



**/ DELIVERING WHAT'S NEXT
IN SUSTAINABILITY**

SUSTAINABILITY REPORT / FY22

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/ INTRODUCTION

Messages from our Chairman of the Board, CEO and Director of ESG



A message from Rod Adkins, Avnet Chairman of the Board

It's not a stretch to say that innovation in the 21st century is clearly more than providing a breakthrough technology, product, solution or service, but it is also how you do business globally and how you address the changing needs of the marketplace. For companies in the electronic components industry, this has reinforced the role and value of distributors like Avnet. Many look at the thousands of Avnet experts around the world as extensions of their team who bring a valuable—and often essential—perspective to the mix.

It's been proven time and time again that more diverse teams make better business decisions resulting in more favorable outcomes. At Avnet, we're proud to bring different viewpoints to the table as we partner with our suppliers to help solve our customers' challenges. We also know that to be the best partner possible, it is essential for us to build our own diverse teams.

That is why diversity, equity and inclusion (DEI) are critical to our three-part ESG strategy, which also includes environmental sustainability and ethics and compliance. We believe each pillar is important, and you can expect Avnet to continue to build on each of these areas over the coming years, adapting to customer and supplier needs along the way.

Of course, to build diverse teams that advance ESG goals, you need diverse leadership. As of FY22, 33% of Avnet's leadership positions at the manager level and above were held by women, and we plan to continue to build on this trend. Indeed in FY22, Avnet prioritized ESG by linking 10% of the Executive Leadership Team's annual cash incentive to achieving company commitments.

Diversity is also a priority at the board level and is part of the criteria for the Corporate Governance Committee to consider when filling board vacancies and proposing director nominees for shareholder election. In FY22, not only did 8 of Avnet's 11 board directors have ESG experience, but 55% of our board reflects diversity by race, ethnicity, LGBTQ+ orientation and/or gender.

As Avnet board members, we're responsible for holding the company's leadership accountable for these goals through regular dialogue as well as strategic governance. As the company continues its ESG journey, I'm confident that with the help of our own experts as well as our many industry collaborators, we will continue to be a valuable part of our customers' and suppliers' sustainable futures.

Sincerely,

A handwritten signature in black ink that reads "Rodney C. Adkins". The signature is fluid and cursive.

Rodney C. Adkins
Chairman of the Board



A message from Phil Gallagher, Avnet Chief Executive Officer

For over a century, Avnet has helped our customers and suppliers deliver what's next. For example, we were one of the first semiconductor distributors in the U.S. in the mid-20th century. Then in the 1990s, Avnet's expansion around the world enabled our customers and suppliers to get the technology they needed in multiple regions, still at the right price and at the right time.

Today, just as then, Avnet is situated at the center of the global technology supply chain in the midst of multiple changing dynamics. To navigate the pervasiveness of electronic components in everyday goods amid widespread geopolitical and economic disruption, companies are changing the way they design, produce and distribute their products. And we're actively helping them shape the product designs and supply chains of the future—while managing demand and forecasts responsibly.

ESG is deeply embedded in how we do this. That's because it is rooted in our values, which we can trace back to the character and integrity of our founder, Charles Avnet. Avnet's purpose and values guide how we focus on our people, operate with integrity, and execute sustainable business practices. We make a positive impact by creating sustainable operations and enabling technology solutions that improve lives.

I'm proud of the significant progress we've made in the areas of diversity, equity and inclusion (DEI); environmental sustainability; and ethics and compliance. Our Board of Directors, Corporate Governance Committee, Avnet Leadership Team, ESG Governance Council and ESG Working Team have worked hard to ensure that our strategy aligns with our business, and most importantly that we are serving our customers' and suppliers' needs. We've increased leadership gender diversity, strengthened our Ethics and Compliance Program, increased our renewable energy mix, launched more responsible sourcing initiatives, and continued improving our data collection and

reporting capabilities. As we enter Avnet's second century in business, I'm also proud that our employee engagement scores remain very high and that we continue giving back to the communities in which we live and work.

That said, ESG work is ongoing, and we have opportunities to improve. We've spent the last few years setting a strong foundation for this work and have outlined clear goals in each of our three focus areas. We're building on our DEI work with more formalized programs and studies—for example beginning a baseline pay equity study and supporting more employee resource group efforts. We have initiatives in place to reduce our impact on the environment, switching to renewable energy sources when possible, improving the energy efficiency of our buildings, and consolidating facilities. In ethics and compliance, we're emphasizing the tone at the middle in addition to our tone at the top focus to ensure that all employees understand and embrace our policies and culture in these areas.

All the while, we continue to build on our long history of mutual trust, integrity, and a commitment to excellence with our stakeholders. This commitment, as well as open and honest communication, is essential to everyone's success in today's very fluid and dynamic business environment. At Avnet, this is the very basis of how we help our customers, suppliers and employees deliver what's next in sustainability.

Sincerely,



Phil Gallagher
Chief Executive Officer



A message from Stacy Mendez, Avnet Director of ESG

Over the past year, Avnet transitioned its environmental, social and governance (ESG) work from a programmatic approach to a more integrated approach. Like our culture, we do not view ESG as a program. Instead, it is ingrained in how we do business. ESG is not one department's responsibility; it is everyone's responsibility to move our culture of inclusivity, integrity and sustainability forward.

Simply put, we are committed to doing business the right way. We want to positively impact our global communities by creating sustainable operations and enabling technology solutions to improve lives. Looking forward, Avnet will continue to deliver what's next in sustainability through our global improvement efforts. We will voluntarily and transparently share our progress in this and future reports.

The FY22 report features:

- Progress on environmental, ethics and compliance, and DEI goals
- Expanded sections on environmental, occupational health and safety, value chain, and governance
- A full reference table at the back of the report with a quick snapshot of our ESG metrics

We made these additions based on input received on our previous reports. Now, we'd like to hear from you. If you have any thoughts or comments on how we can improve, please send them to Corporate.Communications@Avnet.com

Sincerely,

A handwritten signature in black ink that reads "Stacy Mendez".

Stacy Mendez
Director of ESG

About this report

The information and data provided within our FY22 Sustainability Report pertain to Avnet, Inc. (Avnet) activities undertaken during our fiscal year 2022 (FY22) from July 4, 2021, through July 2, 2022. We have also included specific subsequent initiatives that occurred after the end of FY22, which we have endeavored to note as such. Carbon emissions, energy, water and waste data are reported for the calendar years 2021 (CY21) and 2020 (CY20). Last year’s report provided information and data from our fiscal year 2021 (FY21) from June 28, 2020, to July 3, 2021, and fiscal year 2020 (FY20) from June 30, 2019, to June 27, 2020. Avnet publishes sustainability reports annually, and reports for prior years are available on [Avnet’s ESG website](#).

This report covers Avnet’s global operations and has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. By applying GRI’s international guidelines, Avnet reports on sustainability-related content relevant to its stakeholders in a balanced and transparent way. The GRI Index table shows published and disclosed information in this sustainability report and on [Avnet’s ESG website](#). This report is also indexed to Sustainability Accounting Standards Board (SASB) industry-specific standards, which identify the minimal set of financially material sustainability topics and their associated disclosures for the typical company in an industry. Avnet is assigned to the Multiline and Specialty Retailers & Distributors industry. We report to this set of standards and augment important environmental data for the Semiconductors and Electronic Manufacturing Services industries to provide further insights into relevant ESG issues. For more information, please see the [SASB table](#) in the Appendix.

Avnet publishes other annual statements, policies and reports to our ESG website related to our responsible business practices, such as our [Statement Against Modern Slavery and Human Trafficking](#), [Form SD and Conflict Minerals Report](#) and [Responsible Minerals Sourcing Policy](#). Avnet has also reported to the [Carbon Disclosure Project \(CDP\)](#) for 10 years. Please see the [Appendix](#) of this report to reference an expanded list of sustainable policies and governance documents. For questions regarding this report, please contact Corporate.Communications@Avnet.com.

Avnet at a glance

[Avnet](#) (Nasdaq: AVT) is a leading global technology distributor and solutions provider that has served customers’ evolving needs for more than a century. Avnet’s position at the center of the technology value chain enables it to accelerate the design and supply stages of product development so customers can realize revenue faster. Founded in 1921, we work with suppliers in every major technology segment to serve customers worldwide.

Avnet services a broad range of markets, including industrial, consumer, computer, communications, transportation, defense, education, healthcare, energy, software, security and storage. Whether working on large-scale production or early prototypes, we meet customer needs through individualized, end-to-end service. Our expansive global network enables us to streamline solutions and improve efficiency for customers worldwide.



Fig. 1

Avnet employees help customers and suppliers around the world activate the transformative possibilities of technology.

Headquartered in Phoenix, Arizona, we serve more than 1 million customers in more than 140 countries and partner with global suppliers from almost every technology segment. At the close of FY22, Avnet generated \$24.3 billion¹ in sales and operated 12 major distribution centers, 11 technology campuses, six programming centers, and 250+ facilities in 45+ countries.

For more details on Avnet’s financials please see our 2022 Form 10-K on the [Investor Relations page](#) of our website.

AVNET FY22 FINANCIALS

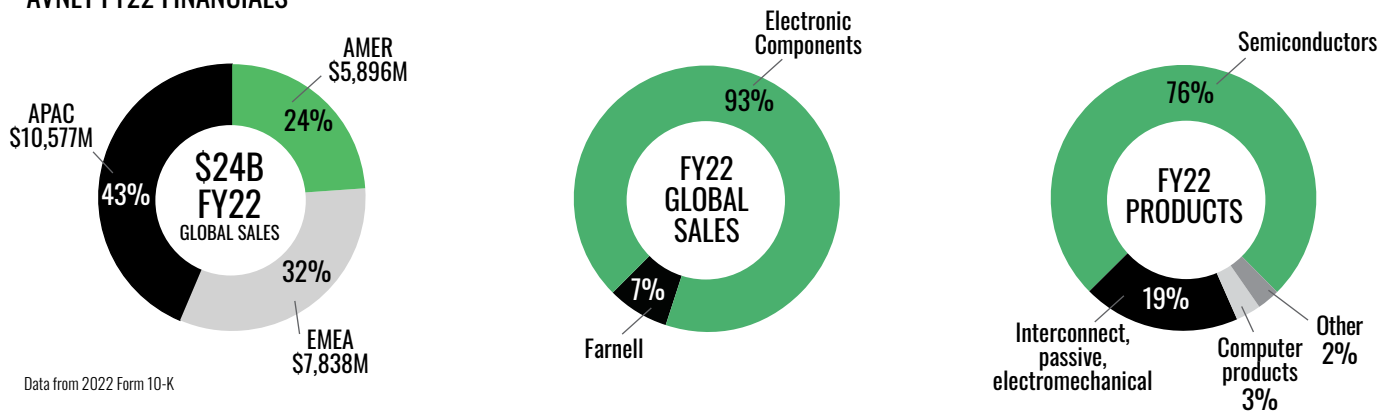


Fig. 2

BRIDGING THE TECHNOLOGY SUPPLY CHAIN

Supply chain management has never been more vital, and Avnet is well positioned to help our customers.



Fig. 3

¹See 2022 Form 10-K

AVNET FAST FACTS

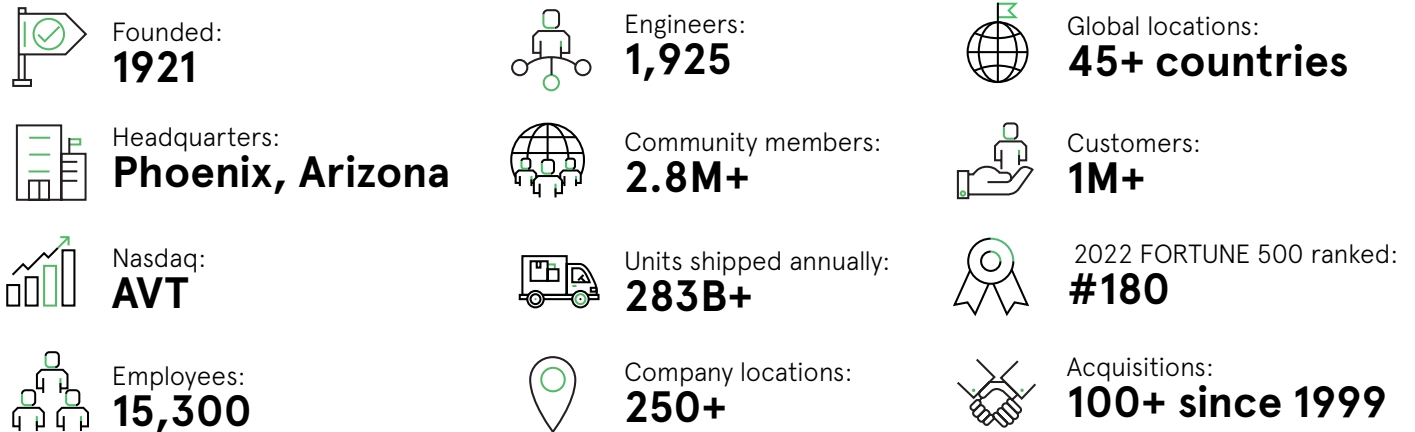


Fig. 4

Our 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.

