnet enters its second century with this goal in mind: We commit to further deepening our ESG strategies. Avnet board members play a critical role in providing the strategic governance needed to further advance our efforts over the short and long term. Even more essential to advancing these goals are our many industry collaborators, whose invaluable partnerships continue to convert disruptions into opportunities to make the world a better place. Our ability to sustain these commitments and partnerships is fundamental to how we will make Avnet's second century in business as successful as its first.

Sincerely,



Rodney C. Adkins

ESG IS CORE TO HOW WE DO WHAT WE DO

What we do

Avnet serves as an extension of customer and supplier teams, offering deep technical and supply chain expertise. Customers access our technical services to source the latest solutions, reduce design complexity and develop budget-aligned products. Suppliers depend on us to expand their customer base, introduce their latest products to the market and identify new applications for their technology. Customers and suppliers benefit from Avnet's global supply chain capabilities with solutions for any manufacturing model throughout the product life cycle.

We are firmly in the center of the technology value chain.

A value chain refers to the full life cycle of a product or process, including material sourcing, manufacturing, distribution, consumption and end-of-life processes.

Avnet value chain

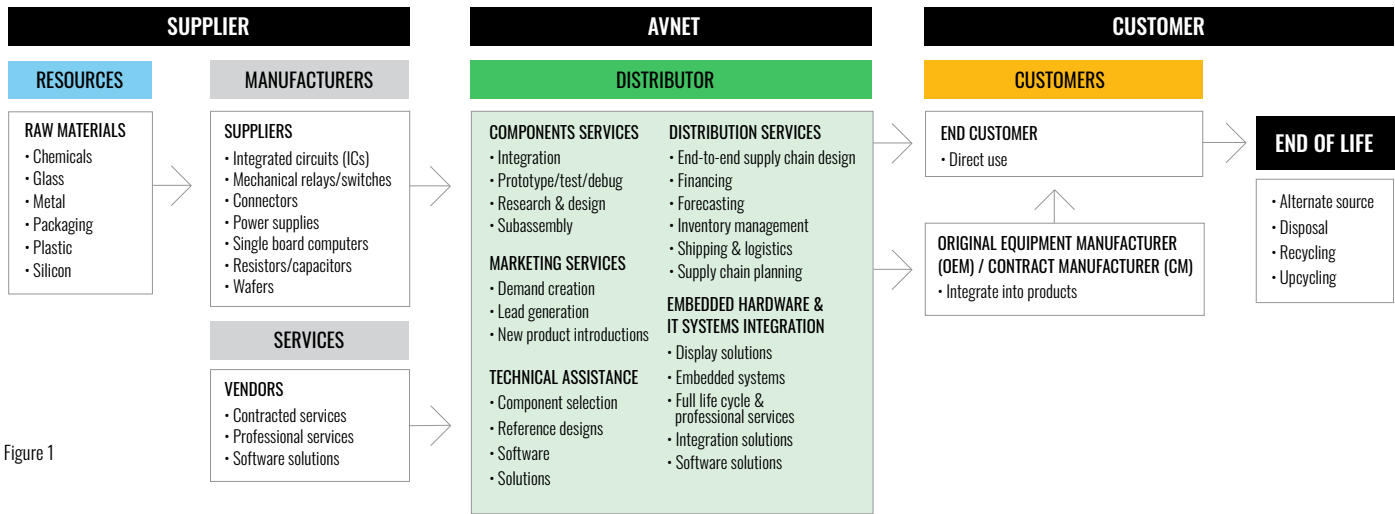


Figure 1

We take a value chain approach. Whether customers need help finding the right technology to build their product, support to source and deliver those technologies, or even need a manufacturing partner – Avnet is an extension of their team at every step. We enable customers to innovate and advance technology that improves our world. Support doesn't end once a product is launched. We also extend product longevity throughout the entire life cycle and support any redesign requirements.

How we do it

Avnet's culture is based on deep-rooted values, which we trace back to the character and integrity of founder Charles Avnet. Today, our values guide every action, fostering a workforce of 14,500 individuals committed to doing business the right way. Impeccable ethics and strong governance are at the heart of everything we do. Indeed, a culture of strong ethics is key to our company's longevity.

ESG is an ever-evolving journey, and at Avnet, it's grounded in our mission and values. We are committed to the ESG journey for another 100 years and counting. We strive to improve the environmental and social quality of life for people around the world with our work and through partnerships with customers, suppliers, and communities. Our actions are guided by our ethics and commitment to strong and transparent governance. We are accountable to our stakeholders. We actively improve the [environmental performance](#) of our operations and apply the precautionary principle to help us reduce or avoid negative environmental impacts. Inclusion is fundamental to how all our teams work and excel. We wouldn't be Avnet without a globally diverse workforce and respect for all people.

In FY21, we expanded our ESG efforts, which included creating a new position: a director of ESG. Our strategic priorities and imperatives for ESG work in FY21 and moving forward are:

- Focus on people and talent, fostering diversity, equity and inclusion and creating a high-performance culture
- Continually improve our ethics and compliance program
- [Strengthen our environmental data collection and goals for reducing environmental impacts](#)

These focus areas align with the findings of the [FY20 ESG materiality analysis](#).

In FY21, we refreshed our vision, mission and values to better reflect what we do and the values we hold dear:

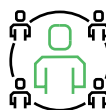
Core Values

INTEGRITY



We demonstrate honesty and trustworthiness in all we do with the highest standard of ethical behavior to guide all our actions.

CUSTOMER FOCUS



We strive to exceed expectations in every interaction, focused on agile and innovative solutions that positively impact our global communities by creating sustainable operations today and for the future.

OWNERSHIP



We are personally responsible and accept full accountability for delivering on our commitments.

TEAMWORK



We work together across boundaries to delight our customers, suppliers and employees to help the company win and promote a collaborative culture.

INCLUSIVENESS



We value and respect our people by embracing diversity of backgrounds, learning, experience and thought, creating equal opportunities across our workplace culture.

Figure 2

VISION

To be the preferred distributor partner at the center of the world's technology design and supply chains by delivering the best experience for both customers and suppliers every time.

MISSION

We deliver superior service by holding ourselves accountable to our stakeholders, enabling design and supply chain technology solutions that improve life experiences globally, while staying grounded in our core values.

THE KEY TO OUR FUTURE: OUR PEOPLE, OUR COMMUNITIES

Workplace culture and employee engagement

Workplace cultures worldwide faced unprecedented challenges due to the COVID-19 pandemic. Our robust employee engagement performance reflected the strength of Avnet's culture, despite the challenges of the pandemic.

Reinforcing our core values is the cornerstone of our approach. A strong and diverse company culture is key to Avnet's success. People who feel they belong are invested in what they do to help make the company successful.

Our employees were highly engaged, scoring 88.3 in the latest FY21 employee engagement survey. Avnet survey respondents overwhelmingly agreed or strongly agreed that:

- They have the information and the support they need
- Their teams are working well together
- Leadership has prioritized health and safety
- Work locations are safe

Each annual engagement survey includes approximately 20 questions to measure overall employee engagement and satisfaction regarding various elements of Avnet culture. In FY22, we will enhance the employee engagement process to address the survey questions that garnered the lower scores.

After the annual survey, we will deliver a series of shorter surveys that directly follow up on results from the previous study. Global and regional business leaders will use insights from the surveys to inform their decision-making. This new methodology assists in determining appropriate action steps, whether to address specific areas of concern or to more broadly celebrate the areas where employees thrive within the Avnet culture. While turnover in the U.S. was slightly higher in FY21, our new employee engagement process will help continuously improve our employee engagement numbers.

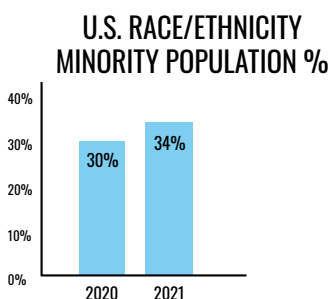
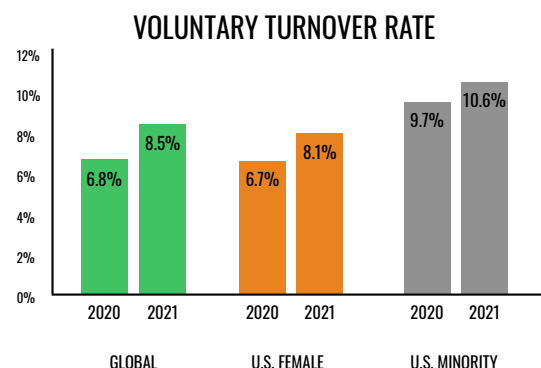
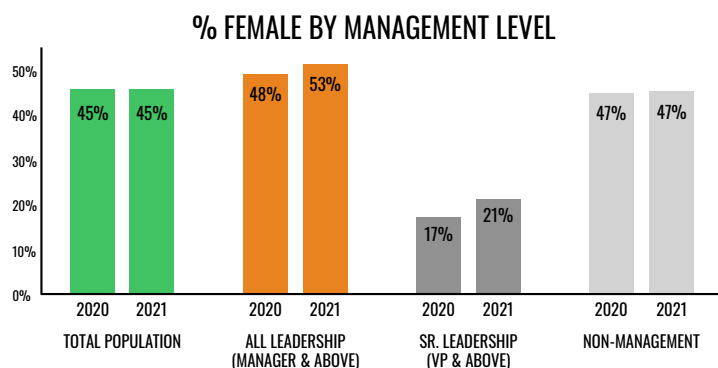
Avnet monitors all legal proceedings. There were no material legal proceedings in FY21 associated with employment discrimination.

Benefits

Avnet's benefits are one of many reasons it is a great place to work. Benefits are managed within the Total Rewards Center of Excellence in the Human Resources (HR) organization. The Global HR leadership team meets regularly to assist in the review and alignment of our global programs. We continually review benefit offerings to ensure they reflect local market competitiveness and the needs of our employees.

All eligible full-time and part-time U.S. employees and their eligible dependents receive competitive and inclusive health benefits which include fertility and transgender coverage.

Avnet's demographics¹



Our employees were highly engaged, scoring 88.3 in the latest FY21 employee engagement survey.

¹ Excludes Softweb, Witekio, trainees, apprentices and interns. 2021 data is June 28, 2020 through June 30, 2021.

Figure 3

We cover approximately 70% of total health care costs for part- and full-time employees. This suite of benefits includes flexible options in medical, behavioral, dental, vision and pharmacy coverage. Avnet provides disability and life insurance coverage at no cost to employees. We also offer generous time-off benefits, including paid family care leave for both hourly and salaried employees.

