

Avnet FY17/FY18 Emissions

As Avnet transforms into a global technology solutions company, we also continue to transform our business and our sustainability practice.

Avnet has been reporting externally on its carbon footprint since 2009.

Key Highlights:

In the spirit of the World Resources Institute (WRI) Green House Gas (GHG) protocol principles we have made the following changes to our program:



- **Relevance and Completeness:**
 - The report covers Avnet's combined operations resulting from divestitures and acquisitions, which have been material.
 - From Calendar to Fiscal Year: To more closely align our financial and non-financial measures, this report is based on fiscal years for FY17 & FY18 GHG emissions. Avnet's fiscal year runs from July 1st to June 30th. Prior reports were based on calendar year.
- **Consistency:** Through the development of an internal Carbon Accounting Manual we have standardized our approach, data collection, emissions factors and reporting.
- **Transparency:** We are publishing this summary in advance of our FY19 report.
- **Accuracy:** We have added talent with energy expertise to the program and adopted a bottoms up approach based on actual units, our approach to facility and square footage data and emissions factors. For this report we are reporting on 60% of total square feet and extrapolating emissions to 100%.

Reporting Years

This report is based on fiscal years for FY17 and FY18 GHG emissions. Avnet's fiscal year runs from July 1st to June 30th. Prior reports were based on calendar year.

Units

GHG emissions are reported in metric tonnes of carbon dioxide equivalent (MTtCO_{2e}).

Organizational Boundaries and Scope of this report

In accordance to the GHG protocol, Avnet has chosen operational control to consolidate GHG emissions. This includes fleet, distribution centers, warehouses, offices, and manufacturing sites that are either owned or operated by the Company. For FY17 and FY18 Avnet is reporting externally on Scope 1 and Scope 2 activities. Scope 3 GHG measurement is in progress and will be reported in future years.

Emission Sources

Avnet focused on the Scope 1 & Scope 2 facility consumption only which includes the following:

Scope 1: Natural Gas & Fuel Oil

Scope 2: Electricity & District Heating

Avnet is currently in process of expanding Scope 1 and Scope 3 emissions related to company-controlled transportation and upstream/downstream transportation in FY19 with plans of further expansion into business travel and employee commuting in FY20.

At this time, only location-based emissions were calculated as we continue to improve our recording process. Emission factors used were based on region, if applicable, and national. Sources for emission factors included the Environmental Protection Agency (EPA)¹ for AMER, Covenant of Mayors (CoM)² for EMEA, and the Institute for Global Environmental Strategies (IGES)³ for APAC and Mexico. Avnet plans to expand to market location measurement in the future in accordance with the WRI protocol.

Data Collection

Electricity, natural gas, fuel data, building type and square footage was collected from invoices, bills or on-site measurements and data bases. Information was gathered in a standard formatted and reviewed based on available resources including benchmarking and historical information as well as graphically to identify unusual variances in utility profile. Additional spot checking of input data against original data was conducted as necessary to identify and correct any errors. Once reviewed, all units were converted to kWh and aggregated. Historical data and intensity measures were used to for estimations when reliable information was not available.

Emissions

Avnet adopts standard definitions for GHG classification.

- Scope 1 emissions are defined as sources that are owned or controlled by the company. Direct emissions are the result of activities such as generation of onsite combustion of heat (boilers, furnaces, etc.) or electricity (generators), processing, transportation, or fugitive emissions.
- Scope 2 emissions are indirect emissions resulting from generation of electricity, heat, or steam generated off-site and consumed by facilities purchased by Avnet.
- Scope 3 includes indirect emissions that are outside of Avnet's ownership and control but are of consequence of the company's activities. Such examples include business travel, employee commuting, waste disposal, and upstream and downstream transportation.