Fig. 5

Doing business, the right way

Sustainability is at the heart of our mission and business practices. Our culture is deeply rooted in the character and ethics that we can trace back to our founder, Charles Avnet, who set the foundation for our success. Our strong values reflect our commitment to doing business with integrity and continue to guide how we operate and interact with our customers, suppliers and each other since our humble beginnings. We believe that earning trust is a privilege and that doing the right thing is always the best course of action.

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.

Fig. 6

Our ESG approach

Our commitment to ESG spans the value chain

Simply, ESG is how we do what we do. Guided by our ethics and values, our global workforce of more than 15,300 dedicated individuals advances responsible business practices and sustainable operations throughout the product lifecycle, enabling Avnet to support our customers’ and suppliers’ needs from end to end. ESG principles are embedded in how we operate and span the value chain across regions, sectors and technologies. Our vast experience has clearly taught us that our long-term success as a business and our responsibility to our mission-driven ESG strategy are interdependent.

ESG strategic focus areas

We strive to do the right thing and remain accountable to our key stakeholders by protecting our environment, embracing social responsibility and inclusiveness, and applying rigorous corporate governance. We are pleased to share our FY22 Sustainability Report, which outlines our current ESG objectives and initiatives while highlighting progress along our sustainability journey in the areas fundamental to our business.

AVNET’S ESG COMMITMENTS

ENVIRONMENTAL STEWARDSHIP	OUR PEOPLE & CULTURE	GOVERNANCE & ETHICS	VALUE CHAIN
We are committed to minimizing the environmental impact of our operations and promoting positive environmental practices among our suppliers and customers.	We foster a culture that emphasizes diversity, equity and inclusion; reinforces our core values and creates a high-performing workplace where people are treated with dignity and respect.	We are committed to upholding fairness and equity in our governance processes and to conducting business with the highest ethical standards and in compliance with the law.	We responsibly advance ESG principles throughout Avnet’s value chain.

Fig. 7

Identifying our ESG priorities

We focus on the ESG topics most important to our business and stakeholders across our value chain. We update our ESG priorities with insights gleaned from our ESG materiality analysis and ongoing stakeholder feedback. We actively improve the environmental performance of our operations and apply the precautionary principle to help us reduce or avoid adverse environmental impacts.

Materiality study of key ESG factors – We completed an ESG materiality analysis in FY20 to identify the ESG indicators most important to Avnet’s long-term operational and financial success. We use the materiality assessment results to inform and shape our ESG strategy, decision-making and disclosures. For more information on our materiality assessment, please visit our sustainability [website](#).

Engaging with our key stakeholders – We have found that the best way to understand the relevant ESG impacts of our business is by engaging with our stakeholders. We seek to remain attentive to their feedback and create ongoing, meaningful two-way dialogue about the ESG issues that matter most to our business. These diverse perspectives are valuable in shaping our strategies to create shared sustainable value.

AVNET'S STAKEHOLDER ENGAGEMENT

STAKEHOLDERS	WAYS WE ENGAGE	KEY ESG TOPICS ADDRESSED
Community and non-governmental organizations	<ul style="list-style-type: none"> • Volunteerism and charitable contributions to local organizations • Voluntary participation with leading social responsibility surveys • Avnet sustainability report 	<ul style="list-style-type: none"> • Collaboration with community on key issues • Climate change, human trafficking, DEI and other social issues • Employee engagement • Philanthropy and volunteering
Customers	<ul style="list-style-type: none"> • Customer experience survey and Net Promoter Score • Quarterly Business Reviews and account manager engagement • Customer appreciation events, industry conferences and trade shows • Avnet.com and other regional and subsidiary websites • Avnet sustainability report • Ethics Alertline 	<ul style="list-style-type: none"> • Transparency and ethics within our operations • Value chain • Responsible sourcing • Business continuity and disaster recovery • Data security and customer privacy
Global workforce (employees)	<ul style="list-style-type: none"> • Employee engagement surveys • Annual census and employee retention metrics by region and demographic • Annual reviews and quarterly check-ins • Listen-and-learn sessions • Employee Resource Groups (ERGs) • Communication channels: intranet, newsletters, emails and HR tools • Town halls and team meetings • Ethics & Compliance Program, including the Ethics Alertline, training (annual and Insights sessions) and awareness (AWARE@Avnet) • Avnet sustainability report • Onboarding and training 	<ul style="list-style-type: none"> • Employee benefits and well-being • Corporate culture and employee engagement • Ethics and compliance • Labor practices • Employee training and development • Diversity, equity and inclusion • Non-discrimination • Occupational health and safety • Volunteering and community engagement • Philanthropy
Government and public authorities	<ul style="list-style-type: none"> • Oversight by our government partners, external service providers and internal legal department for all applicable laws and regulations • Avnet sustainability report • Ethics Alertline 	<ul style="list-style-type: none"> • Ethics and compliance across our operations • Political contribution policy and advocacy causes • Risk management and business continuity
Shareholders and investors	<ul style="list-style-type: none"> • Annual shareholder meeting and investor conferences • Quarterly earnings webcasts • Avnet financial, news release and SEC filings • Avnet sustainability report • Direct feedback from shareholders • Ethics Alertline 	<ul style="list-style-type: none"> • Durability of financial performance • ESG priorities and strategy • Responsible investment • Board and workforce diversity • Employee engagement and retention • Human rights • Corporate governance
Suppliers	<ul style="list-style-type: none"> • Supplier relations management team • Business reviews • Industry events, industry conference and tradeshow • Avnet sustainability report • Required regulatory compliance • Ethics Alertline • Global Supplier Quality Handbook • Responsible sourcing practices • Supplier Code of Conduct 	<ul style="list-style-type: none"> • Adherence to regulatory requirements • Supply chain management, strive for an "ethical supply" chain • Responsible sourcing • Risk management and continuity planning • Human rights • Environmental responsibility

Fig. 8

Governance model provides oversight and alignment for ESG program

Our governance structure supports the coordination of environmental and social efforts across all areas of our business to advance our long-term operational and financial success. The full Board of Directors (Board) oversees and guides our ESG program and reviews the full program annually, at a minimum. The Board allocates oversight of certain ESG-related issues to appropriate committees, as outlined below:

BOARD OF DIRECTORS OVERSIGHT OF ESG

RESPONSIBLE PARTY OF THE BOARD	OVERSIGHT AREAS FOR ESG MATTERS
Board of Directors	All enterprise risk management of ESG-related areas (strategic, operational, financial, legal, information technology and reputational)
Corporate Governance Committee	Oversight of corporate governance and ESG program and initiatives
Audit Committee	Oversight of ethics and compliance program, enterprise risk management and cybersecurity
Compensation and Leadership Development Committee	Oversight of overall corporate compensation structure, policies and programs, as well as policies and programs related to talent, leadership, culture, diversity, equity and inclusion (DEI)

Fig. 9

The Corporate Governance Committee (CGC) of the Board has primary responsibility for overseeing Avnet’s ESG strategy, initiatives and reporting in accordance with its charter. Quarterly, the CGC conducts a deeper review of our ESG program and updates the full Board on the program’s organization, strategies, initiatives and performance indicators.

With oversight and guidance from the Board and the CGC, the Avnet Leadership Team (ALT) approves and provides the resources to support our ESG strategies and goals. The ESG Governance Council, composed of Avnet executive leaders, supports recommendations to the ALT regarding ESG strategy and meets quarterly to oversee and support the ESG Working Team. The ESG Working Team is comprised of global representatives from different levels of management and meets monthly to create and implement our ESG strategy and goals.

ESG GOVERNANCE STRUCTURE

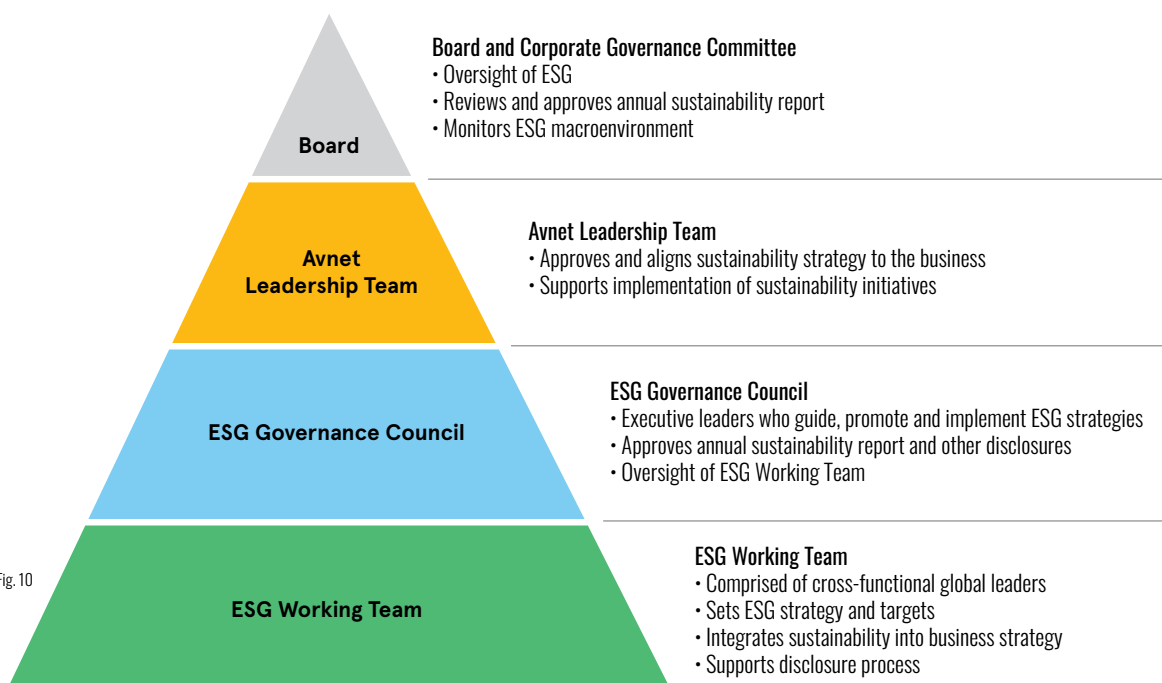
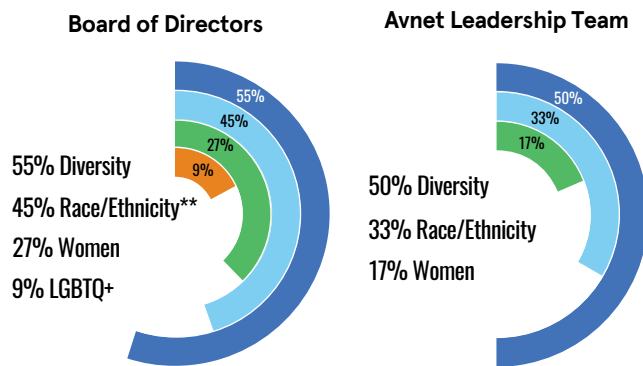


Fig. 10

Risk management of ESG factors – With Board oversight and input from key business and functional leaders across the company, the ALT has developed an enterprise risk management program that identifies the top risks to Avnet’s business and operations. Our management team evaluates those key risks and identifies ways to mitigate and manage them. At least annually, the ALT discusses the identified risks and risk mitigation efforts with the Board, including risks associated with ESG topics. For more information, please see the [Risk Management and Business Continuity section](#) of this report or our [2022 Proxy Statement](#) on the Investor Relations page of our website.

Prioritizing leadership diversity –The effectiveness of our ESG oversight begins with the tone at the top. Our Board and ALT believe that different perspectives and ideas improve oversight, decision-making and governance. As of the end of FY22, 55% of our Board and 50% of our ALT¹ reflect diversity by race, ethnicity, LGBTQ+ orientation and/or gender. These diverse backgrounds have positively impacted how we think through critical ESG challenges and opportunities, support and develop our people, and reflect Avnet’s values. Please see our [website’s diversity, equity and inclusion section](#) for more information.

LEADERSHIP DIVERSITY*



*Data as of the end of FY22
 **45% includes directors who identify as Middle Eastern. Race/Ethnic diversity was 36% if directors who identify as Middle Eastern are not included.
 Fig. 11

Integration of ESG into executive compensation

Incorporating non-financial ESG performance measures into our decision-making processes holistically reflects how we create value over the long term. As such, the Compensation and Leadership Development Committee linked 10% of the ALT’s annual cash incentive in FY22 to achieving certain ESG commitments in three focus areas: strengthening ESG leadership, advancing community and social responsibility, and achieving high employee engagement and morale. This goal measures the executives’ collective efforts on various ESG metrics, which the Board deemed 100% complete during FY22.

Executive compensation will continue to be linked to ESG goals for FY23. The Compensation and Leadership Development Committee believes this design reflects our business strategy and effectively drives behaviors consistent with our strategic corporate goals.

FY22 ESG highlights

Avnet’s mission and values guide how we focus on our people, operate responsibly, and execute sustainable business practices. These highlights reflect our progress during FY22.

ESG HIGHLIGHTS

ENVIRONMENTAL STEWARDSHIP	OUR PEOPLE & CULTURE	GOVERNANCE & ETHICS	VALUE CHAIN
Certified to ISO 14001, covering 50% of operational sites and 71% of operational site employees	Leadership gender diversity is increasing, ending FY22 with 19% of VPs+ and 33% of people managers being female	Board differentiated by diversity, 27% of directors are female and 45% are racially/ethnically/LGBTQ+ diverse	Earned the EcoVadis Silver medal in recognition of our sustainability efforts
Increased our renewable energy mix to 20%	Created a new Global Director of Environmental, Health and Safety (EHS) position to strengthen our EHS Program	Strengthened our Ethics & Compliance Program and roadmap, including and with respect to training and awareness, and resourcing to the risk	Launched Global Responsible Sourcing Program

Fig. 12

¹Reflects Avnet Leadership Team (ALT) and Board diversity metrics as of the end of FY22.