Avnet provides a pension plan benefit to U.S. employees after one year of service. Contributions range from 4% to 8% based on age, vesting after three years of service. We also offer a 401(k) plan for employees to contribute to reach their personal retirement goals. Employees can become shareholders through our discounted employee stock purchase program.

In Canada and the U.S., we provide education assistance for employees to further their career development as well as a scholarship program for their dependents. In FY21, Avnet awarded 33 scholarships, a new record. Awardees are selected based on their outstanding potential, and Scholarship America selects them on behalf of Avnet.

We continue to look for creative benefits that provide needed support to employees. In the U.S., we provide a SNOO Smart Sleeper Bassinet (a product of Avnet customer Happiest Baby) to new parents to help them rest and to keep babies safe. During the pandemic we added a new and ongoing benefit: a short-term employee loan program to assist employees during a difficult time.

Avnet provides all employees globally with resources for living well, and we take a broad view of what that means. Our THRIVE program supports the whole person and offers employees resources, information, benefits and assistance in these interconnected areas to support overall health. We promote the program's benefits to employees a number of ways, including webinars and newsletters. THRIVE combines all of Avnet's global and regional programs, tools and initiatives into a worldwide program covering these topics:

THRIVE

-  **MIND + BODY** Physical and mental health, fitness and well-being
-  **CAREER** Professional growth, skills and development
-  **MONEY** Total rewards, retirement planning and money management
-  **CONNECTION** Our community, networks and social interests

Our Employee Assistance Program (EAP) offers to all employees free, professional and confidential counseling for many personal and work-related issues. In CY20, the annual utilization rate of this service more than doubled over 2019. Our EAP also runs webinars for all employees on a variety of mental health and wellness topics. These webinars have proven very popular.

Health and safety

In FY21, we reduced injuries at our facilities by 12.5%, with an average of 1.25 injuries per 200,000 hours worked. This reduction results from efforts by each business to improve their practices. Management of employee health and safety is implemented in each region rather than centralized at corporate headquarters. Avnet's International Organization for Standardization (ISO) quality, environmental, occupational health and safety management system certifications are maintained on our [website](#).

"The Avnet logistics global operations team maintains very specific guidelines around health and safety for all of our employees and visitors. Never have those protocols been tested as they were in our fiscal year 2021. With a global pandemic raging throughout the world, our procedures were put to test frequently and proven to be very effective. We pride ourselves in building a health and safety culture that drives an environment that all of us would be proud to work in."

– Douglas Adams, SVP, Global Logistics



Total injuries requiring medical treatment¹

FY 2021	63 total injuries	0 Fatalities
FY 2020	72 total injuries	0 Fatalities
FY 2019	84 total injuries	0 Fatalities

¹Injuries reported meeting OSHA/local industrial injuring reporting requirements at major Avnet and Farnell global facilities.

Figure 4

Diversity, Equity & Inclusion (DEI)

Avnet has a demonstrated and long-standing commitment to diversity. Our external BOD is 40% diverse, with 27% women directors. We know that diverse employee backgrounds and perspectives lead to better business decisions and outcomes. Accordingly, the company fosters a supportive, respectful culture where inclusiveness is one of our official core values. Our listen-and-learns, which are group conversations on diversity topics open to the entire company, are regularly attended by senior leaders, including our CEO.

Our approach celebrates differences and considers the needs of all Avnet employees globally, understanding that diversity means different things in different countries, cultures and environments. We create a workplace where people are treated with dignity and respect.

Avnet's efforts are, and must be, globally focused. We strive to do more to create a sense of belonging for all employees. We are purposeful in our effort to be allies to all of our colleagues.

"At Avnet, we see our DEI journey as the building of a house that is meant to last, and our work through FY22 is focused on a foundation of education and awareness. In the coming years, we will frame our goals in the areas of representation and equity."

– Claire Senga, Senior Director,
Global Diversity, Equity and Inclusion



Our senior director of DEI, who reports to the Chief People Officer (CPO), leads Avnet's DEI efforts. Our strategy is built on five pillars, which we consider foundational to everything we do for our DEI program at Avnet.

1. **Listening and learning:** regular listen-and-learn sessions, focused and regional
2. **Education and awareness:** unconscious bias and DEI training, Global DEI Council, town halls and team meetings, articles on Avnet's intranet
3. **Policies and principles:** recruiting, performance management, leadership assessment, equal access, mentoring of diverse employees
4. **Business commitments:** executive goals and compensation, representation, supplier diversity
5. **Community and partnership:** Avnet Cares, volunteering, education support

The efforts of ALT are central to the organization's mission of diversity, equity and inclusion. ALT compensation for FY21 was linked to DEI goals, specifically accelerating action and creating accountability for diversity, equity and inclusion. This is part of our overall ESG commitment, representing 10% of the ALT total

discretionary incentive compensation. Executive compensation will continue to be linked to ESG goals for FY22.

In FY21, we made progress and accomplished our DEI goals. The DEI team kicked off the work with virtual listen-and-learn sessions. It was clear that many employees wanted to engage in meaningful discussion to understand and support colleagues. During the fiscal year, we held 14 listen-and-learn sessions, four more than our aggressive goal of 10. The topics and communities covered included race and ethnicity (Black, Hispanic/Latino, Native American and other indigenous peoples, Asian & Pacific Islander), LGBTQ+, gender, generations (Baby Boomers, X, Y, Z), military and veterans, disability, and other broad conversations. Beyond these sessions, we have ongoing engagement focus with the global workforce by way of an annual DEI calendar. Through this medium, we acknowledge and celebrate events and holidays around the world, publish employee sentiments and highlight activities that honor the diverse backgrounds of our employees. We encourage open team conversations about DEI in all regions. We also continually update mentoring and recruiting processes to ensure that they align with our overall goals.

In September 2020, we announced Juneteenth as an official company holiday in the U.S. and are proud to be one of just a handful of companies that made this decision prior to the U.S. government declaring it a federal holiday. Juneteenth commemorates the emancipation of African-American slaves and the official end of slavery in the U.S. Avnet's designation of this holiday links directly to our support of underrepresented and historically marginalized groups.

We introduced a focus on diversity when new vendors are required, or when we have contracts up for bid or renewal. For example, we added four minority-owned firms as co-managers on our May 2021 bond issuance. We worked with banking partner BofA Securities to help identify underwriting firms with a Minority, Women or Veteran Business Enterprise (MWVBE) designation. In FY22 and beyond, we will continue to support Black and minority-owned businesses by providing underwriting opportunities and more active roles in our capital-raising activities and short-term investments. In the area of procurement, we are exploring the possibility of dual sourcing as a strategy to give entry to MWVBE vendors and suppliers.

Avnet's leaders are cognizant of the additional demands that have been placed on families during the COVID-19 pandemic, and particularly aware that women have been performing much of the extra work, whether as parents or caregivers of other relatives. In the U.S. and Canada, we have a remote work policy. In the Americas and EMEA regions, we support flexible work schedules and arrangements that make it easier for all employees at Avnet to be successful balancing their work and personal/lives. During an internal Avnet webinar attended by over 2,000 employees in March 2021, a panel of women from

around the globe discussed issues around the demands of work and home and received assurances of support from Avnet's CEO and CPO, who also participated.

We proudly celebrate and support women across all of Avnet's regions and job functions since Avnet's total workforce is 45% female. Employees around the world celebrated International Women's Day by holding panel discussions and open conversations in the U.S., Mexico and Singapore. Photos and stories about these events were shared on our company intranet site. In one of our facilities in Minnesota, employees decided to celebrate historical and contemporary women leaders by renaming their conference rooms in their honor. We also virtually celebrated 100+ women who go above and

beyond and made a difference at Avnet as part of our 100th year anniversary celebration. The importance of gender equality in the electronics industry was discussed on an episode of "[Distributing Wisdom](#)," a podcast series launched in conjunction with Avnet's centennial celebration. The episode featured Avnet board member Brenda Freeman among other industry experts. Avnet is a company that recognizes the importance of diversity and the key role women play in business and society today. This year, we recognized the first woman to be promoted to a corporate human resources position from a distribution warehouse role. Avnet continues to advance women into leadership roles; for example, in FY21, Nicole Enright became the president of Avnet Integrated.

DEI goals: FY21

FY21 GOAL		PERFORMANCE
Increase DEI community support	MET GOAL	- Contributions to UNICEF & American Red Cross for India COVID-19 aid - Membership in the Arizona Technology and Diversity Council
Develop baseline DEI programs	MET GOAL	Launched calendar with holidays, held 14 Listen-and-Learn sessions, implemented internal communications plan, including intranet site, established the Global DEI Council, and recognized Juneteenth as a holiday in the U.S.
Set goals for increasing diversity training and hiring	MET GOAL	- Increased access to unconscious bias and DEI trainings - Engaged with specialized diversity hiring partner to build diverse talent pool (U.S.)
Maintain Board diversity at 40%	MET GOAL	Board diversity is over 40%
Evolve our Employee Resource Groups (ERG)	MET GOAL	- Increased from 1 to 2 ERGs - Developed process for the formation of ERGs and affinity networks - Established ERGs for Black employees, in addition to our existing women's ERG - Hispanic/Latino ERG is in the process of forming
Set goals on executive leadership team diversity	DID NOT MEET	In lieu of meeting goal, linked a component of executive compensation to DEI goals

Figure 5

DEI goals: FY22

Redefined goals to align to five-pillar strategy:

STRATEGY	ACTION	FY22 GOAL
Listen-and-learns	Pulse surveys	Issue at least one survey to the Avnet population on DEI topics and host additional educational sessions
Education and awareness	Global DEI Council	Council introduced globally; each regions' goals include at least one deliverable in FY22 e.g., hosting a regional DEI event
Policy and practices	Mentoring	Partner with Talent Center of Excellence to revamp and re-launch Avnet's mentoring program globally with tools and global communication
Business commitments	Supplier & vendor diversity	Proactively target efforts to increase spend with the minority- and female-owned businesses that we currently partner with, and implement a dual sourcing procurement strategy to bring on additional woman-owned or minority-owned vendors into Avnet's portfolio of suppliers. Process improvements will include developing a standardized response statement for vendor and supplier inquiries and defining specific supplier diversity spend goals by end of FY23.
	Equity	To further promote workplace equity, we will perform a baseline salary study in FY23 leveraging our global compensation framework to uncover potential gaps in overall pay and drive even greater levels of employee engagement. The legwork to prepare for this effort will continue through the current fiscal year.
Community and partnership	Volunteering	Hold at least one event per region in FY22 where employees volunteer, in person or virtually, to highlight or support a community that is historically marginalized or disadvantaged (in collaboration with Avnet Cares)

Figure 6

“Diversity of thought, backgrounds and perspectives always strengthens the performance of a company. Avnet has created an environment where women are able to grow and expand their skills and experience which leads to career progression. This industry can be hard for women to succeed in, you can often feel as though you need to change your behavior or approach to fit in. I have learned that it’s essential to be authentic, that is what creates success. Be you; don’t try to be someone else – after all it’s your unique capabilities and perspective that strengthen the company’s performance and culture.”