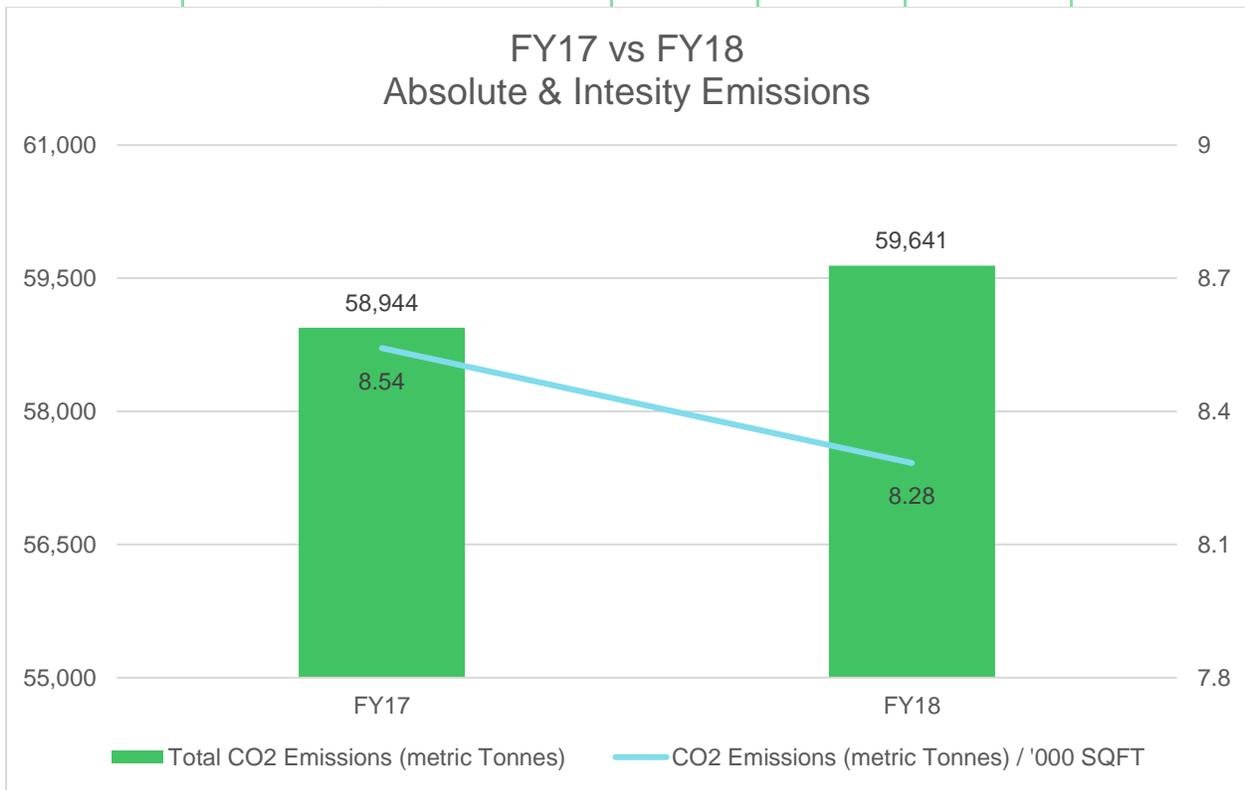
¹ Environmental Protection Agency, *Emission Factors for Greenhouse Gas Inventories*, EPA, 9 Mar. 2018, www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf

² Koffi, Brigitte; Cerutti, Alessandro; Duerr, Marlene; Iancu, Andreea; Kona, Albana; Janssens-Maenhout, Greet (2017): CoM Default Emission Factors for the Member States of the European Union - Version 2017, European Commission, Joint Research Centre (JRC) [Dataset] PID: <http://data.europa.eu/89h/jrc-com-ef-comw-ef-2017>

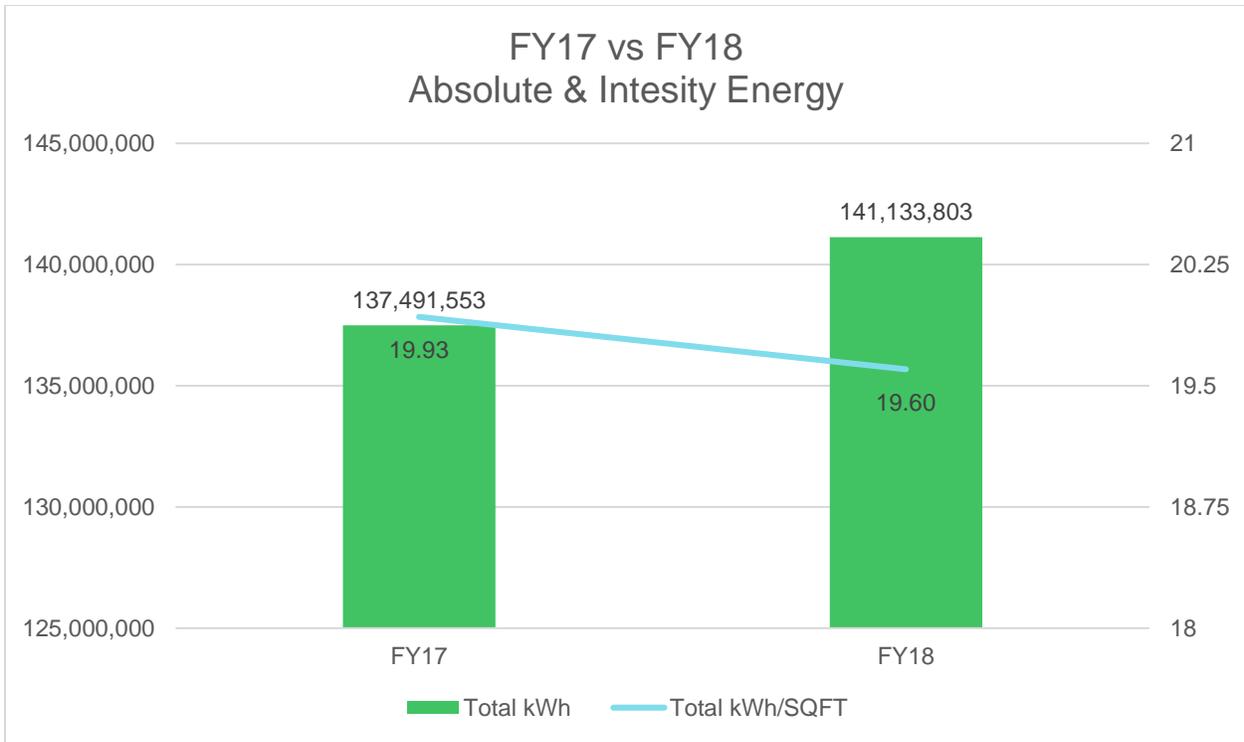
³ Institute for Global Environmental Strategies (2019). List of Grid Emission Factors version 10.4. Available at: <https://pub.iges.or.jp/pub/iges-list-grid-emission-factors>