FY22 ESG-RELATED AWARDS



Avnet has been named one of Fortune Magazine's World's Most Admired Companies - a true testament of our employees exemplifying our Core Values.



Rated Top Industry and Top Regional for Sustainability

SPOTLIGHT:
Avnet awarded EcoVadis Silver medal in recognition of sustainability efforts

In October 2022, Avnet was awarded a silver medal from EcoVadis in recognition of its sustainability management. EcoVadis evaluates the sustainability management systems quality of more than 90,000 companies in over 200 purchasing categories. Silver medal status is awarded to companies scoring in the top 25% at the time of assessment.

Fig. 13

FY22 AWARDS

AWARD >	RECOGNIZED BY >	RECIPIENT >
Our Business and Leadership		
AccountabilIT Lifetime Achievement Award	Arizona Technology Council	Phil Gallagher, CEO
Counsel of the Year (public company category)	Association of Corporate Counsel/State Bar of Arizona	Michael McCoy, Chief Legal Officer
US CIO 100 winner	CIO Magazine	Avnet
Most Admired Companies	Fortune	Avnet
Best Company to Work For 2021 and the WeCare Award	HR Asia	Avnet Taiwan
Gold Quill Award	International Association of Business Communicators	Avnet Corporate Marketing
Gold Quill Award	International Association of Business Communicators	Avnet Internal Communications
Pro to Know	Supply & Demand Chain Executive Magazine	Mathew Ransom, Director, Supply Chain Programs, EMEA
Our People and Culture		
Women of the Channel List	CRN	Nicole Enright, President of Avnet Integrated
Great Place to Work	Great Place to Work Institute	Avnet India
Best Companies To Work For In Asia	HR Asia	Avnet Asia — Singapore
Volunteerism Award	Phoenix Business Journal	Avnet Employees
Best Wellness Employer Award for 2021	AIA China, HRoot, Peking University	Avnet China
Most Suitable Place to Work for 2021	Pudong Government and Korn Ferry	Avnet China

Fig. 14

GOVERNANCE AND ETHICS

At Avnet, we work best in an atmosphere of fairness, cooperation and equal opportunity. We are committed to respecting the dignity of every individual and conducting business in a responsible, professional and respectful manner.

A CULTURE OF COMPLIANCE: Who is responsible for compliance at Avnet? We all are!

Business ethics and compliance

Ethics and compliance are the foundation upon which our governance work is built. This foundation ensures that we are acting with integrity for our employees, customers, suppliers, shareholders, communities, regulators and company, and doing business the right way. For a list of some of Avnet’s governance documents, please refer to the [ESG performance metrics table](#) in the Appendix of this report.

Our corporate governance and board composition

Our Corporate Governance Guidelines (Guidelines) outline our core governance policies and practices, including:

- Board duties
- Director qualifications and selection process
- Director compensation
- Executive management succession
- Board committee matters
- Director orientation
- Self-reviews
- Continuing education

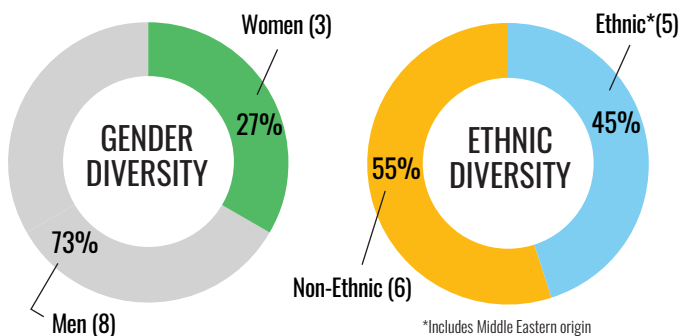
The Board reviews the Guidelines on an annual basis. The Guidelines are available on our [Investor Relations website](#).

We believe that the effectiveness of our governance framework is largely a function of the highly qualified, experienced and diverse Board and leadership teams who are focused on driving Avnet’s long-term success. The Board is comprised of qualified individuals who provide the mix of director characteristics and diverse experiences, perspectives and skills appropriate for creating sustainable value for our shareholders and other stakeholders. As of the end of FY22, we are proud to have had 11 highly qualified directors on our Board, collectively bringing a broad range of experience in:

- CEO leadership
- International operations
- Technology and digital media
- Risk management
- Finance
- Marketing
- Legal and regulatory review
- Distribution
- The electronic components industry
- ESG issues

Our Board also boasts broad gender, race, ethnicity, LGBTQ+ orientation and geographic diversity. Diversity is a priority at the board level and the CGC considers diversity when filling Board vacancies and proposing director nominees for shareholder election.

BOARD OF DIRECTORS DEMOGRAPHICS



Board statistics as of June 30, 2022
Fig. 15

Independence	Average Tenure (years)	Average Age
91%	5	63

Our Ethics and Compliance Program

Avnet’s Ethics and Compliance (E&C) Program is designed to prevent, detect and respond to legal and compliance risk and misconduct and to promote an ethical culture at the company. We emphasize ethical conduct across the company through various policies and initiatives. Among other things, the E&C Program includes the following elements:

- Written standards of conduct, policies and procedures
- A compliance officer and compliance committee(s)
- Training and education
- Effective lines of communication, including options for whistleblowing and reporting
- Internal monitoring and auditing
- Prompt investigations and corrective action

The program is intended to promote an ethical culture at Avnet and set an expectation of compliance—with integrity as our No. 1 core value.

We continually look for ways to both refresh and refine our approach to ethics and compliance. In FY22, the strategic roadmap for our E&C Program was updated to cover FY23 to FY25, while our focus areas and priorities were—and remain—training, awareness and the Code of Conduct Advisor (CCA) Program. Of the 71% of employees who responded to our annual employee engagement survey, nearly 99% were aware of our Ethics and Compliance Office (ECO) and various ethics- and compliance-related resources.

ETHICS & COMPLIANCE PROGRAM GOVERNANCE STRUCTURE



Fig. 16

Ethics and compliance governance

The Audit Committee of the Board (Audit Committee) has ultimate oversight of the E&C Program. The Corporate Ethics & Compliance Committee provides oversight of and guidance to the program at the corporate level, with regional Ethics & Compliance Committees providing regional oversight. The 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 bolstered by approximately 250 CCAs globally. CCAs are Avnet employees who have been specially trained and champion the E&C Program. In FY22, we took steps to further enhance our CCA Program because this group is a key part of the overall E&C Program as well as a resource for those seeking guidance or reporting suspected violations of our [Code of Conduct](#).

SCORECARD OF AVNET’S ETHICS AND COMPLIANCE GOALS

TOPIC	FY22 GOALS	FY22 GOAL STATUS	FY23 GOALS
Increased employee awareness of E&C	Implement an internal E&C communications program Refresh ECO site on intranet	✓	Refresh internal E&C communications program
E&C training	Refresh of the E&C training program and roadmap, with a focus on managers “tone at the middle”	✓	Develop and implement a manager toolkit to underscore “tone at the middle”
E&C included in job descriptions and onboarding	Add language to external job postings in Europe, Middle East and Africa (EMEA) region	✓	Design and implement program to recognize employees who have embraced owning compliance: “everyday heroes”
Code of Conduct	Refresh Code of Conduct Advisor program Launch review of Code of Conduct (with a target to publish a refreshed version in FY23)	✓	Publish refreshed Code of Conduct

Fig. 17

Our Code of Conduct

Our Code of Conduct applies to all employees, officers and directors. The Code of Conduct provides information about our standards of integrity and explains some of our legal and ethical responsibilities as well as how to report concerns. It also serves as a guide in maintaining our high ethical standards. We expect all suppliers, agents and business partners to uphold similar ethical standards when working with Avnet. The Code of Conduct addresses topics such as:

- Conflicts of interest
- Gifts and entertainment
- Outside business interests and employment
- Anti-corruption and anti-bribery
- International trade controls
- Sanctions and boycotts
- Anti-money laundering
- Harassment and discrimination
- Industrial relations
- Responsible advertising and sales practices
- Data security and privacy
- Anti-trust and anti-competition

Anti-corruption

Our comprehensive and integrated approach to anti-corruption compliance 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 the area of anti-corruption. Avnet provides 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.

ABAC risk assessments are conducted by Avnet's Global 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 targeted based on various factors, such as countries with a history of corruption (in light of Transparency International's Corruption Perceptions Index ratings, etc.) and use of third-party intermediaries. Based on these results, we strengthened our risk assessment in FY22 by conducting four additional audit projects in regions with a high or medium risk rating with the objective of testing the effectiveness of relevant internal controls.

Trade compliance

Trade compliance is centrally managed by Avnet's Global Trade Controls (GTC) Team, led by the Vice President of Legal and Global Trade. The GTC Team is comprised of 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. GTC covers export controls, sanctions compliance, denied party lists (DPLs) and customer screening. As a secondary focus, the team advises our supply chain department on aspects of import law (customs) compliance.

We are committed to continuous improvement and to incorporating best practices in our Global Trade Controls Program. All new employees, except for 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.

Whistleblower/non-retaliation policy

Concerns about potential misconduct can be reported to a variety of internal resources, such as an immediate supervisor, our ECO, Legal Department, Human Resources or the [Ethics Alertline](#), which is available 24/7 to anyone inside or outside the company. Whatever method chosen to seek guidance or report possible misconduct, we strive to maintain confidentiality and keep information on a need-to-know basis within the limits of the law. The Chief Ethics & Compliance Officer and the Corporate Ethics & Compliance Committee review all allegations submitted via the [Ethics Alertline](#) and/or to the ECO, and the Audit Committee does so on a quarterly basis. Significant matters, however, are escalated immediately to the Chair of the Audit Committee.

We make every effort to ensure that our employees are comfortable reporting actual or suspected misconduct. It is our policy not to discipline or retaliate against anyone who, in good faith, reports a potential or actual violation of the law, the Code of Conduct, or company policies. Anyone found to have committed an act of retaliation against someone for making a report in good faith or for cooperating with an investigation will be subject to disciplinary action, up to and including termination.

Industrial and labor relations

Avnet believes that direct communication between management and employees is the most efficient and effective way to identify and resolve workplace issues. We also respect employees' legal rights to engage in protected activities like employee organizing, free association, designating representatives, or collective bargaining, and we endeavor to

(continued from previous page)

comply with all applicable laws on labor relations. No provision in Avnet’s policies is intended to limit or obstruct the exercise of legal rights to employee representation or collective bargaining.

Education, awareness and acknowledgments

Avnet has an annual compliance training campaign, which includes Code of Conduct and privacy and security training (for all employees) one year and anti-corruption and export compliance (for the majority of employees) the next. During FY22 (CY21), the campaign consisted of Code of Conduct and privacy and security training and had a completion rate of 99.5% globally.

Enterprise Risk Management and Business Continuity Management Program

We believe effective risk management helps to proactively address risks and opportunities in order to create value for corporate stakeholders and ultimately help meet social responsibilities. The Audit Committee oversees policies with respect to risk assessment and risk management per Nasdaq rules and the Audit Committee Charter.

Avnet’s Enterprise Risk Management (ERM) is a structured, consistent and coordinated process involving quantification, analysis and control of risks across the enterprise. ERM’s focus includes operational hazards and risks, financial risk, and strategic risks that may affect the company’s ability to achieve its goals.

Our Business Continuity Management Program (BCMP) includes a management system for addressing potential risks to our business and minimizing recovery time from business interruptions. The goal is to build resilience, proactively manage risks and effectively manage recovery of business in the event of a disaster. The program is designed based upon our operational requirements and includes risk assessments, business impact analyses, recovery strategy development, detailed emergency response procedures, business restoration procedures and priorities, IT disaster recovery plans and training validation exercises.

Key business continuity and infrastructure recovery capabilities are validated through third-party audits and companywide tabletop exercises at least annually. In addition, the BCMP is periodically subject to internal audit to confirm that it remains applicable to the current risk environment. For additional information on our BCMP, please visit our [ESG governance website](#).

AVNET’S APPROACH TO ENTERPRISE RISK MANAGEMENT

RISK CATEGORIES	
Operational	Ongoing management processes and procedures, systems and technology
Hazard	Loss of life and property, safety and environmental issues and liabilities
Strategic	Ability to achieve goals and objectives, competitive and market risks, reputational issues and goodwill
Financial	Compliance with laws and regulations, market and credit risks

Fig. 18

Data security and privacy

Cybersecurity threats are a top concern for our business and for our suppliers and employees. In FY22, we continued to use a holistic approach to integrate sound security practices in our everyday operations. We aim to harness data security as a competitive advantage.

Our strategy is to reduce Avnet's risk of data loss via proactive cybersecurity controls while complying 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. Data security and privacy are jointly managed by our Vice President of Global Cybersecurity and Compliance, with oversight from the Audit Committee.