– Nicole Enright, President of Avnet Integrated

Nicole was named one of the Most Powerful Women in Tech by the National Diversity Council in 2019. From 2011–2015, she was included in CRN’s Power 100: The Most Powerful Women of the Channel rankings, shining a spotlight on women executives whose insight and influence help drive channel success.

Avnet continues to support women in the electronics industry. We have participated in McKinsey’s “Women in the Workplace” study for the last five years. Farnell launched the second edition of the annual Women and Engineering survey on women’s career paths and opportunities and challenges in the engineering industry. This year’s survey was expanded to include engineers outside of Farnell and Newark. It revealed that all genders want to address issues of sexism and inequality in the industry and agree on measures to be taken such as the need for having more women in leadership roles. Furthermore, our CEO and Farnell’s director of Interconnect, Passive and Electromechanical (IP&E), are on the advisory board of Women in Electronics.

New Ways of Working (NWOW)

The pandemic changed the competitive landscape for talent on a global scale. While flexible working has long been an option for eligible employees, hybrid work programs expanded in the regions according to local preferences and unique business needs. Avnet is continuing to improve its flexible, hybrid work model to ensure our people have the best opportunities and enhanced experience as we grow the business and foster employee engagement. Our leadership provided a framework for the number of mobile or remote working days per week for functions and roles. Managers then determined team collaboration days and work-from-home days. In addition, training was provided to help managers and employees work together in the flexible work model.

Avnet is investing in improving office culture and adjusting to how we work. We seek to provide an agile and communicative working environment to support our NWOW.

Over the next three years or more, we will continue to optimize and upgrade the majority of facilities to support region-specific NWOW initiatives, enhance the working environment and encourage team collaboration while [reducing our environmental footprint](#).

Training

Avnet places high value on training its employees to enhance skills and overall career development. Our approach to training focuses on job and life skills, and we evaluate the program every year to set priorities. Training offerings include but are not limited to health and safety, discrimination, and diversity; business ethics and anti-corruption; and job-specific skills development. Avnet also continues assistance for employees retiring and, in cases of termination of employment, outplacement service may be provided for one month after the end of employment. Avnet’s Education Assistance Program provides financial aid to eligible employees who wish to pursue undergraduate or graduate education in the U.S.

“Training is a critical component of Avnet’s employee value proposition. It’s a competitive market, and in exchange for skills, capabilities and experience employees bring to the company, we must continue to offer value to them as we attract quality people, enhance overall engagement and maintain high retention rates.”



– Ken Arnold, Chief People Officer

Training opportunities include Lead2Achieve, a training for Global Frontline Managers to master effective goal-setting, coaching, feedback, and development. All employees can participate in online LinkedIn Learning classes, including business and technical learning tracks. The LinkedIn Learning courses cover a variety of business topics, including soft and technical skills, with real-time access.

Training also includes life skills. [Read about a Farnell employee who was able to save a colleague’s life thanks to Avnet’s first aid and CPR training.](#)

Avnet Cares & community grants

Avnet Cares, our employee volunteer program, supports the company's culture of hands-on giving. In the Americas, Avnet matches employee volunteer hours with a donation to qualifying nonprofits. Its matching grant program matches dollar-for-dollar funds raised for charities.

FY19 GIVING	FY20 GIVING	FY21 GIVING
\$505,000	\$227,000	\$232,919
local community causes	local community causes	local community causes
	\$180,000	
	COVID-19 disaster relief	

Figure 7

Avnet employees are known for giving back to their communities. Due to COVID-19 restrictions, there were fewer volunteer opportunities in FY21, resulting in lower donation levels. However, that did not slow down other means of giving back, which were focused on four areas:

1. Environment
2. DEI
3. Science, Technology, Engineering and Math (STEM)
4. Crisis response

In CY21, Avnet's 100th-year celebration included our "100 Acts of Giving" campaign. Avnet donated \$1,000 to 100 eligible nonprofits around the world for projects in our four focus areas. A total of \$100,000 was granted to awardees who were identified from stories Avnet employees shared about their volunteer efforts. Eligible nonprofits from these stories were entered into monthly drawings held throughout Avnet's centennial year.

For examples of Avnet's work in FY21 and a list of Avnet's 100 Acts of Giving recipients, [click here](#).

Stakeholder engagement

Avnet's long-term performance is linked to the input and success of our key stakeholder groups. We collaborate and collect input from stakeholders when identifying and managing key ESG initiatives. We incorporate their voices through an array of analysis, audits and compliance oversight.

Avnet's six stakeholder groups include our global workforce, customers, suppliers, shareholders/investors, government authorities and communities/nongovernmental organizations. The chart below outlines how we engage with each group.

Types of engagement in FY21 by stakeholder group

ENGAGEMENT ACTIONS		BENEFITS AND RESULTS
Global workforce (employees)	• Employee engagement surveys • Annual census and employee retention metrics by region and demographic • Annual performance management reviews and appraisal interviews • Listen-and-learn sessions • Employee Resource Groups (ERGs) • Avnet intranet and internal newsletters • Town halls and team meetings • Ethics and compliance programs and Ethics Alertline • Avnet sustainability report • Onboarding and training	• Input and feedback on Avnet's plans and initiatives • Improved engagement, productivity and performance
Customers	• Customer engagement survey and Net Promoter Score • Quarterly Business Reviews and account manager engagement • Customer appreciation events, industry conferences and tradeshow (virtual) • Avnet sustainability report • Ethics Alertline	• Strong business relationships • Transparency of our operations • Feedback to improve practices and performance
Suppliers	• Supplier relations management team • Business reviews • Industry events, industry conference and tradeshow (virtual) • Avnet sustainability report • Required regulatory compliance • Ethics Alertline • Global Supplier Quality Handbook	• Best-in-class delivery • Deep executive relationships • Adherence to regulatory requirements
Shareholders and investors	• Annual shareholder meeting and investor conferences • Quarterly earnings webcasts • Avnet financial, news release and SEC filings • Avnet sustainability report • One-on-one shareholder calls • Ethics Alertline	• Insight into shareholder and investor information interests • Feedback on our financial performance • Understanding of ESG priorities
Government and public authorities	• Oversight by our government partners and internal legal department on all applicable laws and regulations • Avnet sustainability report • Ethics Alertline	• Compliance across our operations
Community/ nongovernmental organizations	• Volunteerism and charitable contributions to local organizations • Voluntary participation with leading social responsibility surveys • Avnet sustainability report	• Bonds between employees and the community on key issues • Improved alignment on climate change, human trafficking, DEI and other social issues

Figure 8

/ RESPONDING TO THE COVID-19 PANDEMIC

The COVID-19 pandemic tested the resilience and stamina of just about every business, community and individual, including the technology supply chain. Throughout this crisis, Avnet proved to not only be an essential business, but a strategic and indispensable partner to customers and suppliers.

“The COVID-19 pandemic has exemplified the critical importance of partnerships, relationships and trust along with transparency and open communication. Guiding our customers to the best decisions has required constant collaboration and information sharing with our partners across the global electronics supply chain.”

– Phil Gallagher, CEO

We quickly developed and now maintain a global three-pronged approach to support our employees, business partners and communities.

Employees

About 4,000 Avnet employees globally are essential and front-line workers, many of whom work in distribution centers. They ensure that customers receive the critical components they need despite supply disruption in many industries. Our priority is keeping our workers safe and healthy. Our safety procedures include temperature checks for all people entering buildings, required face masks and social distancing where possible. In FY21, Avnet paid wages to workers who became ill with COVID-19 and those who needed to isolate after possible COVID-19 exposure. All 4,000 essential and frontline workers – from distribution centers, integration centers, programing centers and several in-plant locations – were awarded the 2021 CEO Award in grateful recognition of their exceptional dedication to Avnet. These workers went above and beyond, providing business continuity and serving customers throughout the COVID-19 pandemic.

We recognized the mental health strain the pandemic has placed on employees, as well as the various ways people respond to stress. We ensured access to mental health resources through the EAP. We recognized the gender and cultural difference in how COVID-19 impacts employees and adjusted programs accordingly. For example, we added more [listen-and-learn](#) discussion topics on working mothers and the role of women as caregivers.

Strong communication plays a critical role in responding effectively to crises and in supporting employees. In FY21, we regularly issued an e-newsletter, “COVID-19: What you

need to know,” that included regional updates, health and safety information, and useful resources for all employees. The newsletter served as a mechanism for sharing regional insights and updates as well as related business strategy changes and updates related to the pandemic. Our “COVID-19 Updates” section on our corporate intranet site remains the most-widely accessed section of the entire site. We also developed and released “Returning to the Office: A Guide for Avnet Employees” as a printable PDF and an interactive online resource. Avnet is committed to maintaining a consistent cadence of communications to employees about the COVID-19 pandemic as it relates to operations and issues for the transition back to working in offices. Our Global Internal Communications team was awarded a 2021 Gold Quill Award for Merit from the International Association of Business Communicators for our COVID-19 employee outreach efforts and initiatives, one of just a handful of U.S.-based companies to receive the honor.

“During the pandemic, we have discovered new opportunities to innovate and maintain business continuity, as well as new ways of connecting and working. We strengthened our culture by shifting focus to the whole person to include overall well-being and family.”

– Ken Arnold, Chief People Officer

Business partners

Avnet leverages the strength of its global reach and 100 years of experience in managing through crises and disruption with its distinct technical and supply chain expertise. Avnet successfully executed its business continuity plans throughout the COVID-19 pandemic. We helped customers overcome the many people, process, technology and data constraints that jeopardized their operational and financial resilience amid extraordinary market conditions.