Avnet has significantly changed its approach to emissions management and can now provide more accurate, complete, and transparent information to our stakeholders. Below is a summary of the energy consumption and emissions as of result of our global facility operations:

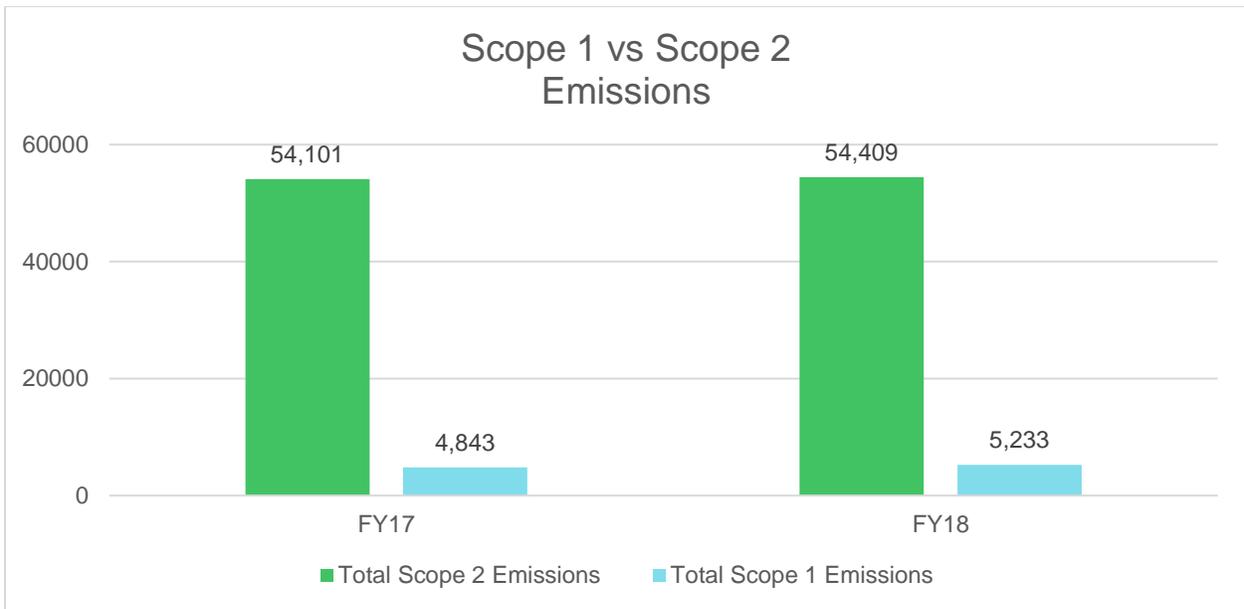
Table 1: Overall Energy and Emissions Summary Table			
Unit	FY18	FY17	% Difference
Total SQFT	7,200,000	6,900,000	4%
Total Energy (MWh)	141,133	137,491	3%
Total Energy (GJ)	508,079	494,968	3%
Total Emissions	59,641	58,944	1%
Total Scope 1 (mtCO2e)	5,233	4,843	7%
Total Scope 2 (mtCO2e)	54,409	54,101	1%
kWh/SQFT	8.28	8.54	-3%
tCO2e/'000 SQFT	19.6	19.93	-2%



Graph 1: Total absolute tCO2e and intensity measure by sqft for FY17 & FY18



Graph 2: Total absolute energy consumption and energy intensity by sqft for FY17 & FY18



Graph 3: Total absolute tCO2e Scope 1 and Scope 2 for FY17 & FY18

Summary

The results show that despite an increase in total energy and emissions, the intensity of our facility operations improved. The total increase in consumption was due to the increase of square feet and the decrease in intensity was due to improved energy efficiency strategies and the installation of energy efficiency measures including new LED lighting. Emissions for Scope 2 were almost identical despite the increase in facility area but an increase in Scope 1 was identified to be material year-over-year at some facilities mainly due to a colder winter than the previous year.

Renewables & Green Energy Purchases

Avnet has renewable investments including limited onsite generation and voluntary purchase of renewable energy. However, we are working internally to validate claims before reporting externally. We will report values in the future as we improve our inventory process.