Our cybersecurity processes, communications, training and auditing include, but are not limited to:

- Onboarding and ongoing biennial computer-based training on data privacy and cybersecurity conducted for all employees. During CY21, over 99.5% of employees completed the training.
- A cybersecurity awareness intranet site regularly updated and includes cybersecurity awareness articles and brief training videos.
- Ongoing internal audits of cybersecurity systems and practices performed by Avnet's Global Audit Team. Cybersecurity is also reviewed by external partners as part of our annual financial auditing process.
 - In FY22, our Global Audit Team conducted 15 information technology (IT)-related audits, some of which were specifically of our Global Cybersecurity and Compliance (GC&C) group. Others included cybersecurity controls that were part of broader subject areas outside the GC&C group.
- Phishing simulations conducted with employees at least monthly as part of cybersecurity training and awareness.
- Monthly newsletters distributed for all employees on key cybersecurity topics.
- Regular partnership with external parties to conduct penetration tests on Avnet's systems.
- Tabletop exercises performed with our executive team.
- Distribution of the [Global Information Security Policy \(GISP\)](#) to all employees annually.

Security breaches did not materially impact the company's operations, financial condition or data security and privacy in FY22, but future security breaches could have a material impact. See our [2022 Form 10-K](#) for further information on the Investor Relations page of our website.

Political contributions and advocacy

Avnet supports the right of its employees to participate in the political process, but only in their individual capacity, on their own time and at their own expense—not as employees or representatives of Avnet. Avnet does not make direct contributions to political candidates or parties except as permitted by applicable laws and as authorized by the Chief Legal Officer. Avnet did not make any direct political contributions in FY22.

Working with the government and public institutions

Our standards for business integrity are no different when the customer is the government or a public institution. National and local governments around the world have specific and varied procurement laws and regulations that exist to protect the public interest. Our policies outline the requirements of doing business with governments and government contractors, so we maintain compliance with applicable laws and regulations. For more information, please see our [Code of Conduct](#).

OUR PEOPLE AND CULTURE

Avnet values our employees and recognizes their significant contributions to our long-term success. We strive to design programs that support our employees' overall well-being while building an inclusive culture where individuals can thrive while supporting our business goals. All the while, we are proud of our role in the local communities where we live, work and play. We emphasize the importance of giving back both at an employee and corporate level.

Benefits and well-being

Our health and well-being 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 reviewing benefit offerings and aligning our global programs to ensure that they are market competitive and meet the needs of our employees. We offer a wide array of benefits that support employees' physical, financial and emotional well-being, and our U.S.-based benefit program includes:

- Corporate coverage of approximately 70% of medical plan costs
- Fertility, adoption and surrogacy benefits
- Gender transition coverage
- Paid family leave for both hourly and salaried employees
- Disability and life insurance coverage at no cost to employees

We support our employees' financial well-being through a pension plan benefit for U.S. employees after one year of service and vesting after three years of service. Our plan contributions range from 4% to 8% based on employee age. In the U.S., we also offer a 401(k) retirement savings plan and a discounted employee stock purchase plan.

Our Employee Assistance Program (EAP) offers all global employees free, professional and confidential counseling for many personal and work-related issues, including help finding care providers, life coaching and mindfulness services. Our EAP also hosts webinars for all employees on well-being topics throughout the year.

Avnet also provides assistance for retiring employees. In cases of termination of employment, an outplacement service may be provided for one month or more after the end of employment.

We have designed a holistic approach to our employees' health and well-being called THRIVE@Avnet. This global program supports the whole person and offers employees resources, information, benefits and assistance to support overall health.

THRIVE@AVNET

- 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

Fig. 19

Culture and employee engagement

We encourage open and direct feedback through annual employee engagement surveys to help our management team better understand our employees' experiences. The ALT uses the insights from these surveys to identify opportunities to improve the work environment, increase employee satisfaction, and strengthen our corporate culture.

In May 2022, Avnet conducted its annual employee engagement survey for FY22¹. The participation rate increased from 56% to 71%, with an engagement score of 82.0. Highlights from the survey include:

EMPLOYEE ENGAGEMENT SURVEY HIGHLIGHTS

THEME	TOPIC	SCORE
People & Teamwork	I am willing to consistently give extra effort to help get work accomplished.	Score = 86.8, Percent favorable = 89.8 %
Enablement	I clearly understand how my work contributes to Avnet's overall success.	Score = 86.2, Percent favorable = 91.4 %

Fig. 20

¹The engagement survey during FY22 was sent to employees hired on or before January 31, 2022. Business units not included in the FY22 employee engagement survey: Avnet Russia, ALS Poing, Witekio, and Softweb. The survey range is 20-100 with a mid-point of 60.

Optimizing employee experience

During FY22, we launched two new employee programs: Avnet Ways of Working (AWOW) in the Americas and Flexi@Work for our Asia Pacific (APAC) teams. These programs are focused on areas that demonstrate Avnet’s commitment to advancing sustainability and employee satisfaction. AWOW and Flexi@Work were modeled after the success of a similar program called New Ways of Working (NWOW) in Europe, Middle East and Africa (EMEA), which has grown into a global strategic imperative. All three programs, with a common purpose, highlight efforts to reduce Avnet’s global environmental footprint, maximize sustainability in current and new facilities, promote a company culture that builds on the strengths within each employee, and encourage flexibility in our workforce and our workplace.

Performance management

Avnet has established a performance management framework that includes ongoing quality feedback and coaching discussions between leaders and employees about goals, performance and career development.

All employees participate in the annual review process to set performance and development goals aligned with our fiscal year. Avnet employees and managers are responsible for executing quarterly check-ins and an annual performance review and goal-setting process. As we ended FY22, 97% of our employees had completed their required annual performance review and discussions.

Avnet’s compensation practices

Avnet strives to pay all employees fairly, regardless of gender, race or other protected characteristics and to attract, retain and reward talent. We set pay ranges based on market data and consider factors such as an employee’s role, experience, tenure, job location and job performance. Depending on the position, Avnet uses a combination of fixed and variable pay, including base salary, incentive awards, commissions and merit increases. In addition, as part of our long-term incentive plan for certain employees, we provide share-based compensation to align employee interests with shareholders.

Training and development

We provide a range of development opportunities and training to empower employees to grow and reach their career potential. Our approach to training focuses on job and life skills, and we evaluate the program every year to set priorities. Training offerings include new hire onboarding, leadership development, health and safety, discrimination, diversity, business ethics and anti-corruption, and job-specific skills development.

Avnet’s leadership development programs, Lead2Achieve and InsideOut Coaching, are available for selected leaders in all regions to develop skills in effective goal-setting, coaching, feedback and development.

In EMEA, for example, employees completed an average of 8.5 hours of training per employee in FY22. In APAC, employees averaged 18.2 training hours in FY22.

Through the HR portal and our learning management systems, Avnet provides career development training and tools so employees can assess their strengths and development areas to create a development plan. In addition, we offer a range of learning resources including face-to-face and online training as well as mentoring and coaching programs. Global learning platforms for all employees include LinkedIn Learning and Business Book Summaries, which cover a variety of technical, business, interpersonal and leadership topics. In FY22, our employees completed 19,851 courses and 427 Learning Paths on the LinkedIn Learning platform alone.

Tuition assistance

Avnet’s Education Assistance Program provides financial aid to eligible employees who wish to pursue undergraduate or graduate education to further their career development. In FY22, we extended this benefit beyond the U.S. and Canada to include Mexico. We also offer a scholarship program for dependents in the U.S. and Canada. In FY22, we awarded 27 scholarships through a selection process guided by Scholarship America on behalf of Avnet.

Avnet employees completed over nineteen thousand courses on LinkedIn learning in FY22

Diversity, equity and inclusion

At Avnet, we are focused on building a culture of inclusion around the world. We aspire to create an equitable and inclusive environment in which every employee feels a sense of belonging. We celebrate our differences and believe that a diverse workforce fosters the ability to leverage a broader range of perspectives and leads to better decision-making and enhanced outcomes.

Our DEI strategy is built on five pillars, and we track our progress on these initiatives each year.

DEI STRATEGIC PILLARS



Fig. 21

Our progress in advancing DEI – For the past several years, Avnet has focused its DEI efforts on raising awareness of and educating employees about the importance of DEI to our business strategy. Our employees responded well to these initiatives, with high attendance at regular listen-and-learn sessions and interest in employee advocacy groups. In addition, 30% of our employees responded to our FY22 DEI survey. We were pleased that the majority of those who responded agreed with the statement that Avnet is a diverse, equitable and inclusive employer. See figure 22 for more detail.

High-level results show that employees believe we are doing a good job progressing DEI priorities.

As we continue to lay the foundation for DEI at Avnet, our efforts are shifting toward more employee engagement initiatives at the regional and local levels as well as at the executive level. Listening remains a key part of our strategy. In addition to the input received from our DEI survey, our DEI objectives and goals align to the areas that the Board and ALT have identified as influential. The Board also measures and reviews our progress.

GLOBAL DEI SURVEY RESULTS*

DIVERSE EMPLOYER	ACCEPTANCE & BELONGING	FOCUSED PRIORITIES
<p>“Avnet is a diverse, equitable and inclusive employer.”</p>	<p>“At Avnet I feel I am accepted for who I am and that I can be myself without fear of judgment or discrimination.”</p>	<p>“Which DEI topics are most important for Avnet to address?”</p>
<p>AGREE AMER 86% APAC 87% EMEA 84%</p>	<p>AGREE AMER 87% APAC 87% EMEA 84%</p>	<p>1. GENDER 2. LEADERSHIP DIVERSITY 3. RACE/ETHNICITY</p>

Employee feedback supports our DEI priorities

*Based on Global DEI Survey June 2022

Fig. 22

SCORECARD OF AVNET'S DEI GOALS

TOPIC	FY22 GOALS	FY22 GOAL STATUS	FY23 GOALS
Listening and Learning	Issue a pulse survey to the Avnet population on DEI topics and host additional educational sessions	✓	Move from global listen-and-learn events to more localized/smaller regional conversation on DEI
Education and Awareness	Global council introduced each regions' goals including at least one deliverable in FY22, such as hosting a DEI event	✓	Select a people leader and employee DEI training and pilot by end of FY23
Policies and Practices	Partner with Talent COE to develop a global mentoring program for Avnet that is supported by technology	✓	Complete global mentoring program rollout
Business Commitments	Track and seek to increase U.S. diversity spend YoY from FY21 (women-owned business spend up 15% YoY) Prepare for FY23 salary/pay equity study	✓	Conduct baseline salary/pay equity study Continue to align talent acquisition and management processes with global DEI strategy
Community Partnership	Hold at least one employee-volunteer activity per region in FY22 to highlight or support historically marginalized or disadvantaged communities (in collaboration with Avnet Cares)	✓	Utilize employee resource groups to support recruiting efforts Partner with Avnet Cares on community grant program

Fig. 23

DEI oversight

To effectively execute our vision to build a global culture of inclusion, we reorganized our DEI oversight and strategy to accelerate our efforts.

We adopted a governance model to drive this vision forward. To oversee inclusion efforts, we created the Global DEI Council, a global cross-functional team of approximately 20 leaders across various business units and functions. The council meets regularly and engages with colleagues across the company to connect DEI initiatives to the broader business strategy. We have formal processes to support the formation of employee resource groups and all communications related to DEI across the organization.

DEI GOVERNANCE STRUCTURE

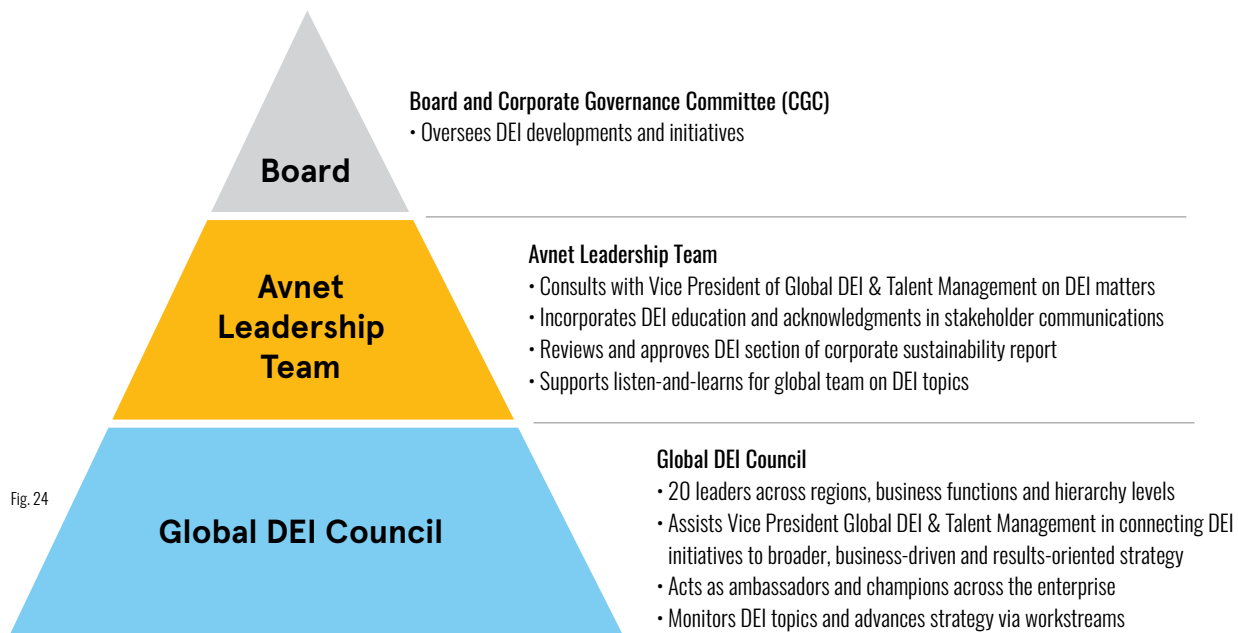


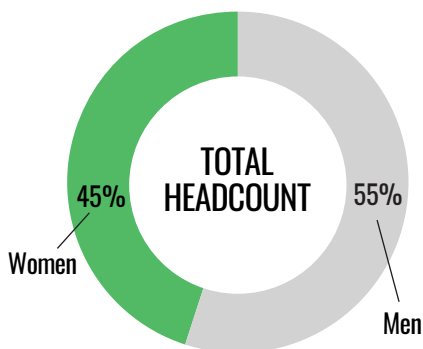
Fig. 24

Building our diverse workforce

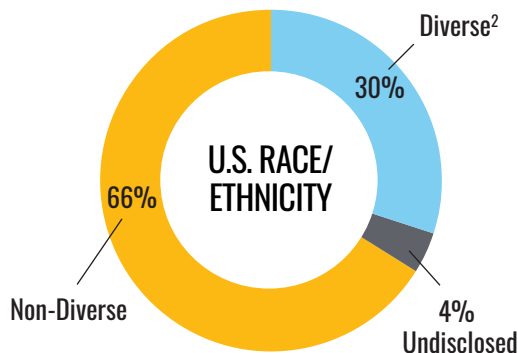
We assess workforce diversity as appropriate in certain locations and as part of a broader effort to build the best workforce possible while identifying areas of improvement. We also analyze our data to determine how best to attract and develop a pipeline of diverse and qualified candidates and promote an inclusive environment that ensures equal access to opportunities. The data below reflects our workforce diversity metrics as of July 2, 2022.