Avnet teams helped ensure critical medical equipment was available during the COVID-19 pandemic in FY20 and FY21. We accommodated spikes in demand for various components among medical sector customers. We overcame, global challenges to respond, including:

- Shortages of workers supporting production, warehousing and transport across our supply chain partners resulting from rolling stay-at-home orders and social distancing guidelines
- Raw materials and component availability and increased cost
- Demand surges in unexpected sectors

We learned valuable lessons around agility, streamlining processes, empowering team members and achieving powerful results through greater collaboration between customers and sales teams.

For example, in EMEA, Avnet quickly assembled and mobilized a dedicated Medical Focus Team supporting contract manufacturer customers. Employees worked around the clock in some facilities to ensure customers had the components they needed to produce ventilators and other critical equipment, helping to quickly deploy these lifesaving devices to hospitals. Avnet teams also helped customers develop low-cost COVID-19 tests for lower-income countries. Avnet leveraged its distinct design-to-supply chain capabilities and expertise to accelerate the development, production and market rollout of critical COVID-19 diagnostic, treatment and tracking applications.

Community

Avnet continues to support the global community in its fight against COVID-19. Avnet rallied its extensive Hackster.io and element14 engineering communities to develop on-the-ground solutions for detection and support.

In FY21, element14 finished the [Fighting Germs](#) design challenge, aimed at engaging problem-solving designers and engineers within its 800,000+ member community to slow the spread of COVID-19. The Hackster.io community partnered with the United Nations Development Program to launch the [COVID-19 Detect & Protect Challenge](#).

In addition to these operational efforts, Avnet made significant monetary and product donations to support local communities. Examples of Avnet's recipients are detailed [here](#).

PROTECTING OUR ENVIRONMENT

Protecting natural resources is critical for the century ahead. We strive to do the right thing by protecting our environment in two key ways:

1. Striving to make operations as sustainable as possible
2. Promoting our suppliers' energy-efficient products to help customers meet their design and solution goals

Sustainable operations

In FY21, we focused attention on energy consumption and waste management. Our strategy for reducing carbon emissions is threefold:

1. Switch to renewable energy sources wherever possible
2. Improve the energy efficiency of offices and facilities
3. Consolidate facilities where possible

Energy, waste and water are managed by each facility, with a cross-functional ESG working team overseeing data collection and identifying reduction opportunities globally.

Our goal in FY21 was to increase the scope and accuracy of our data collection to build a robust baseline. Based on this improved data, we set reduction goals for 2025. This year we undertook a comprehensive emissions, energy, waste and water survey, which significantly improved the depth and quality of our data and our ability to pinpoint facilities for improvement. For FY21, we have:

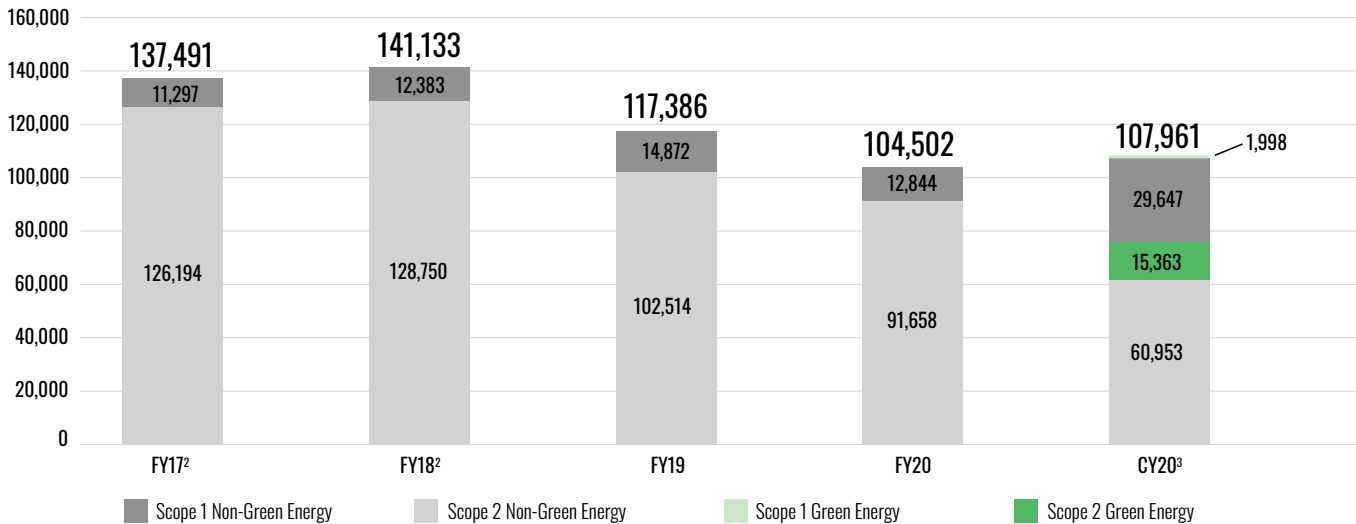
- **Carbon emissions and energy** data for approximately 85% of all operations
- **Water** data for approximately 70% of all operations
- **Waste** data for approximately 68% of all operations

This is a solid baseline because the distribution center facilities that produce the most waste and use the most resources are included in this data. Our carbon emissions, energy and waste data are also reported to the [CDP](#).

For energy and waste, eco-efficiencies have been continuously incorporated into day-to-day operations. For example, we reduced power consumption in our global data center by approximately 40% over the past five years, for a six-figure annual savings. With better quality data we will continue to pinpoint opportunities to improve performance.

Avnet's energy usage trend¹

Scope 1 and Scope 2 (MWh)



¹ All data extrapolated to represent 100% of Avnet's square footage. Estimated percent of Avnet total area of collected data is the following: FY17 was 60%, FY18 was 60%, FY19 was 62%, FY20 was 68% and CY20 was 85% of estimated 6.5 million sq. ft. Scope 1 = On-site generation of energy owned/controlled by Avnet (generation of onsite combustion of heat or electricity examples: solar, natural gas, fuel oil). Scope 2 = Purchase of off-site generation of electricity, heating and steam consumed by Avnet facilities. Scope 2 non-green energy includes electricity sourced from the local grid, exclusive of any green electricity products supported by energy attributes certificates. It may contain a mix of both green and non-green energy.

² FY17 & FY18 Scope 1 and Scope 2 energy values were estimated using ratio of Scope 1 and Scope 2 emissions.

³ Fleet data was collected only in CY20, contributing to the Scope 1 energy increase.

Figure 9

Avnet's Carbon Emissions Trend¹

Scope 1 and Scope 2 Emissions (mtCO₂e)

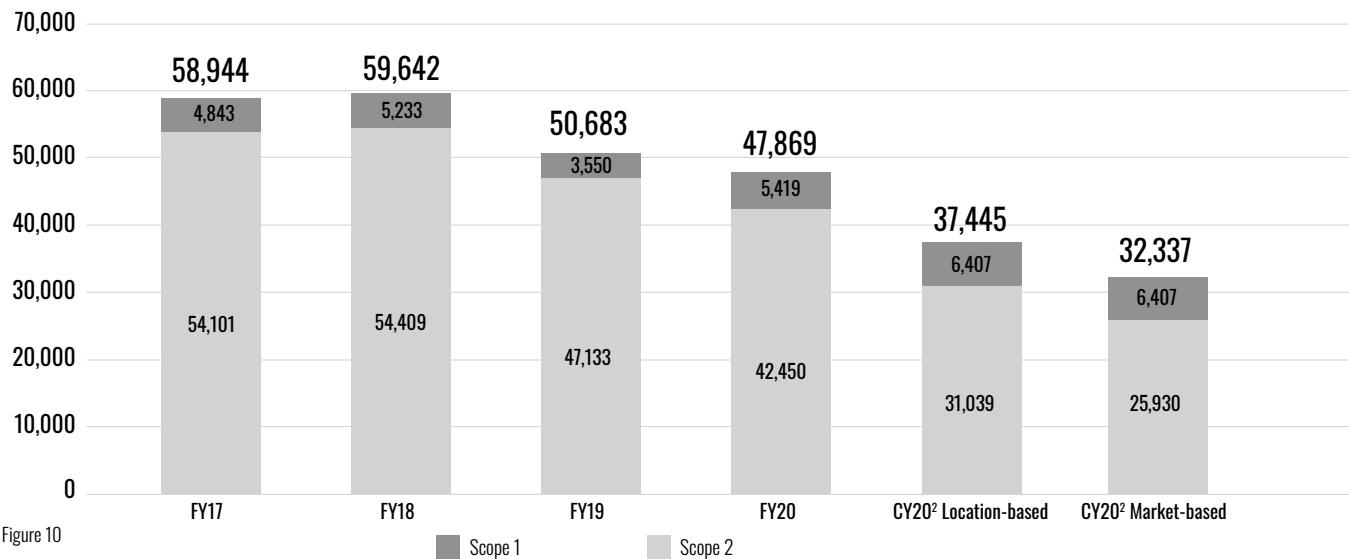


Figure 10

¹ All data extrapolated to represent 100% of Avnet's square footage. Estimated percent of Avnet total area of collected data is the following: FY17 was 60%, FY18 was 60%, FY19 was 62%, FY20 was 68% and CY20 was 85% of estimated 6.5 million sq ft. Scope 1 = Sources of direct emissions owned/controlled by Avnet (generation of on-site combustion of heat or electricity examples: solar, natural gas, fuel oil). Scope 2 = Indirect emissions from purchased off-site generation of electricity, heating and steam consumed by Avnet facilities. Location based method uses an average emission factor that relates to the regional grid on which energy consumption occurs. Market based method applied if Avnet has operations at any sites where green energy certificates and information are available.

² Fleet data was collected only in CY20, contributing to increased Scope 1 emissions.

Avnet's total energy consumption is now 16% renewable energy, mostly coming from the largest part of the company's energy footprint in the U.K. and Europe. In the U.K., we switched to providers of renewable energy. Facilities in Germany, Austria, Switzerland, the U.K. and Sweden use green electricity products, e.g., green tariffs, supported by energy attribute certificates and invoices. Due to the implementation of green energy initiatives, we reduced our greenhouse gas emissions by approximately 5,108 metric-tonnes CO₂e.