REPRESENTATION OF OUR FY22 DIVERSITY¹

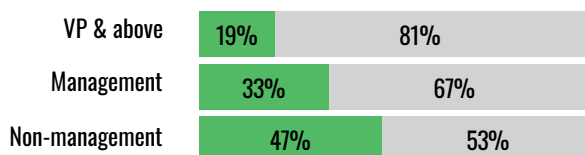
Global gender breakdown



U.S. Race/Ethnicity minority population



Global female headcount by seniority



¹Excludes Softweb, Witelio, trainees, apprentices and interns. Data is from FY22.

²U.S. Diversity is defined as Asian, Black or African American, Hispanic/Latino, Native American or Alaska Native, Native Hawaiian or other Pacific Islander or two or more races.

Fig. 25

Recruiting diverse talent

We believe that our continued success depends largely on our ability to attract, develop and retain a diverse workforce of qualified employees. Avnet implements diversity initiatives to ensure that women and minorities are considered for all our positions. We also use inclusive recruitment practices to source diverse talent and mitigate potential bias. In the U.S., we have formed partnerships with abilityJOBS, an employment website for people with disabilities, and DiversityJobs, a recruiting and employment website with a network of reputable niche sites for Black, Hispano/Latino, Asian and Native American people; women; veterans; people with disabilities; people over age 50; and the LGBTQ+ community. We have also built new relationships with college career-services departments and diversity-based student organizations such as Year Up. We attend multiple diversity, veteran, disability and college job fairs to extend our candidate reach.

After implementing many of these programs in FY22, we saw a 55% increase in diverse hires for our U.S. locations compared to FY21. During FY23, we plan to set diversity goals for our annual internship program.

Diversity policy

Avnet's [Equal Opportunity, Diversity and Inclusion Policy](#) affirms our commitment to recognize and appreciate the value that diverse backgrounds and perspectives bring to the workplace and actively promotes diversity, equity and inclusion in our talent management practices. Further, we aim to maintain strict compliance with all legal requirements regarding the equal treatment of all employees in the terms and conditions of employment. There were no material legal proceedings in FY22 associated with employment discrimination. For more information about our legal and risk disclosures, please see our [2022 Form 10-K](#).

Inclusion training and awareness

DEI topics are regularly emphasized in companywide quarterly town halls, team and leadership meetings, educational articles, and internal webinars open to all employees globally.

Avnet maintains and distributes an official culture and diversity calendar and publishes articles on its intranet to celebrate events and holidays worldwide. In FY22, employees celebrated International Women's Day by holding a global event with external speakers discussing gender bias and attended a Black History Month session led by a panel of renowned historians and educators. We held similar events to recognize World Autism Month, International Day of Persons with Disabilities, and LGBT Pride Month. Our employee resource groups often hold events and offer resources with the support of their executive sponsors.

Creating inclusivity within our global culture

We support various employee-led initiatives that build DEI awareness as a vital part of our culture to create an environment of diversity, equity, inclusion, belonging and company pride.

Employee resource groups — Avnet supports employee-led employee resource groups (ERGs) that are open to all employees globally and provide a forum to communicate and exchange ideas, build a network of relationships across our global operations, and support each other. Our women’s ERG, RISE, has nearly 400 members, and our Avnet Black Professional Network (ABPN) is growing fast. In addition, employees are in the process of launching similar groups focused on the Hispano/Latino and Asian communities and environmental sustainability-focused causes.

Fostering inclusivity and belonging — Our DEI Council fosters a spirit of inclusion and is committed to bringing greater diversity awareness to our teams around the world. Council members engage with other employees and local teams to influence and encourage a sense of awareness regarding opportunities in local communities. As employee awareness grows, we see efforts spring up in response to world issues. For example, employees from different countries in Europe came together in FY22 to support Ukraine by collecting donations, supplies and more. DEI Council members also hosted a women’s forum in Asia to discuss experiences, equity in the workplace, and the balance of work and home life.

Environmental, occupational health and safety

The health and safety of our workforce is our top priority.

Regardless of work location, we strive to ensure that risks to employees, visitors and contractors are identified, removed or reduced to minimal levels. We also ensure that our employees are fully trained and made aware of any additional actions required.

Oversight and approach — Global Environmental, Health and Safety (EHS) takes the lead in defining and executing compliance strategy across all regions, business units and subsidiaries. In FY22, we also created the Global Director of Environmental, Health and Safety position to improve alignment and consistency of companywide policies, procedures and improvement programs.

Guided by a systems approach and the International Organization for Standardization (ISO) methodology, we seek to bring uniformity across practices globally wherever possible. As of October 2022, we have eight operational sites that are certified to ISO 45001, covering 22% of our total operational sites (29% of our total employees are at operational sites). By the end of FY24, we plan to obtain ISO 45001 certification for nine more facilities, along with ISO 14001 at an additional four sites.

Avnet uses third-party carriers for all transport, so we do not have a fleet of delivery vehicles. Consequently, we do not consider transportation safety management to be within our sphere of control or within our operational boundary.

Employee training and engagement — We provide comprehensive health and safety training to employees, relevant to their specific work functions. The training is part of a continual improvement process and focuses on identified risks. In the coming years, we will continue to build organizational awareness and participation for key EHS issues. In FY23, we are launching an internal communications EHS site on our internal employee portal. Training materials—such as articles, email and other information—will be posted for easy reference.

Safety performance — We closely monitor our EHS metrics to ensure that we are achieving our objective of a safe working environment and culture. During FY22, the total injuries requiring medical treatment continued to decline, as noted below:

TOTAL INJURIES REQUIRING MEDICAL TREATMENT

	TOTAL INJURIES	FATALITIES
FY22	43	0
FY21	63	0
FY20	72	0

Injuries reported meeting OSHA/local industrial injury reporting requirements at major Avnet and Farnell global facilities
Fig. 26

In FY22, our Lost Time Injury Severity Rate was 0.01746 lost days per 1,000 hours worked, well below our organizational goal of 2.5.

Philanthropy and volunteering

At Avnet, we are proud of our long history of community involvement. Together, as one Avnet, we share a strong desire to do our part to make a difference in our communities, our industry and the world. Avnet Cares, our philanthropic and employee volunteer program, strives to meet the needs of our local communities while building a culture of hands-on volunteering. We focus our philanthropy and volunteering effort on four themes:

- **Science, technology, engineering and math (STEM):** Support programs from kindergarten through college that guide students to productive career paths within the STEM field
- **Environment:** Encourage technology programs and solutions that enable environmental sustainability through stewardship
- **DEI:** Invest in and advance solutions to support people from traditionally under-resourced communities in reaching their full potential
- **Communities in crisis:** Provide support for critical humanitarian needs at Avnet locations or disaster relief for significant global incidents

Avnet Cares in action during FY22

- **In APAC,** employees actively participate in various initiatives that focus on helping others lead better lives and hands-on environmental impact projects.
- **In EMEA,** employees have a longstanding history of supporting many organizations and have also recently initiated and participated in various local charity fundraisers and activities to help the Ukrainian people.
- **In the Americas,** employees can earn grant money by volunteering for their favorite nonprofit through the Dollars for Doers program. Employees can also earn grant money through Connect for a Cause (previously known as the matching grant program), through which the company matches money or goods raised by teams of employees.

Our FY22 total giving was closer to pre-COVID-19 pandemic levels because we proactively identified opportunities to apply our Dollars for Doers and Connect for a Cause programs.

TOTAL AVNET GIVING TO LOCAL COMMUNITY CAUSES

FY20	FY21	FY22
\$227,000		
\$180,000 COVID-19 disaster relief	\$232,919	\$721,028

Fig. 27

RESPONSIBLE VALUE CHAIN

Avnet is firmly at the center of the technology value chain, and there has never been a greater need for global distributors like us to help our suppliers and customers navigate supply chain complexities, delivery problems and product shortages. Our decision-making focuses on supporting a resilient, reliable and responsible value chain.

The relationship between Avnet and our value chain is built on a long history of mutual trust, integrity and a commitment to operational excellence. We are committed to communicating openly and honestly with our partners and continue to build positive relationships. During this period of global economic change and digital transformation, we've spent time with our suppliers, customers and supporting third parties to help them overcome these challenges.

Avnet value chain approach

Avnet enables customers to innovate and advance technology that improves our world. Our foundation as a leading distributor and solutions provider helps our customers simplify their path to market through design, supply chain and logistics services. We don't stop at simply providing our customers with parts where and when they need them—we do much more. Our design experts help our customers optimize components (their bill of materials) so their product is supported for the long haul. Our supply chain experts leverage our global infrastructure to help our customers lower costs, increase efficiency and maintain production.

AVNET VALUE CHAIN

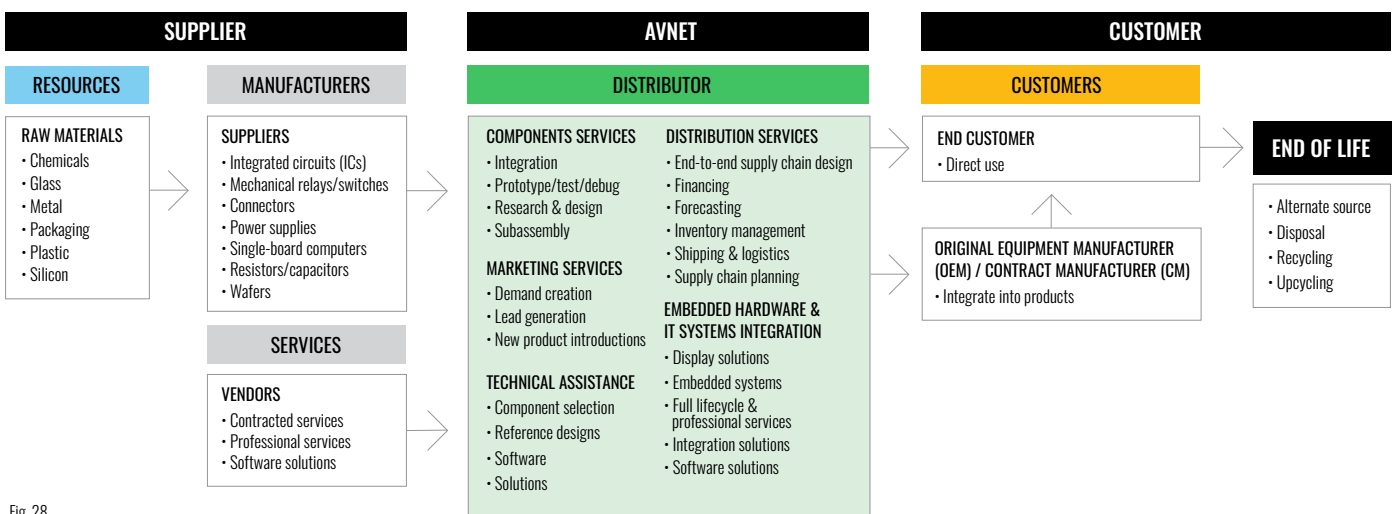


Fig. 28

Customer engagement

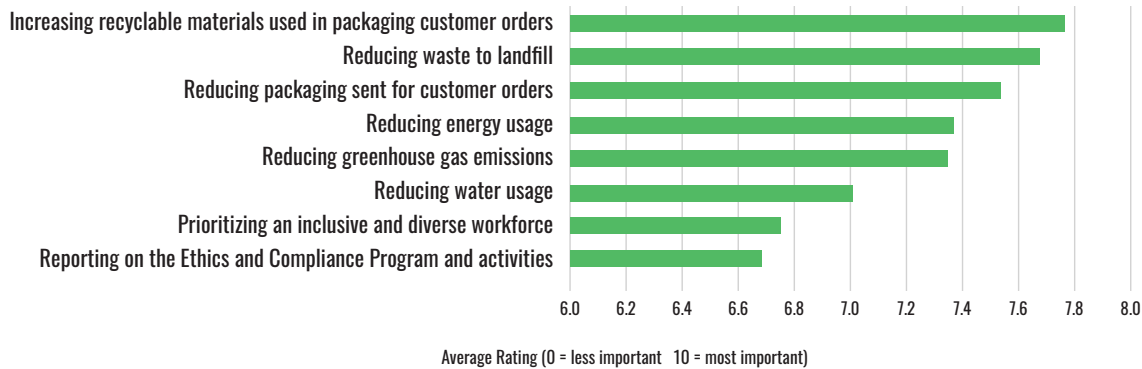
We survey a randomly selected group of global customers twice a year to get real-time feedback to strengthen our long-term relationships and maintain alignment with our core values. In FY22, we added ESG topic questions to our Voice of the Customer surveys. In response, our customers indicated which priority areas they thought deserved the most focus in establishing our ESG-related strategies and initiatives and reporting on goals and progress.

Our customers validated that our focus areas of health and safety, ethics and compliance, human rights, and environmental risk were important.

They viewed the top areas for reporting to include increasing recyclable materials used in packaging, decreasing landfill waste, and reducing packaging sent for customer orders. Our customers then ranked reducing energy use and greenhouse gas emissions as the next areas of importance.

We value customer feedback and incorporated their input as we set our ESG-related strategies for FY23. See Figure 29 on next page.

CUSTOMER FEEDBACK ON AVNET'S ESG PRIORITIES



Data from October 2021 Voice of the Customer survey

Fig. 29

Supply chain management and responsible sourcing

We want our suppliers to be responsible global citizens and adhere to laws and regulations within the U.S. and in all countries where Avnet and its suppliers operate. We encourage the partners in our value chain to be compliant with internationally recognized standards to promote social and environmental responsibility and business ethics. In our Supplier Quality & Environmental questionnaire, we incorporate ESG considerations. For example, according to Avnet's EMEA Supplier Quality & Environmental onboarding questionnaire from February 2018 to October 2022, 62% of our EMEA suppliers have an established corporate social responsibility program.

Avnet complies with international ethical and legal standards. We expect delivered goods to be produced in accordance with these standards, including but not limited to:

- Prohibition of child labor
- Protection against slavery and forced labor
- Freedom from discrimination
- Protection against unlawful taking of land
- Occupational health and safety and related health hazards
- Prohibition of withholding an adequate living wage
- The right to form trade unions and workers' representations
- Banning substances that are dangerous to humans and the environment
- Environmental obligations taken from various international conventions

We will continue to enhance our responsible sourcing strategy by:

- Updating our supplier and vendor assessment strategy
- Expanding and improving prevention levers (training, corrective action, feedback mechanism)
- Monitoring implementation of updated strategy and reporting on a regular cadence

Supplier Code of Conduct

Our distribution agreements include our [Global Supplier Quality Handbook](#), which covers our Supplier Code of Conduct, conflict minerals policy, environmental policies, the Fair Labor Standards Act, and child labor and local regulation and laws for the territories of sales. As part of our commitment to strengthening our responsible sourcing program, in FY23, we will be publishing an updated, stand-alone, [Supplier Code of Conduct](#) which will be integrated into our procurement and supplier management processes.

By CY24, our aim is to strengthen our responsible sourcing program for all suppliers.

SCORECARD OF AVNET'S RESPONSIBLE SOURCING GOALS

CY24 RESPONSIBLE SOURCING GOALS			
GOAL STRATEGIES		FY22 STATUS	FY22 PROGRESS
Strengthen our responsible sourcing program for all suppliers and vendors	Continue to enhance our responsible sourcing strategy by: <ul style="list-style-type: none"> • 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 		<ul style="list-style-type: none"> • Responsible sourcing project team formed with global business leaders representing key business units and functions • New system and updated processes for assessing supplier risk on track for implementation in CY23 • Workstreams formed focusing on compliance with new and future responsible sourcing global regulations

Fig. 30

Upholding labor and human rights

Avnet publishes annual statements related to responsible business and human rights. We aim to procure products from companies that adhere to legislative and internationally recognized labor and human rights. We have [purchasing policies](#) that address labor and human rights to help enforce compliance with international conventions and laws. Any supplier observing or suspecting illegal or unethical activities involving Avnet’s business may report details to an Avnet point of contact or through [Avnet’s Ethics Alertline](#).

ESG SALIENT RISKS

RISKS	FUNCTIONAL AREA	RELATED POLICIES	OVERSIGHT/ RESPONSIBILITY	RIGHTS HOLDERS	STAKEHOLDER ENGAGEMENT
Conflict minerals	Avnet supply chain	Responsible Minerals Sourcing Policy 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
Data breach	Avnet cybersecurity	Global Information Security Policy	Global Information Solutions	Customers Avnet employees Suppliers	Avnet.com Avnet intranet
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 participant Supplier procurement
		Global Indirect Procurement Integrity Policy	Procurement	Vendor employees	Diversity strategy Master Service Agreement Vendor procurement
Health and safety	Avnet operations, logistics and facilities	Environmental Health and Safety Policy	Environmental, Health & Safety Human Resources Quality management	Avnet employees, visitors and contractors	Human Resources Legal department Insurers
	Avnet supply chain	RBA commitment letter	ESG Supplier management	Supply chain workers	Government safety regulators
Slavery and forced labor	Avnet supply chain	Human Rights Policy	Human Resources	Supply chain workers	Global Supplier Quality Handbook Master Distribution Agreement Master Service Agreement
Legal wages	Avnet supply chain and operations	RBA commitment letter	Supplier management	Supply chain workers	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

Fig. 31

Conflict minerals

Avnet expects its suppliers to obtain minerals from responsible sources, and we encourage our suppliers to adopt similar policies, due diligence frameworks, and management systems concerning responsible minerals sourcing to drive those efforts throughout their supply chains. Our Responsible Minerals Sourcing Policy, annual Form SD and Conflict Minerals Report and aggregated Conflict Minerals Reporting Template (CMRT) can be found on our [Conflict Minerals and Responsible Sourcing page](#).

Vendor diversity strategy

Diversity builds value chain resilience and drives innovation. We are committed to improving our vendor diversity with a proactive procurement strategy to increase the number of woman-owned, veteran-owned and minority-owned vendors in our portfolio.

Process improvements to date have included developing a standardized response statement for vendor inquiries and reviewing non-trade diversity spend on a fiscal year basis to assess opportunities for improvement.

Product quality

To help ensure complete customer satisfaction, we employ an up-to-date quality management system across our operations. We understand quality management as a task of guidance, and each employee is jointly responsible for the quality of their work. A continuous improvement process in all parts of the company helps us to uncover possible gaps and eliminate existing weak points.

For our distribution business, Avnet operates a quality management system in accordance with ISO 9001:2015. See the full overview of regional operation site certifications on our [website](#). The original manufacturer controls the configuration management, which includes product quality and safety. There is a customer support and complaints management process for any problems customers may experience, including full failure analysis processes completed by suppliers.

We value and solicit customer feedback. Listening to our customers helps us validate our strengths and identify areas where we can improve. Twice a year, we conduct a customer experience survey featuring a Net Promoter Score (NPS) question, with all regions and business units participating.

The survey's invitations and questions are translated into 22 languages. Survey results provide a barometer of how our customers feel about doing business with Avnet and how engaged they are. We analyze the survey results to create actionable insights for our business units and help guide Avnet's short- and long-term planning. Avnet's NPS overall score for May 2022 was 33.7. Avnet consistently scores above 20, which is in the favorable range.

SPOTLIGHT:

Avnet responds to the chip shortage

Avnet adds value during times of product uncertainty by playing a critical role in supply chain sustainability. In FY22, a perfect storm of factors coalesced in an industrywide semiconductor chip shortage: the continuing COVID-19 pandemic, a scarcity of raw materials, and spikes in certain markets like electric vehicles and 5G.

Avnet was able to apply our decades of established expertise in this space to help our customers meet this challenge through managing their forecasts and mitigating supply chain risk.

This included extending our pipelines to ensure that we had the necessary inventory. We enhanced our collaboration with suppliers and customers to better understand their needs. For example, we reviewed customer bills of materials and their approved vendor lists and assessed them for any risks. We then communicated what products were available and which might cause a timing issue. We also provided additional options including offering another comparable part.

In some cases, we also helped customers redesign products using different chips. Avnet research shows that 51% of engineers said that, due to limited component availability, their business had to modify product performance and functionality at least half the time.

Environmental product stewardship

Avnet helps customers reduce their environmental impact early in the design and production stages. For example, we help customers design products that address climate change through reduced greenhouse gas emissions.

SPOTLIGHT:

Electric vehicle infrastructure support

In FY22, our work to support the global electric vehicle (EV) market took on added significance as more consumers turned to EVs and the demand for private and public charging points increased commensurately.

EV charging infrastructure depends on suppliers developing electric vehicle supply equipment (EVSE) solutions. Charge point operators (CPOs) need to understand what the market needs, what kind of EVSE they should deploy, and how to manage a network of charge points.

Avnet has global insight into the way EV charging infrastructure is developing across the world and is working with the suppliers supporting this complex value chain. This includes systems integrators and module manufacturers and extends to integrated device manufacturers, cable and connector companies, and display manufacturers. Our engineers are already helping providers at every stage of the value chain to develop the right solution, and we embrace our role to drive solutions in this critical area moving ahead.

ENVIRONMENTAL STEWARDSHIP

Our approach

We recognize that responsible management of our environmental footprint is fundamental to the long-term sustainability of our business. We actively improve the environmental performance of our operations to help reduce or avoid negative environmental impacts. We are committed to minimizing the environmental impact of our operations and promoting positive environmental practices among our suppliers and customers.

This commitment is codified in our [Global Environmental Policy](#) and grounded in our approach to environmental management.

In FY22, our environmental efforts focused on strengthening the fundamentals, starting with our approach to environmental management. We were proud to introduce our new Global Director of Environmental, Health and Safety in May. We expect this position to drive a consistent approach to environmental management in our operations globally. It will oversee our Global Environmental Policy and is responsible for measurement systems and driving improvements where necessary.

Along with adding this new role, we conducted a gap analysis to better understand key opportunities to improve our approach to environmental management. We identified two key opportunities related to environmental management moving forward:

- Expand the number of our facilities certified to ISO 14001.
- Implement an “Avnet standard” environmental management systems approach based on the principles of ISO 14001 for sites where full ISO 14001 certification is not implemented.

As of July 2022, 50% of our operational sites have achieved ISO 14001 certification, covering 71% of employee headcount. We have identified additional operational sites where ISO

14001 certification is appropriate and will continue to report on our certification progress and implementation of the Avnet standard in future ESG reporting.

We also continued to improve our data collection and reporting capabilities to better understand our operations’ environmental footprint and pinpoint opportunity areas. This included improving data collection for our distribution centers, which have the biggest footprint in resource use and waste. For CY21, we have:

- Carbon emissions and energy data for approximately 87% of all operations (up from 85% in CY20)
- Water data for approximately 73% of all operations (up from 71% in CY20)
- Waste data for approximately 71% of all operations (up from 68% in CY20)
- Extended our Scope 3 greenhouse gas (GHG) accounting to include emissions resulting from employee commuting

Our environmental goals

In 2021, we established our CY25 environmental goals, an ambitious set of targets for reducing our environmental footprint in the areas where we have the biggest impact.

Overall, we are proud of our progress thus far across our CY25 goals, especially because our operations have rebounded to levels exceeding those at the start of the COVID-19 pandemic. An expanding business means additional environmental resources we must account for, and we are embracing the challenge.

SCORECARD OF AVNET’S CY25 ENVIRONMENTAL GOALS

GOAL	BASE	TARGET	CY20	CY21
Increase to 30% of Scope 1 & Scope 2 energy from renewable resources by CY25	N/A	30%	16%	20%
50% Reduction in Scope 1 & Scope 2 GHG emissions by CY25 from FY19 (values calculated from extrapolated data)	50,683 mtCO ₂ e (location based) ¹	25,342 mtCO ₂ e (market based)	32,337 mtCO ₂ e (market based)	32,360 mtCO ₂ e (market based)
Maintain 20% reduction of Scope 3 business travel emissions by CY25 from CY19	10,286 mtCO ₂ e	8,229 mtCO ₂ e	1,868 mtCO ₂ e	3,054 mtCO ₂ e
Divert 75% of waste from landfill by CY25 (% calculated from extrapolated data)	N/A	75%	74.6%	72.3%

¹Market based emissions data not available for FY19

Fig. 32

Further information on our approach and performance related to each of these goals is detailed below.