SCOPE 1 AND SCOPE 2 CARBON EMISSIONS		CY20 (mtCO ₂ e)
Direct Scope 1 GHG Emissions ¹		6,407
Indirect Energy Scope 2 Emissions ²		
Indirect Energy Scope 2 location-based emissions		31,039
Indirect Energy Scope 2 market-based emissions		25,930

Figure 11 - Footnotes located at the end of the Protecting our environment section

Eco-efficiency efforts in previous years improved energy performance at our facilities and offices. For example, solar has been used for several years at our headquarters and McKemy distribution center in Arizona. When evaluating new facilities and any refurbishments, we are adhering to higher environmental standards. Some of our offices and facilities, such as those in Leeds (U.K.), were modernized and upgraded this year. In addition to projects in EMEA, we installed energy-efficiency systems at other facilities, including eight HVAC and seven heat pumps replaced at the Morelos facility in Arizona. For buildings not planned to undergo renovation, switching to renewable energy remains the most cost-effective way to reduce our carbon emissions. As part of our [NWOW](#) efforts,

ENERGY ³	CY20 (MWh)	CY20 (GJ)
Total energy consumed	107,961	388,658
Percentage grid electricity	84%	84%
Percentage renewable	16%	16%

Figure 12 - Footnotes located at the end of the Protecting our environment section

we'll continue to consolidate some offices in Europe, the U.S. and Canada. These consolidations will reduce Avnet's overall environmental footprint, including carbon emissions, water and waste. We also seek to leverage new green technology to reduce our environmental impact in our office and distribution spaces as we refresh and update existing facilities. In CY20, our global business travel emissions reduced by approximately 80% compared to CY19 due to the COVID-19 pandemic. We will continue to travel less and hold more virtual meetings than before the COVID-19 pandemic.

ENERGY AND EMISSION INTENSITY METRICS ^{1,2,3}		CY20
Scope 1 and Scope 2 Metrics		
kWh/SQFT		16.58
mtCO ₂ e/'000 SQFT (location-based emissions)		5.75
mtCO ₂ e/'000 SQFT (market-based emissions)		4.96

Figure 13 - Footnotes located at the end of the Protecting our environment section

Avnet operates a company car fleet for its EMEA workforce, and this year we collected emissions data from these cars for the first time. With the ability to track this data, we aim to reduce fleet emissions by upgrading vehicles to plug-in

hybrid and fully electric cars. Currently, about 10% of our fleet is electric hybrids. On average, Avnet replaces its cars every three to four years. To make the transition to a fully electric fleet, Avnet is updating its company car policy to include fully electric models in FY22. We also installed more electric vehicle (EV) charging stations in EMEA offices and provided the charging of vehicles at no cost to employees. As a result of EV technology advancements, EV infrastructure upgrades and stricter vehicle emissions regulations, our fleet transformation to all electric vehicles will accelerate over the next decade.

This year we started collecting data where possible for Scope 3 emissions, including business travel, downstream distribution and the portion of upstream distribution under Avnet's control. Most of this data comes from our travel agencies and logistics partners for our distribution capabilities.

SCOPE 3 CARBON EMISSIONS		CY20 (mtCO ₂ e)
Category 6: Business travel ⁴		1,868
Category 4: Upstream transportation and distribution ⁵		14,798
Category 9: Downstream transportation and distribution ⁵		18,274

Figure 14 - Footnotes located at the end of the Protecting our environment section

Our business is distribution, and we ship approximately 157 billion units each year. We make specific efforts to reduce the environmental impact of these shipments. In FY21, we started a phased approach program to rationalize the size and makeup of our transit boxes and other packaging types. Additional steps include rationalizing our vendors in favor, where practical, of those providing eco-friendly packing materials, focusing initially on void-fill and product protection options. Next, we will work toward more standardization and efficiencies in package types through redesign, re-engineering and process efficiencies driven by the deployment of automation and new technologies. We will evaluate our approach in FY22.

Globally, Avnet recycles about 79% of all waste generated from the sites collected. In large distribution centers waste is sorted on-site, depending on the specifications of local recycling facilities. Third-party waste disposal partners sort any remaining mixed recycling. In the U.K., total non-recycled waste is about 5%. In the U.K., some European facilities and Singapore, we hold zero-to-landfill contracts. These contracts mean any non-recyclable waste is incinerated for energy production. Our waste strategy is to move to more zero-to-landfill contracts globally and increase on-site waste sorting to lift recycling rates at large distribution and office sites.

WASTE ⁶	CY20 (mt - metric tonne)
Waste generated by weight	4,536
Waste diverted by weight and hazardous/non-hazardous (Recycled)	3,579
Recycled Hazardous Waste	0
Recycled Non-Hazardous Waste	3,579
Waste direct to disposal by weight and hazardous/non-hazardous (Disposed)	957
Disposed Hazardous Waste	9.2
Disposed Non-Hazardous Waste	948
Amount of hazardous waste from manufacturing	9.2
Percentage recycled	79%

Figure 15 - Footnotes located at the end of the Protecting our environment section

Avnet's water footprint is largely from office facilities and is managed locally by each facility. Our global environmental policy is to continuously improve water conservation. We do not manufacture or have heavy water-reliant processes. We have already installed numerous water-saving appliances and technology. As offices are updated, we will continue to do so and will evaluate our approach. When we acquire new facilities or have an opportunity to update current facilities, we make efforts to install low-water use equipment and automatic shutoff faucets, capture grey water for landscaping and deploy other water-saving devices.

Environmental compliance is regionalized, as our businesses around the world manage national and local compliance⁷.

WATER ⁸	CY20 (m ³)	CY20 (ML- Megaliters)
Total value of water withdrawn, with breakdown by source		
Surface water, including wetlands, rivers, lakes, oceans	0	0
Ground water	0	0
Rainwater	0	0
Wastewater from another organization	0	0
Municipal water suppliers or other public or private water utilities	140,833	141
Total water withdrawn	0	0
Total water consumed	140,833	141
Domestic	127,879	128
Irrigation	6,223	6
Process Water	6,731	7
Percentage of each in regions with High or Extremely High Baseline Water Stress ⁹		
Total water withdrawn in regions with High or Extremely High Baseline Water Stress	0%	
Total water consumed in regions with High or Extremely High Baseline Water Stress	15%	

Figure 16 - Footnotes located at the end of the Protecting our environment section

Sustainable operations goals

Our 2025 goals include reducing Scope 1 and Scope 2 greenhouse gas emissions by 50% from FY19 emission levels. Avnet does not use carbon offsets, and we intend to meet this goal through direct actions. Our strategy to meet this bold goal includes increasing the use of renewable energy to 30% of our energy mix by CY25. We will also maintain a 20% decrease in emissions from business travel (Scope 3) from CY19 levels. By CY25, we also aim to divert 75% of our waste from landfills for all of Avnet globally.

Environmental Goals: FY21 - FY23

FY21 GOAL	FY21 PERFORMANCE	FY22-23	FY22-23 PERFORMANCE
Complete carbon and waste footprint	MET GOAL	Add waste and water to reporting	MET GOAL EARLY
Develop strategy to: • Increase renewables • Reduce emissions • Reduce waste • Streamline process for communicating to stakeholders	MET GOAL (See Environmental Goals: CY25) External communications: • Built formal external communications strategy and began implementation • Updated avnet.com CSR site with new ESG strategy • ESG podcast in Avnet's Distributing Wisdom podcast series • Aligned sustainability report to annual reporting cycle Internal communications strategy and plan completed	Execute on strategies set in FY21 to: • Increase renewables • Reduce emissions • Reduce waste • Streamline communications progress	IN PROGRESS

Figure 17

Environmental Goals: CY25

FOCUS	CY25 GOALS
Energy	Increase to 30% of Scope 1 & Scope 2 energy from renewable sources by CY25
Scope 1 & 2 Carbon Emissions	50% reduction in Scope 1 & Scope 2 GHG emissions by CY25 from FY19
Scope 3 Carbon Emissions	Maintain 20% reduction of Scope 3 business travel emissions by CY25 from CY19
Waste	Divert 75% of waste from landfill for all of Avnet by 2025

Figure 18

Meeting our 2025 goals

Our strategy to meet our goals includes:

- Expanding purchase of green energy and certificates of origin for renewable sources (wind, solar and hydropower)
- Continuing to consolidate data centers and servers, and applications from on premises to the cloud, which both saves energy and reduces carbon footprint
- Reducing energy consumption through energy conservation, building management, facility consolidations and other projects
- Using on-site renewable energy generation options and Purchase Power Agreements (PPAs), when possible, to increase Scope 1 and Scope 2 green energy mix
- Continuing to transition combustion engine fleet cars to EVs
- Reducing Scope 3 emissions by reducing air travel through digital meetings and a purposeful travel strategy
- Implementing local recycling options, on-site recycling process improvement and optimization and engaging employees to recycle at sites with the largest volume of disposed waste, primarily in EMEA and Americas

Supporting customers to reduce their product footprint

Avnet can help customers at the design and production stages to reduce the environmental impact of their technology. We not only help customers achieve environmental compliance with products, we can also help customers reduce the operational footprint of their products by innovating greener and sustainable solutions.

Avnet is a part of some of our customers' climate change innovation chains. For these customers, we help bring to market new technologies to battle climate change. We also help customers reduce their footprint by enabling advanced cooling technology solutions. For example, Avnet is playing a critical role in converting commercial off-the-shelf (COTS) servers to liquid-cooled servers. With our production, service, and support, our customers are bringing this technology to market faster and reaching more customers globally.

Avnet also addresses water loss with Internet of Things (IoT) solutions. U.S. cities can lose as much as 38% of their water during transmission, and monitoring is critical to stop these losses. Working with Avnet's IoTConnect Platform and Partner Program, [Capstone Metering](#) scaled its intelligent meter installations faster than before, moving from 1,000 installed meters to approximately 6,500 by the end of 2020. Now, Avnet's IoTConnect Partner Program helps Capstone stay ahead of the competition, while transforming the company from an OEM into a systems integrator with multiple recurring revenue streams.

Another way we support customers is through our communities, Hackster.io and element14. For example, QuickLogic conducted a contest that tasked participants to create a proof-of-concept for an intelligent IoT edge solution that addresses climate change. QuickLogic, along with its subsidiary SensiML, implemented the contest via the Avnet's online community, Hackster.io. First place went to Pratyush Mallick for his project called Forest Guardian — a cutting-edge low-power solar-run device that detects illegal logging by using acoustic data.