Energy management and climate change mitigation

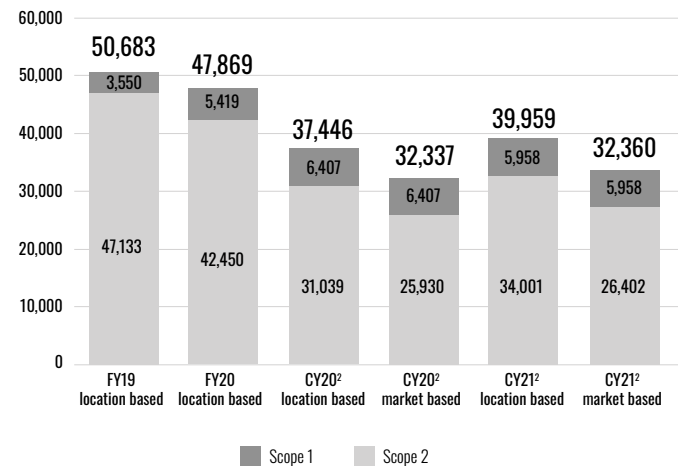
A proactive stance on climate change

Decreasing our energy consumption is a priority for Avnet and is intrinsically linked to our commitment to reducing our carbon footprint. Our strategy for reducing energy use and associated carbon emissions is threefold:

- Switch to renewable energy sources wherever possible (on-site generation or purchase).
- Improve the energy efficiency of offices and facilities.
- Consolidate facilities where possible.

AVNET'S CARBON EMISSIONS TREND¹

Scope 1 and Scope 2 emissions (mtCO₂e)



¹All data extrapolated to represent 100% of Avnet's square footage. Estimated percent of Avnet total area of collected data is the following: FY19 was 62%, FY20 was 68%, CY20 was 85% and CY21 was 87% of estimated 6.3 million square 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, heat 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.

²Fleet data was collected in CY20 and CY21, contributing to increased Scope 1 emissions.

Fig. 33

GHG EMISSIONS SUMMARY (mtCO ₂ e) ¹	CY20	CY21
Total Scope 1 & 2 emissions (location based) ^{2,3}	37,446	39,959
Total Scope 1 & 2 emissions (market based) ^{2,3}	32,337	32,360
Scope 1 GHG emissions ²	6,407	5,958
Scope 2 GHG emissions (location based) ³	31,039	34,001
Scope 2 GHG emissions (market based) ³	25,930	26,402
Total Scope 3 emissions	36,707	42,308
Category 4: Upstream transportation and distribution ⁴	14,798	19,811
Category 6: Business travel ⁵	1,868	3,054
Category 7: Employee commuting ⁶	1,767	1,307
Category 9: Downstream transportation and distribution ⁴	18,274	18,136

¹Metric Tonnes of carbon dioxide equivalent

²Scope 1 emissions: 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). CY21 collected emissions data represents an estimated 87% of Avnet's square footage, excluding land. Extrapolated data is estimated to 100% of Avnet's square footage. CY20 collected emissions data represents an estimated 85% of Avnet's square footage, excluding land. Fleet data was not extrapolated. 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. For additional details regarding emission factor sources, see [2022 Carbon Disclosure Project \(CDP\) report](#).

³Scope 2 emissions: Scope 2 include indirect emissions from purchased off-site generation of electricity, heating and steam consumed by Avnet facilities. CY21 collected emissions data represents an estimated 87% of Avnet's square footage, excluding land. CY20 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 Ltd., and EPA Emission Factors for Greenhouse Gas Inventories. For additional details regarding emission factor sources, see [2022 Carbon Disclosure Project \(CDP\) report](#).

⁴Scope 3 Category 4 Upstream Transportation and Distribution and Scope 3 Category 9: Downstream Transportation and Distribution: 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 spent carbon. Data includes Avnet (AMER, APAC, EMEA) and Farnell (AMER). Data does not include Farnell (APAC and EMEA). Emissions were calculated for transportation and distribution logistics for carriers within Avnet's control. For additional details regarding emission sources, see [2022 Carbon Disclosure Project \(CDP\) report](#).

⁵Scope 3 Category 6 Business Travel: Air, rental car and hotel travel data includes 100% of U.S. and EMEA and 65% of APAC. Avnet reports 85% of corporate transport data for CY21; the remaining 15% was estimated using a percentage of actual airfare spend. Calculations were based on guidelines specified by the U.K.'s Defra and the Department of Energy and Climate Change (DECC). Mileage reimbursement (AMER and EMEA) emissions were calculated using GHG Protocol's distance-based method. Business travel emissions data were provided by travel management companies. For additional details regarding emission sources, see [2022 Carbon Disclosure Project \(CDP\) report](#).

⁶Scope 3 Category 7 Employee Commuting: Commuter data requested from Maricopa County Air Quality Department's Travel Reduction Program survey. Survey included data from Avnet's largest three Phoenix-based locations: 47th Street headquarters and the Morelos and McKemy facilities. Emissions were calculated using GHG Protocol's distance-based methodology including mode of transportation and weekly miles traveled. Commuter data accounts for 8% of Avnet's total headcount. Data was extrapolated to represent 100% of employee commuting emissions from the three surveyed Arizona facilities. This does not represent company-wide employee commuting. For additional details regarding emission sources, see [2022 Carbon Disclosure Project \(CDP\) report](#).

Fig. 34

Avnet does not currently use carbon offsets; at this stage in our development, we intend to meet our emissions reduction goals through direct actions. Further discussion of our approach to addressing the challenge of global climate change can also be found in our [Carbon Disclosure Project](#) response.

Renewable energy

In CY21, renewable energy accounted for 20% of our overall energy consumption—up from 16% in CY20. The increase was primarily driven by expanding our purchased renewable energy for our European facilities. Across our operations, we continue to look for ways to expand generation and purchase of renewable energy and certificates of origin for renewable sources (wind, solar and hydropower). For example, solar power has been used for several years at our headquarters and McKemy distribution center in Arizona. In addition, Avnet's facilities in the U.K., Germany, Denmark, Austria, Sweden and

(continued from previous page)

Switzerland use green electricity products such as green tariffs supported by energy attribute certificates and invoices. In FY22, we extended 100% renewable electricity contracts to more locations and continue to look for contractual opportunities to expand our use of renewable electricity.

Offices and facilities

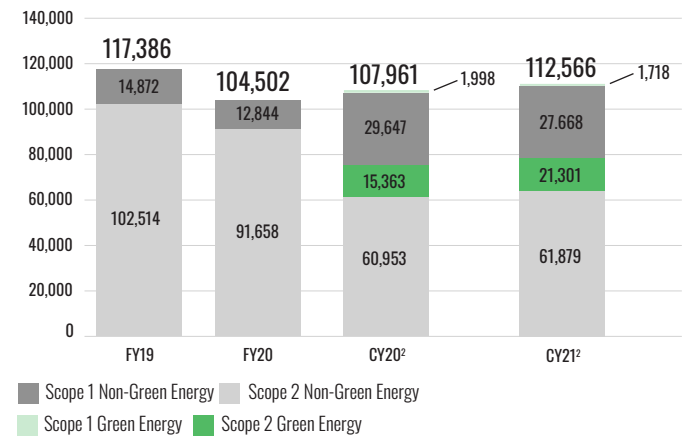
Across our operations, we continue to look for opportunities to update facility equipment with more energy-efficient systems, such as replacing lighting installations with LED solutions, intelligent lighting controls, efficient heating, ventilation and air conditioning (HVAC) systems, improved energy management systems, and more efficient building services. We engage with landlords to try to ensure that green technologies are considered when replacing infrastructure for leased facilities. In FY22, we introduced a new sustainability scorecard related to U.S. facility expansion. New brick-and-mortar facilities that Avnet leases or purchases in the U.S. will be analyzed against environmental metrics such as access to renewable energy and recycling and other sustainability metrics.

We support the transition from traditional combustion engines to hybrid or fully electric vehicles (EV) through on-site charging stations. Across the Americas and Europe, we have 74 charging stations for EVs, with 89 more planned for upcoming years. In FY22, these charging stations were used for an average of nearly 52,000 kWh, reducing emissions by nearly 48,000 kg of carbon dioxide.¹

For our distribution operations, Avnet relies on third-party shipping, so we do not have direct control over the impact of this portion of our business. Our logistics team continues to assess and evaluate our carriers' potential carbon reduction plans.

AVNET'S ENERGY USAGE TREND¹

Scope 1 and Scope 2 (MWh)



¹All data extrapolated to represent 100% of Avnet's square footage. Estimated percent of Avnet total area of collected data is the following: FY19 was 62%, FY20 was 68%, CY20 was 85% and CY21 was 87% of estimated 6.3 million square 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.

²Fleet data was collected in CY20 and CY21, contributing to the Scope 1 energy increase.

Fig. 35

Facility consolidation

In 2022, we continued to develop our AWOW strategy, which enables some staff to work more flexibly (including telecommuting) and allowed Avnet to consolidate facilities. The evolution of our approach to hybrid working also impacted our approach to business travel. This positively impacts our Scope 3 emissions by giving our team members the option to attend meetings virtually.

SPOTLIGHT:

Investing in sustainable facilities: Avnet Embedded Freiburg

In FY22, Avnet Embedded broke ground on a new manufacturing site near the city of Freiburg, Germany, which is slated to come online in 2023. Sustainability was a primary consideration in the design of the facility. Key environmental features include:

- Certification to the German Sustainable Building Council (DGNB) gold standard, an internationally recognized benchmark for sustainability
- Enhanced insulation that will help reduce energy consumption to about 40% of comparably sized buildings
- No consumption of fossil fuels—a photovoltaic system with 532 kW peak and 308 kWh storage will be used to drive geothermal heat pumps and independently produce most of the energy consumption of the building and production
- 20 charging points for electric vehicles

¹Emission and charging data are based on an aggregated average of annual charging station use at an Avnet EMEA facility in Poing, Germany. The resulting annual kWh average output was applied to each operational charging point across Avnet globally. Emissions saved were based on calculating gallons of gasoline avoided by the resulting power output of EV charging. For additional details regarding emission sources, see our [2022 Carbon Disclosure Project \(CDP\) report](#).

Waste and hazardous materials management

Our business is distribution, and Avnet ships approximately 283 billion units annually. The waste generated is primarily linked to packaging used in these activities, and we continue to look for ways to reduce the environmental impact of these shipments.

Our overall waste strategy is to increase zero waste-to-landfill contracts where local market conditions allow. These contracts mean any non-recyclable waste is incinerated for energy production. We currently hold zero waste-to-landfill contracts in the U.K., some European facilities and Singapore.

Beyond zero waste-to-landfill contracts, our priority is to increase on-site waste sorting to lift recycling rates at distribution centers and large office sites as well as implement programs to reduce the total amount of packaging used in our distribution operations. Globally, Avnet recycles about 75% of all waste generated from the sites collected. When waste data is modeled to 100% of Avnet’s square footage, excluding land, we recycle 72% of all waste generated.

In general, our processes do not use hazardous materials. Where they are used, the quantities are small and procedures exist to ensure that any materials are handled in accordance with the Material Safety Data Sheet. Hazardous products shipped to customers are packaged by trained operators in line with International Civil Aviation Organization (ICAO), International Air Transportation Association (IATA) standards and the agreement concerning international carriage by road (ADR) regulations.

Reducing the impact of packaging waste

We have a multifaceted approach to reduce the impact of packaging used at our facilities. It starts with purchasing recycled packaging materials wherever possible. We also optimize our vendor partnerships to prioritize those that provide eco-friendly packing materials, focusing initially on void fill and product protection options. In FY22, we continued to implement a phased approach program to optimize the size and makeup of our transit boxes and other packaging types. Other examples of our initiatives to reduce the impact of packing waste include:

- Transitioning to single-wall corrugate from double-wall corrugate where possible
- Consolidating customer orders in our warehouses
- Reusing palettes that come in from suppliers to ship product back out

In our programming centers, our 3D printing initiative also saves money and reduces waste. We only print the items we need using Polylactic Acid (PLA) filament, which is plant-based instead of fossil-based plastic. We design and print to replace broken parts that may be obsolete, which helps us maintain equipment instead of purchasing new. This reduces packaging waste as well as the fuel that would be used to ship new materials.

Chemical and hazardous waste management

We do not generate or handle a significant amount of chemical or hazardous waste. Where required, we control how these wastes are disposed, including using separate hazardous waste bins (and storage areas) to avoid contaminating general waste. Procedures to handle chemical and hazardous waste are documented at the site level, are based on the type of waste present, and follow local handling regulations.

WASTE COLLECTED SUMMARY (METRICS TONNES) ¹	CY20	CY21
Waste generated by weight	4,536	7,141
Total hazardous waste	9	286
Waste diverted by weight and hazardous/non-hazardous (Recycled)	3,579	5,355
Recycled hazardous waste	0	196
Recycled non-hazardous waste	3,579	5,159
Waste direct to disposal by weight and hazardous/non-hazardous (Disposed)	957	1,786
Disposed hazardous waste	9	90
Disposed non-hazardous waste	948	1,696
Percentage recycled (values are extrapolated to 100%)	74.6%	72.3%

¹ For CY20, collected waste data represents an estimated 68% of Avnet’s square footage, excluding land. For CY21, collected waste data represents an estimated 71% of Avnet’s square footage, excluding land.

Fig. 36

Water management

Avnet’s water footprint is mainly from our office facilities. Avnet has limited manufacturing, which is not water intensive. Our global environmental policy includes a commitment to increasing water conservation.

When we acquire new facilities or have an opportunity to update current facilities, we seek to install equipment that uses minimal water and automatic shutoff faucets, capture greywater for landscaping, and deploy other water-saving

devices. We also educate and engage our employees on water conservation practices through ISO 14001 training sessions.