- 1 Scope 1 emissions include sources of direct emissions owned/controlled by Avnet (generation of onsite combustion of heat or electricity examples: solar, natural gas, fuel oil). Collected emissions data represents an estimated 85% of Avnet's square footage, excluding land. Extrapolated data is estimated to 100% of Avnet's square footage. Sources for emission calculations include EPA GHG Guidance: Direct Emissions from Stationary Sources and EPA GHG Inventory Guide Direct Emissions from Mobile Combustion Source. Corporate Fleet data was sourced from EMEA fleet and fuel emission averages.
- 2 Scope 2 include indirect emissions from purchased off-site generation of electricity, heating and steam consumed by Avnet facilities. Collected emissions data represents an estimated 85% of Avnet's square footage, excluding land. Extrapolated data is estimated to 100% of Avnet's square footage. Sources for emission factors and calculations include: EPA GHG Guidance, Indirect Emissions from Purchased Electricity, DEFRA Environmental Reporting Guidelines, Institute for Global Environmental Strategies (IGES), Carbon Footprint, and EPA Emission Factors for Greenhouse Gas Inventories. For a complete list of emission factor sources, see 2021 [Carbon Disclosure Project \(CDP\)](#) report. Emission values may vary from CDP as data is updated for accuracy at the time of reporting.
- 3 Collected energy data represent an estimated 85% of Avnet's square footage, excluding land. Energy values may vary from CDP as data is updated for accuracy at the time of reporting. Extrapolated energy data is estimated to 100% of Avnet's square footage.
- 4 Travel data includes 100% of US and EMEA and 80% of APAC. Avnet reports 85% of corporate transport data for CY20 and the remaining 15% was estimated using a percentage of actual airfare spend. CY20 was a significantly low year of travel due to COVID-19 travel restrictions. Emission values may vary from CDP as data is updated for accuracy at the time of reporting.

- 5 Emission data sourced from Carrier Invoicing data provided by Data2Logistics. CO2 emissions were calculated based on DEFRA averages using mode, weight, distance, and distance range (long haul, short haul, etc.) to determine the spent carbon. Data includes Avnet: AMER, EMEA, and APAC and Farnell: AMER. Avnet APAC is partial data due to system implementation timing. Data does not include Farnell: EMEA or APAC. Emissions calculated for transportation and distribution logistics for carriers within Avnet's control.
- 6 Collected waste data represent an estimated 68% of Avnet's square footage.
- 7 Avnet manages eight environmental clean-up sites originating from chrome-plating during the 1970s, an activity Avnet has not done for decades. Managed by Avnet's legal team, Avnet shares responsibility of most of the sites with other companies, maintaining sole responsibility for a few industrial sites.
- 8 Collected water data represents an estimated 70% of Avnet's square footage, excluding land.
- 9 Extremely High Stress and High Stress countries source World Resources Institute Aqueduct Ranking.

ENSURING STRONG CORPORATE GOVERNANCE

Ethics and compliance are the foundation upon which our governance work is built. Avnet's Ethics and Compliance Program is designed to prevent, detect and respond to instances of legal and compliance risk as well as misconduct, and to promote an ethical culture at the company. It is also intended to ensure we are acting with integrity for our employees, customers, suppliers, shareholders, communities and company – and doing business the right way.

Framework

Avnet's Ethics and Compliance Program is built on eight foundational elements, and seeks to align with the framework set forth in the Evaluation of Corporate Compliance Programs from the U.S. Department of Justice:

1. Ensure oversight of ethics and compliance
2. Establish and implement relevant policies
3. Require ethics and compliance training for employees globally
4. Create awareness and communications around ethics and compliance
5. Conduct auditing and monitoring
6. Provide a mechanism for reporting concerns, conduct investigations, and take corrective action as needed
7. Report on ethics and compliance to both executive management and the Board of Directors
8. Carry out continuous assessment and readjustment of the program

Governance

The Audit Committee of the Board of Directors has ultimate oversight of the Ethics and Compliance Program. The Corporate Ethics and Compliance Committee (CECC) provides oversight of and guidance to the program at the corporate level, with Regional Ethics and Compliance Committees (RECC) in APAC and EMEA providing regional oversight. The Ethics and Compliance Office (ECO) manages the day-to-day program and is led by the chief ethics and compliance officer with support from representatives in each region.

The ECO is also supported by over 200 Code of Conduct Advisors (CCAs) globally. CCAs are Avnet employees who have been selected and trained to assist with championing the Ethics and Compliance Program. They are recognized leaders in our business units and facilities who are visible and accessible to

our fellow employees, and who have a reputation for ethical behavior and integrity. They are trusted resources for purposes of seeking guidance under or reporting suspected violations of our Code of Conduct.

In FY21, Avnet brought on board a dedicated chief ethics and compliance officer to lead, as well as to evaluate and evolve, the Ethics and Compliance Program.

Code of Conduct

The Avnet [Code of Conduct](#) is the guiding document for the Ethics and Compliance Program. The Code of Conduct sets standards in human rights, anti-corruption, data security and privacy, non-discrimination, diversity and equal opportunity, and workplace health and safety. The Code of Conduct applies to all employees, officers, members of our Board of Directors, and the company's subsidiaries worldwide. We also expect our suppliers, agents, and business partners to uphold similar ethical standards when working with Avnet.

The Code of Conduct is available in 15 languages, and we aspire to refresh it every three years.

All employees receive Code of Conduct training during onboarding and then at least every two years.

"Our goal is to have a comprehensive and effective ethics and compliance program that is designed to prevent and detect misconduct, is empowered and supported by our leadership and works as a practical matter because our stakeholders – including our customers, suppliers, partners, investors, communities and employees – trust Avnet to do business the right way."



– Tash Price, Chief Ethics and Compliance Officer

Strategic Roadmap

The chief ethics and compliance officer evaluated Avnet's Ethics and Compliance Program in FY21 and initially focused on refreshing it in three key areas:

1. Training
2. Communications and awareness
3. Code of Conduct Advisors

During FY21 the ECO also developed a strategic roadmap for the FY22-24 program with the following strategic objectives in mind:

1. **Sustain** the progress already made in creating an effective program.
2. **Enhance** existing tools, training and processes to strengthen the program.
3. **Adapt** the program as appropriate due to business changes, regional differences, and legal/regulatory developments.
4. **Operationalize** responsibility and accountability for compliance oversight and monitoring.
5. **Regionalize** the program through localization of policies and awareness materials and customization of initiatives based on regional issues and dynamics.
6. **Measure** effectiveness of the program and its component parts to identify opportunities for improvement.

The roadmap is a living document that can and will be reprioritized as needed based on the changing regulatory environment and business risks.

Trade compliance

Trade compliance is centrally managed by Avnet's Global Trade Controls (GTC) Team, led by the Vice President for Legal and Global Trade. The GTC team comprises regional directors and teams deployed to administer the GTC program. The program is implemented to ensure compliance with applicable trade laws, rules and regulations globally. It consists of executive commitment, policies, guidelines and procedures, as well as manual and automated controls to ensure compliance with applicable trade laws, rules and regulations globally.

GTC covers export controls, sanctions compliance, denied party list (DPL) and customer screening. As a secondary focus, the team advises our supply chain on aspects of import law (customs) compliance.

In FY21, Avnet Asia Pte reached resolution with the U.S. Department of Justice and the U.S. Department of Commerce related to investigations into sales processed by a small number of employees in Asia between 2009 and 2015 that allegedly violated trade compliance laws. The total amount of fines Avnet Asia Pte will pay as a result of the settlement is \$3.2 million. Since the sales were brought to Avnet's attention, Avnet has fully cooperated with the investigation. Most importantly, Avnet's current leadership team has significantly enhanced the company's internal controls, undertaking substantial improvements to

Ethics & Compliance Goals: FY21 – FY22

TOPIC	FY21 GOALS	FY21 PERFORMANCE	FY22 GOALS
Increased employee awareness	Incorporate two "moments of ethics" at Executive Leadership Team meetings, and four at senior-level quarterly meetings	MET GOAL Completed two "moments of ethics" at Global Town Halls, and several "moments" in other senior level meetings	- Implement an internal E&C communications program - Refresh ECO site on the intranet
Training	96% of all identified employees complete E&C training	DID NOT MEET 93% completion rate of Anti-Corruption training 91% completion rate of Export Compliance training (Slight miss of goal percentage due to system and process issues; issues addressed for FY22 training launch)	Refresh of the E&C training program and roadmap, with a focus on managers/"tone at the middle"
Job descriptions and onboarding	Strengthen language in job descriptions and onboarding	MET GOAL Language added to external job postings and onboarding materials in the APAC and Americas	Add language to external job postings in EMEA
Code of Conduct	N/A	N/A	- Refresh Code of Conduct Advisor (CCA) program - Launch review of Code of Conduct with a target to publish a refreshed version in FY23
Most Ethical Company status	Maintain most ethical company status	DID NOT MEET Not being named a World's Most Ethical Company in 2021 was a factor that led to the evolution of the program	N/A

Figure 19

strengthen its global trade compliance practices that include investments in personnel, training, processes and tools. Avnet is committed to continual improvement in these practices as well as an open dialogue with the appropriate U.S. government agencies to further incorporate best practices in our global trade compliance program.

We are committed to continuous improvement and to incorporating best practices in our global trade compliance program. All new employees, with the exception of select roles that have been assessed to be low risk, receive trade compliance training during onboarding and then are trained at least every two years. In FY21, more than 8,500 employees received this training globally.

Anti-corruption

Among others, corruption is a risk that Avnet seeks to prevent, detect, and mitigate through its Ethics and Compliance Program. Our comprehensive and integrated approach to anti-corruption compliance, which includes but is not limited to: policies, training, third party due diligence, controls and control enhancements, and anti-bribery/anti-corruption (ABAC) risk assessments.

We are committed to continuous improvement in this area, which is one reason we updated our Global Anti-Corruption Policy during FY21. The general principle, however, did not change: bribery is prohibited. The purpose of this policy is to provide standards and procedures that will help ensure that all employees, officers, directors, and agents comply with applicable laws against corruption and maintain Avnet's reputation for ethical business practices. We also understand that awareness of anti-corruption issues is important. So, with limited exceptions based on the likelihood of a job function's exposure to these issues, employees receive anti-corruption training during onboarding and then at least every two years. In FY21, more than 8,100 employees across all regions received this training.

ABAC risk assessments are conducted by Avnet's internal audit team with input from the ECO. A full risk assessment for all regions was performed in FY21, which assessed 110 business segments for corruption-related risks. This assessment was based on various factors, such as countries with a history of corruption (in light of Transparency International CPI ratings, etc.) and use of third-party intermediaries.

Labor relations

Avnet believes that direct communication between management and employees is the most efficient and effective way to identify and resolve workplace issues. Avnet also respects employees' legal rights to engage in protected activities like organizing, free association, designating representatives or collective bargaining. Avnet endeavors to comply with all applicable laws on labor relations and does not engage in any unfair labor practices such as obstructing employees' legal rights to representation or collective action. No provision in Avnet's Code of Conduct or policies is intended to limit or obstruct the exercise of legal rights to employee representation or collective bargaining.

Risk management

Governance of risk management is coordinated globally. We undertake comprehensive and robust reviews of enterprise risk, including sustainability factors. Our cross-functional risk council analyzes and tracks all risks, prepares risk assessments, determines the severity of risk and the need for mitigation plans, and takes these results to the ALT and the Audit Committee of the BOD. The risk council examines a wide range of risks, including acute risks such as COVID-19 pandemic, cyber threats, disruptions to logistics capabilities, non-compliance and changes in global trade regulations. For any risk that is determined pertinent, we develop a risk mitigation plan and track and monitor execution of such plans. The risk council is global and meets twice a year. ESG risks are integrated into this process and the director of ESG is a member. Business continuity plans are developed for all company locations with greater than 100 employees, or otherwise deemed critical to Avnet's business. Such business continuity plans are maintained in a centralized software repository and tested at least on an annual basis.

Supplier management

Sustainability is integrated into supplier relationships by way of either our distribution or service agreements, depending on the type of supplier. Our distribution agreements include our [Global Supplier Quality Handbook](#), which covers our Code of Conduct, conflict minerals policy, environmental policies, the Fair Labor Standards Act, child labor and local regulation and laws for the territories of sales. Additionally, our Global Supplier Quality Handbook sets the expectation that all suppliers comply with the [Responsible Business Alliance](#) (RBA) Code of Conduct, which covers anti-corruption. Avnet expects vendors and suppliers in our supply chain to be responsible global citizens and adhere to

laws and regulations not only within the U.S. but in all countries where Avnet and its suppliers operate. In addition to minimum expectations, suppliers in our supply chain are encouraged to adhere to the RBA Code of Conduct for the fair treatment of workers, for their health and safety in their work environment, for the protection of the environment, and for excellent business ethics.

By CY24, our aim is to strengthen our responsible sourcing program for all suppliers and vendors. To do this, we will continue to further enhance our supply chain due diligence strategy through our responsible sourcing goal.

Responsible Sourcing Goal: CY24

CY24 GOAL	ACTIONS
Strengthen our responsible sourcing program for all suppliers and vendors	Continue to enhance our responsible sourcing strategy by: • Updating our supplier assessment strategy • Expanding and improving prevention levers (training, corrective action, feedback mechanism) • Monitoring implementation of updated strategy and reporting on regular cadence

Figure 20

- A cybersecurity awareness intranet site, which is always available to employees
- Distributing internal videos on cybersecurity awareness, featuring members of the ALT, to all employees
- Frequently running phishing simulations with employees as part of cybersecurity training and awareness
- Regularly publishing cybersecurity awareness articles on the company intranet
- Periodically sending emails on cybersecurity topics to global employees

Security breaches have not yet materially impacted the company's operations, financial condition, or data security and privacy, but future security breaches could have a material impact. See our [SEC filings](#) for details.

Data security and privacy

Data security and privacy are jointly managed by our Chief Information Security Officer and Chief Legal Officer, with oversight from the Audit Committee of the BOD. We seek to reduce Avnet's risk of data loss via proactive cybersecurity controls while demonstrating compliance with data privacy regulations such as the [EU General Data Protection Regulation \(GDPR\)](#), the [California Privacy Rights Act \(CPRA\)](#) and other local data privacy regulations where we do business. Cybersecurity and data privacy controls are governed by Avnet's Global Information Security Policy and [Global Data Privacy Policy](#), respectively. We establish control objectives and processes to identify and respond to potential data breaches or losses.

We have extensive processes, procedures and auditing from our cybersecurity team. This includes, but is not limited to:

- Requiring biennial computer-based training on data privacy and cybersecurity for all employees and at onboarding
- Distributing the Global Information Security Policy (GISP) to all employees annually

OUR COMMITMENT TO HUMAN RIGHTS

Avnet values and seeks to uphold fundamental human rights in all our operations globally. Avnet is a [participant](#) in the U.N. Global Compact and its Ten Principles in the four areas of human rights, labor, environment and anti-corruption. We are committed to respecting human rights as expressed by the U.N. Guiding Principles on Business and Human Rights.

We provide employees and contractors fair working hours and wages. We do not use or tolerate other companies' use of forced labor or human trafficking practices, including the exploitation of children. We respect the rights of all workers

to associate, peaceably assemble and communicate concerns with management without fear of discrimination or harassment. We recognize and respect the rights of all individuals and do not discriminate based on race, color, ethnicity, national origin, gender, gender identity or expression, sexual orientation, religion, age, disability or any other legally protected trait. We are taking steps to work toward a conflict-free supply chain and comply with modern-day slavery legislation.

In FY21, we updated and posted our policies related to human rights on [Avnet.com](#).

ESG Salient Risks

RISKS	FUNCTIONAL AREA	RELATED POLICIES	OVERSIGHT/ RESPONSIBILITY	RIGHTSHOLDERS	STAKEHOLDER ENGAGEMENT
Conflict minerals	Avnet supply chain	Conflict Minerals Statement RBA commitment letter	ESG Legal Product compliance Supplier management	Miners in conflict zones Customers	Conflict Minerals Report, Form SD, filed with SEC Master Distribution Agreement Master Service Agreement
Data privacy	Avnet operations	Data privacy policy	Global information solutions Legal	Customers Avnet employees Suppliers	Avnet.com Contracts Avnet intranet (Compass)
Discrimination	Avnet operations, logistics and facilities	Equal opportunity, diversity and inclusion policy	Human Resources	Avnet employees	Trainings Listen-and-learns Employee Resource Groups Global DEI Council Mentoring Program
	Avnet supply chain and operations	RBA commitment letter Global responsible sourcing policy	Quality management Supplier management	Supply chain workers through all tiers of supply chain	Global Supplier Quality Handbook Master Distribution Agreement RBA Participation
		Global Indirect Procurement Integrity Policy	Procurement	Vendor employees	Diversity strategy Master Service Agreement Vendor Procurement Supplier Procurement
Health and safety	Avnet operations, logistics and facilities	Environmental health and safety policies	Environmental, health & safety Human Resources Quality management	Avnet employees	Human Resources Legal department Insurers
	Avnet supply chain	RBA Commitment letter	ESG Supplier management	Supply chain workers through all tiers of supply chain	Government safety regulators
Slavery and forced labor	Avnet supply chain	Human, Trafficking, Modern Slavery and Child Labor (Human Rights) Policy	Human Resources	Supply chain workers through all tiers of supply chain	Global Supplier Quality Handbook Master Distribution Agreement Master Service Agreement
Legal wages	Avnet supply chain operations	RBA Commitment Letter	Supplier management	Supply chain workers through all tiers of supply chain	Global Supplier Quality Handbook Master Distribution Agreement Master Service Agreement
	Avnet operations in low wage countries	Internal pay practice to exceed local minimum wages or industry standards where no minimum wage exists	Compensation Human Resources	Avnet employees in those countries	Human resources Business units

Figure 21

/ APPLYING INGENUITY TO ADVANCE THE U.N. SDGs

The 17 U.N. Sustainable Development Goals (SDGs) are an urgent call to action by all U.N. Member States. Adopted in 2015, they provide a blueprint for peace and prosperity for people and the planet. Business must play its part in achieving these goals. We are proud of Avnet's contributions toward the U.N. SDGs.

Avnet drives the U.N. SDGs by advancing technological solutions developed in partnerships with customers and our technology communities Hackster.io and element14. For example, Hackster.io publishes Tech for Good initiatives that

showcase the positive impact of smart technology on global society, including projects that directly impact the U.N. SDGs. In FY21, Avnet continued to map the U.N. SDGs to where we could make the most meaningful contribution and have the most significant influence through our products, services and business strategy. In this mapping process, we considered how Avnet reduces or mitigates risks to people and the planet and addresses specific U.N. SDGs.

To expand on the framework we created in FY20, we took the following actions to continue contributing toward these goals.

Avnet's FY21 Actions to Advance the U.N. SDGs

U.N. SDG	CONTRIBUTION
 1 NO POVERTY End poverty in all its forms everywhere	Avnet believes that providing good jobs with fair wages is an effective step to end poverty. We ensure that employees in low and middle income countries are paid above local minimum wages or industry standards. This includes employees in India, Malaysia, and Mexico.
 3 GOOD HEALTH AND WELL-BEING Ensure healthy lives and promote well-being for all at all ages	Ensuring healthy lives includes ensuring good mental health. In FY21, we expanded mental health support for employees as part of our Employee Assistance Program and THRIVE program. Looking to support healthy lives more broadly and globally, Avnet partnered with the U.N. Development Program, customers and our extensive Hackster.io and element14 communities to leverage our design-to-supply chain capabilities and expertise to accelerate development, production and distribution of critical COVID-19 diagnostic, treatment and tracking applications. Examples include: • element14 Vital Care innovation aids post-COVID-19 recovery • Hackster.io contest advances learning about how developers use ultraviolet light technology in a global crisis like a pandemic • Hackster community to find ways to use drones to help people in pandemics We also support our communities with challenges and competitions that focus on other aspects of health. Examples include: • Hackster.io Advanced Wearables contest
 5 GENDER EQUALITY Achieve gender equality and empower all women and girls	We support women through charitable giving and seek to advance opportunities for women everywhere to advance their careers in engineering and technology sciences.
 11 SUSTAINABLE CITIES AND COMMUNITIES Make cities and human settlements inclusive, safe, resilient and sustainable	Through element14's design challenges, many community members created projects to improve our built environment and cities. Examples include: • element14 VenTracker monitors and controls windows to prevent the spread of COVID-19 • element14's One-Meter of PI Challenge advanced designs for indoor sustainable gardens in a square-meter of space
 13 CLIMATE ACTION Take urgent action to combat climate change and its impacts	Avnet announced its carbon emission reduction goals this year and seeks to further impact climate change by advancing technology. Avnet collaborates with select customers to advance emission-savings technology. We also engage our wider community in challenges and competitions to accelerate technology development. Examples include: • Reducing energy loss in energy storage systems with Infineon's CoolSic™ technology • Hackster.io's Challenge Climate Change contest • Hackster.io competition to assist firefighting with drones
 15 LIFE ON LAND Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Avnet recognizes the challenges of conserving life on land and the rich biodiversity of our planet. Together with our partners and communities, we support the development of smart technology to address U.N. SDG 15. Examples include: • ElephantEdge Campaign with SmartParks addresses decline of global elephant populations by improving tracking
 17 PARTNERSHIPS FOR THE GOALS Strengthen the means of implementation and revitalize the global partnership for sustainable development	Avnet works in partnership with customers, suppliers and community members to advance solutions for the U.N. SDGs. Examples include: • element14's Design for a Cause '21 challenged community members to design creative and solutions for causes. Projects ranged from a handheld vitals monitoring device to an accessible bike for those with multiple sclerosis. • element14's Recycle and Retrofit Challenge inspired projects that reduce waste by upcycling old products into something new

Figure 22

RESOURCES: AWARDS, ASSOCIATIONS, GRI AND SASB DATA TABLES, AND ADDITIONAL RESOURCES

Awards and recognition

- [2021 Gold Quill Award of Merit for COVID-19 employee communications](#)
- [2021 Copper Anvil Awards for Crisis Communications and Internal Communications](#)
- [50/50 Women on Boards List](#)
- [CRN's 2021 Women of the Channel list](#)
- [Avnet India awarded "Best Workplace in Electronics in India" in 2020 and certified as 'Great Place to work' for 4th consecutive year in 2021](#)
- [Avnet Chief People Officer Ken Arnold named Most Admired Leader by Phoenix Business Journal](#)
- [Avnet Asia Pacific Awarded Outstanding International Branded Distributor for the 19th consecutive year by the Electronics Supply & Manufacturing-China \(ESM-China\)](#)

List of Associations

- The Association of Electronics Districts in Italy
- The Arizona Technology Council*
- Bishop Association
- DMASS Europe
- Electronics Components Industry Association (ECIA)*
- Electronics Components Supply Network (ECSN Europe)
- Electronics Representatives Association
- Global Electronics Distributor Association
- Greater Phoenix Chamber
- Greater Phoenix Economic Council
- Greater Phoenix Leadership*
- Semiconductor Industry Association*
- Women in Electronics*

*supported beyond membership

GRI TABLE

GRI STANDARD		DISCLOSURE
GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016		Organizational profile
	102-1	Name of the organization: Page 2
	102-2	Activities, brands, products, and services: Pages 2, 5
	102-3	Location of headquarters: Page 2
	102-4	Location of operations: Page 2
	102-5	Ownership and legal form: Page 2
	102-6	Markets served: Page 2
	102-7	Scale of the organization: Page 2
	102-8	Information on employees and other workers: Pages 7-11
	102-9	Supply chain: Page 5
	102-10	Significant changes to the organization and its supply chain - N/A
	102-11	Precautionary Principle or approach: Page 6
	102-12	External initiatives: Pages 27-28
	102-13	Membership of associations: Page 28
		Strategy
	102-14	Statement from senior decision-maker: Pages 3-4
		Ethics and integrity
	102-16	Values, principles, standards, and norms of behavior: Page 6
		Governance
	102-18	Governance structure: Pages 2-3
		Stakeholder engagement
	102-40	List of stakeholder groups: Page 13
	102-41	Collective bargaining agreements: Page 23
	102-42	Identifying and selecting stakeholders: Page 13
	102-43	Approach to stakeholder engagement: Page 13
	102-44	Key topics and concerns raised: Page 13
		Reporting practice
	102-45	Entities included in the consolidated financial statements .
	102-46	Defining report content and topic boundaries: Page 2
	102-47	List of material topic: Pages 2, 6
	102-48	Restatements of information - Does not apply N/A
	102-49	Changes in reporting - N/A
	102-50	Reporting period: Page 2
	102-51	Date of most recent report: Page 2
	102-52	Reporting cycle: Page 2
	102-53	Contact point for questions regarding the report. Corporate.Communications@Avnet.com
	102-54	Claims of reporting in accordance with the GRI Standards: Page 2
	102-55	GRI content index: Pages 29-31
	102-56	External assurance - N/A

Figure 23

GRI TABLE

GRI STANDARD		DISCLOSURE
Material Topics		
200 series (Economic topics)		
Anti-corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary: Page 23	
	103-2 The management approach and its components: Page 23	
	103-3 Evaluation of the management approach: Page 23	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption: Page 23	
	205-2 Communication and training about anti-corruption policies and procedures: Pages 22-23	
300 series (Economic topics)		
Energy		
GRI 103: General Management Approach	103-1 Explanation of the material topic and its boundary: Page 16	
	103-2 The management approach and its components: Pages 16-18	
	103-3 Evaluation of the management approach: Page 17	
GRI 302: Energy 2016	302-1 Energy consumption within the organization: Page 16	
	302-3 Energy intensity: Page 17	
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary: Page 16	
	103-2 The management approach and its components: Pages 16-18	
	103-3 Evaluation of the management approach: Page 17	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions: Page 17	
	305-2 Energy indirect (Scope 2) GHG emissions: Page 17	
	305-3 Other indirect (Scope 3) GHG emissions: Page 18	
	305-4 GHG emissions intensity: Page 17	
	305-5 Reduction of GHG emissions: Page 17	
Water		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary: Pages 16, 18	
	103-2 The management approach and its components: Page 18	
	103-3 Evaluation of the management approach: Page 18	
GRI 303: Water 2018	303-1 Water consumption and source: Page 18	
	303-3 Water withdrawal: Page 18	
Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary: Pages 16, 18	
	103-2 The management approach and its components: Page 18	
	103-3 Evaluation of the management approach: Page 18	
GRI 306: Waste 2020	306-3 Weight and composition of waste: Page 18	
	306-4 Waste diverted from disposal: Page 18	
	306-5 Waste directed to disposal: Page 18	

Figure 23

/ GRI TABLE

GRI STANDARD		DISCLOSURE
Material Topics		
400 series (Social topics)		
Training and Education		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary: Page 11
	103-2	The management approach and its components: Page 11
	103-3	Evaluation of the management approach: Page 11
GRI 404: Training and Education 2016	404-2	Type of training to upgrade employees' skills: Page 11
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary: Page 9
	103-2	The management approach and its components: Page 9
	103-3	Evaluation of the management approach: Page 9
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees: Page 7, 9
Non-discrimination		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary: Page 9
	103-2	The management approach and its components: Page 9
	103-3	Evaluation of the management approach: Page 9
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken: Page 7
Customer Privacy		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary: Page 24
	103-2	The management approach and its components: Page 24
	103-3	Evaluation of the management approach: Page 24
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data: Page 24
Non-compliance		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary: Pages 22-23
	103-2	The management approach and its components: Page 22-23
	103-3	Evaluation of the management approach: Page 24
GRI 419: Socio-Economic Compliance 2016	419-1	Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations: Pages 22-23

Figure 23

¹ Three categories of Scope 3 covered

SASB TABLE

SASB STANDARDS FOR MULTI-LINE AND SPECIALTY RETAILER & DISTRIBUTOR (SASB CLASSIFICATION FOR AVNET) AND ADDITION STANDARDS FOR EMS/OMD AND SEMICONDUCTORS		ACCOUNTING METRIC FOR DISCLOSURE
Energy management (CG-MR-130a.1 and TC-SC-130a.1)	Total energy consumed: Page 16	
	Percentage grid electricity: Page 17	
	Percentage renewable: Page 17	
Workforce Diversity & Inclusion (CG-MR-330.a.1)	Percentage of gender and racial/ethnic group representation for management and all other employees: Page 7	
Product Sourcing, Packaging & Marketing (CG-MR-410.a.3)	Discussion of strategies to reduce the environmental impact of packaging: Page 18	
Activity Metrics (CG-MR-000.A)	Number of distribution centers: Page 2	
	Number of retail locations: Avnet has one retail trade counter location managed by CPC business unit in the UK.	
Activity Metrics (CG-MR-000.B)	Total area of retail space: Trade counter retail space is 6,888 square feet; approximately 0.11% of Avnet's total estimated square footage. Trade counter retail sales are 0.02% of Avnet's total FY21 revenue. Total square footage is sourced from Avnet FY21 10-K report.	
	Total area of distribution centers: Total distribution center area is approximately 2.8M square feet.	
Data Security (CG-MR-230a.1)	Description of approach to identifying and addressing data security risks: Page 24	
	Number of breaches: Page 24	
Water Management (TC-ES-140a.1)	Total water withdrawn and consumed, percentage in regions with high or extremely high water stress: Page 18	
Waste Management (TC-ES-150a.1)	Amount of hazardous waste from manufacturing and percentage recycled: Page 18	

Figure 24

ADDITIONAL RESOURCES

BUSINESS PERFORMANCE & GENERAL	ETHICS & HUMAN RIGHTS
Financial Performance	Avnet Code of Conduct Manual in multiple languages
Quality Certifications	Conflict Minerals Statement
UN Global Compact Communication on Progress	SEC Conflict Minerals Filing
Careers at Avnet	Core Values
ESG General info	Data Privacy Policy
Avnet Policies	Human Rights
SUPPLIERS	Modern Slavery Statement
Global Supplier Quality Handbook (Supplier Code of Conduct)	Responsible Business Alliance Code of Conduct
DEI	Ethics & Compliance information
Equal Opportunity and Diversity Guidance	ENVIRONMENT
	Carbon Disclosure Project (CDP) report
	REACH and RoHS

Figure 25

Forward looking statements

This report contains forward-looking statements, which involve risks and uncertainties. You can find many of these statements by looking for words like "believes," "projected," "plans," "expects," "anticipates," "should," "will," "may," "estimates" or similar expressions. The following important factors, in addition to those discussed elsewhere in the Company's Annual Report on Form 10-K for the fiscal year ended July 3, 2021 and subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, could affect the Company's future results of operations, and could cause those results or other outcomes to differ materially from those expressed or implied in the forward-looking statements: the scope and duration of the COVID-19 pandemic and its impact on global economic systems, our business and operations; risks relating to the Company's international sales and operations; adverse effects on the Company's supply chain, operations of its distribution centers, third-party service providers, customers and suppliers, including as a result of issues caused by natural and weather-related disasters, pandemics and health related crisis, warehouse modernization and relocation efforts; risks related to cyber-attacks, other privacy and security incidents and information systems failures; general economic and business conditions (domestic, foreign and global) affecting the Company's operations and financial performance; constraints on employee retention and hiring; geopolitical events; and legislative or regulatory changes affecting the Company's businesses. Information in this report is based on assumptions that we believe to be reasonable as of publication. In addition, our ability to collect and evaluate data is subject to limitations. We undertake no duty to update this information unless required by law.