In CY21, our overall water use increased by approximately 17% from CY20, primarily due to resuming regular activity at facilities that had operated on a limited basis during the early phase of the COVID-19 pandemic.

WATER USE COLLECTED SUMMARY (CUBIC METERS) ¹	CY20	CY21
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	140,988	164,553
Total water withdrawn	140,988	164,553
Domestic	128,034	141,221
Irrigation	6,223	5,296
Process Water	6,731	18,036
Total water consumed	140,988	164,553
Domestic	128,034	141,221
Irrigation	6,223	5,296
Process Water	6,731	18,036

¹For CY20, collected water data represents an estimated 71% of Avnet’s square footage, excluding land. For CY21, collected water data represents an estimated 73% of Avnet’s square footage, excluding land.

Fig. 37

WATER USE IN REGIONS WITH WATER STRESS ¹	CY20	CY21
Total water withdrawn in regions with high or extremely high baseline water stress	15%	11%
Total water consumed in regions with high or extremely high baseline water stress	15%	11%

¹For CY20, collected water data represents an estimated 71% of Avnet’s square footage, excluding land. For CY21, collected water data represents an estimated 73% of Avnet’s square footage, excluding land.

Fig. 38

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The United Nations Sustainable Development Goals (SDGs) are a collaborative, global effort to achieve a better and more sustainable future for all. Represented by 17 Global Goals and 169 targets, the SDGs address challenges of poverty, inequality, climate change, environmental degradation, peace and justice. We continue to identify the key areas where we have the greatest influence and impact on the SDGs through our business strategy, products and services. [Please see our website](#) for the stories described below and for more information on our actions to support the SDGs during FY22.

AVNET'S FY22 ACTIONS TO ADVANCE THE U.N. SUSTAINABLE DEVELOPMENT GOALS

U.N. SDG		CONTRIBUTION	U.N. SDG		CONTRIBUTION
		Avnet APAC reduces food waste and supports local farmers in Taiwan			element14's passion for better schools in India
		Avnet China helps revitalize the tea economy of rural Fengqing County in Yunnan province			
		Avnet China's community supports children with autism			Avnet's recent green revitalization of Farnell headquarters in Leeds, UK
		Avnet extends sponsorship with Women in Electronics			Hackster.io contest finds ways to prevent water waste and flooding in homes
		Avnet Silica partners with Dryad to combat forest fires			Hackster.io inspires environmentalism with Sustainable Planet Contest
		Farnell supports the Disasters Emergency Committee Ukrainian Humanitarian Appeal			
		Farnell supports epilepsy research with golf day charity event			

Fig. 39

Glossary of terms

ADR – International Carriage of Dangerous Goods by Road

ALT – Avnet Leadership Team (also referred to as Avnet Executive Leadership Team)

AMER – Americas

APAC – Asia Pacific

AWOW – Avnet Ways of Working

BCMP – Business Continuity Management Program

BOD – Board of Directors

CDP – Carbon Disclosure Project; nonprofit that runs global disclosure system for investors, companies, cities, states and regions to manage their environmental impact

CGC – Corporate Governance Committee

CLT – Core Leadership Team

CMRT – Conflict Minerals Reporting Template

COE – Center of Excellence

CSR – corporate social responsibility

DEI – diversity, equity and inclusion

E&C – Ethics and Compliance

EAP – employee assistance program

ECO – Ethics and Compliance Office

EHS – Environmental, Health & Safety

ELT – Executive Leadership Team

EMEA – Europe, Middle East, Africa

ERG – employee resource group

ERM – enterprise risk management

ESG – environmental, social & governance

ESG materiality – the effectiveness and significance of a specific sustainability measure as part of a company’s overall ESG risk and opportunity analysis

ESG materiality analysis – a tool using internal and external stakeholder feedback designed to help identify and understand the relative importance of specific ESG and sustainability topics to the organization

EV – electric vehicle

financial materiality – a specific measure that has a quantitative and qualitative financial impact to the company above the threshold defined under SEC Staff Accounting Bulletin 99 (SAB 99)

footprint – (i.e., carbon footprint, waste footprint, product footprint)

GC&C – Global Cybersecurity and Compliance

GTC – Global Trade Controls

IATA – International Air Transport Association

ICAO – International Civil Aviation Organization

Internet of Things (IoT) – physical objects with sensors, processing ability, software and other technologies that connect and exchange data

MCA – mutual confidentiality agreement

NDA – non-disclosure agreement

NWOW – New Ways of Working (in EMEA; similar to AWOW)

operational site – sites that physically touch product (distribution centers, warehouses, programming, integration, manufacturing, etc.); not sales and administrative offices

PLA filament – polylactic acid filament; a recyclable, natural thermoplastic polyester derived from renewable resources such as corn starch or sugar cane

precautionary principle – taking early action to prevent and mitigate potential negative impacts in situations where conclusive scientific understanding or evidence is lacking, but there is sufficient reason to expect serious or irreversible damage

RBA – Responsible Business Alliance

Scope 1 emissions – direct emissions from sources owned or controlled by a company

Scope 2 emissions – indirect emissions from purchased electricity, steam, heat and cooling

Scope 3 emissions – all other emissions associated with a company’s activities

supplier – company that provides goods and services that Avnet resells and distributes, unless otherwise noted

UN SDGs – United Nations Sustainable Development Goals

vendor – company that provides goods and services that Avnet uses in its operations

YoY – Year over Year

ESG PERFORMANCE SUMMARIES

For easy reference, the following tables collect key ESG metrics referenced throughout this report.

DESCRIPTION	UNIT	FY20	FY21	FY22
General/About Avnet				
About Avnet		Avnet Fact Sheet and Company Profile		
Annual Reports		2022 Annual Report		
Proxy Statements		2022 Proxy Statement		
Financial information		Financial information		
Avnet policies		Avnet policies		
ESG at Avnet				
Sustainability Reporting Archive		Sustainability Reporting		
FY22 Sustainability Report		FY22 Sustainability Report		
SASB Index		Page: 42		
GRI Index		Page: 43		
Board committee with ESG oversight		Corporate Governance Committee Charter		
Executive compensation linked with ESG		no	yes	yes
Materiality assessment		2020 Sustainability ESG Materiality Study		
Governance				
Board Composition				
Total board members	people	11	10	11
Percentage of independent directors	%	90%	100%	91%
Percentage of female directors	%	30%	30%	27%
Percentage of ethnically diverse	%	40%	50%	45% ¹
Percentage with ESG experience	%	100%	50%	73%
Average age	years	62	63	63
Average tenure	years	5.0	4.6	5.2
Ethics and Compliance				
Business Ethics Policy		Code of Conduct Manuals		
Policy on non-retaliation		Code of Conduct p. 7-8		
Policy on non-harassment		Code of Conduct p. 18		
Policy on collective bargaining		Code of Conduct p. 19		
Policy on political contributions/activities		Code of Conduct p. 28		
Whistleblower Hotline		Ethics Alertline		
Anti-Corruption Policy		Global Anti-Corruption Policy		
Percent of employees completing compliance training	%	CY19 = 96%	CY20 = 92%	CY21 = 99.5%
Supply Chain Management				
Supplier Code of Conduct		Supplier Code of Conduct		
Global Supplier Quality Handbook		Global Supplier Quality Handbook		
Human Rights Policies		Global Human Rights Policy		
		Statement Against Modern Slavery and Human Trafficking		
Conflict Minerals		Conflict Minerals Disclosures		
Responsible Minerals Sourcing Policy		Responsible Minerals Sourcing Policy		
Responsible Sourcing Policies		Global Indirect Procurement Integrity Policy		
		Global Responsible Sourcing Policy (Direct and Indirect)		
Percent of EMEA suppliers with a corporate social responsibility program established	%	-	-	62% ²

Fig. 40

¹45% includes directors who identify as Middle Eastern. Race/Ethnic diversity was 36% if directors who identify as Middle Eastern are not included.

²Derived from Avnet EMEA's Quality Environmental Questionnaire for onboarding of new suppliers 2/2018-10/2022.

ESG PERFORMANCE SUMMARIES - CONTINUED

DESCRIPTION	UNIT	FY20	FY21	FY22
Data Security and Privacy				
Privacy Policy		Global Privacy Policy		
Global Information Security Policy		Available under NDA/MCA; email requests to: security-foundations@avnet.com		
Frequency of mandatory data security training covering all employees		annual		
Product Quality and Safety				
Quality certifications		Quality certifications		
NPS customer survey score	Net Promoter Score	35.9	29.0	33.7
Human Capital				
Talent Attraction, Engagement, and Retention				
Total employee headcount	# of employees	14,600	14,500	15,300
Global voluntary turnover rate ³	%	8.5%	8.3%	11.9%
Voluntary turnover rate: U.S. female ³	%	10.2%	8.3%	12.0%
Voluntary turnover rate: U.S. minority ³	%	11.2%	9.8%	18.4%
Percentage of employees receiving regular performance reviews	%	-	93.5%	97.0%
Employee engagement survey score	engagement score	-	88.3	82.0
Participation in employee engagement survey	%	-	56%	71%
Employee Health and Safety				
Health and Safety Policy		Global Workplace Health and Safety Policy		
Fatalities	#	0	0	0
Lost Time Injury (LTI) Severity Rate	# of lost days per 1,000 hours	-	-	0.01746
Lost Time Injury Frequency Rate (LTIFR)	LTI per 1 million man hours worked	-	-	1.31032
Operational Sites certified to ISO 45001	%	-	-	22%
Diversity of Employees				
Diversity, Equity, and Inclusion Policy		Equal Opportunity, Diversity and Inclusion Policy		
Percentage male in global workforce	%	55%	55%	55%
Percentage female in global workforce	%	45%	45%	45%
Percentage female in global workforce by management level:				
Senior leadership (VP and above)	%	17%	21%	19%
Manager and above	%	-	31% ⁴	33%
Individual Contributors	%	47%	47%	47%
Gender distribution by region:				
AMER: Percentage male	%	-	-	45%
AMER: Percentage female	%	-	-	55%
EMEA: Percentage male	%	-	-	56%
EMEA: Percentage female	%	-	-	44%
APAC: Percentage male	%	-	-	52%
APAC: Percentage female	%	-	-	48%
Racial/ethnic diversity in workforce (U.S. only)	%	30%	34%	30%

Fig. 40

³Turnover numbers were updated from previous reports to align to fiscal years and include certain subsets of employees and exclude Witekio and Softweb employees.

⁴Data as of 12/30/2020 excludes Softweb, Witekio, interns, trainees and apprentices.

ESG PERFORMANCE SUMMARIES - CONTINUED

DESCRIPTION	UNIT	FY20	FY21	FY22
Philanthropy				
Total community giving	USD	\$407,000	\$232,919	\$721,028
Environment				
Environmental policy		Global Environmental Policy		
CDP responses		CDP Responses		
Percent of operational sites certified to ISO 14001		-	-	50%
Percent of operational site employees trained on environmental topics		-	-	71%
DESCRIPTION	UNIT	CY20	CY21	ENVIRONMENTAL FOOTNOTES
Energy				
Total energy consumed (collected and extrapolated)	MWh	107,961	112,566	1, 2
Percentage green energy	%	16%	20%	1, 2
Percentage non-green energy	%	84%	80%	1, 2
Total Scope 1 energy	MWh	31,644	29,386	1
Total Scope 2 energy	MWh	76,316	83,180	2
Total energy consumed (collected data)	MWh	94,246	99,763	1, 2
Non-renewable electricity purchased	MWh	45,723	46,860	
Renewable electricity purchased	MWh	15,363	19,936	
Renewable electricity consumed from generated solar	MWh	1,998	1,718	
Consumption of fuel	MWh	27,295	25,688	
Non-renewable purchased steam/heat/cooling and other purchased energy	MWh	3,866	4,195	
Renewable purchased steam/heat/cooling and other purchased energy	MWh	0	1,365	
Percentage of total renewable energy	%	16%	20%	1, 2
Energy intensity ratio by floor area	MWh/'000 ft ²	16.58	17.69	1, 2
Energy intensity ratio per person	MWh/Person	7.50	7.45	1, 2
Total solar energy sell back	MWh	1,006	832	1
GHG Emissions				
Scope 1 & 2 Emissions (location-based)	mtCO ₂ e	37,446	39,959	3, 4
Scope 1 & 2 Emissions (market-based)	mtCO ₂ e	32,337	32,360	3, 4
Scope 1 GHG Emissions	mtCO ₂ e	6,407	5,958	3
Scope 2 GHG Emissions (location-based)	mtCO ₂ e	31,039	34,001	4
Scope 2 GHG Emissions (market-based)	mtCO ₂ e	25,930	26,402	4
Total Scope 3 Emissions	mtCO ₂ e	36,707	42,308	
Category 4: Upstream transportation and distribution	mtCO ₂ e	14,798	19,811	5
Category 6: Business travel	mtCO ₂ e	1,868	3,054	6
Category 7: Employee commuting	mtCO ₂ e	1,767	1,307	7
Category 9 Downstream transportation and distribution	mtCO ₂ e	18,274	18,136	5
GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO ₂ equivalent. - Scope 1	mtCO ₂ e	-	261	3
GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO ₂ equivalent. - Scope 2	mtCO ₂ e	-	2,257	4
Scope 1 & 2 GHG emissions intensity by floor area (market-based)	metric tonnes CO ₂ e/'000 ft ²	5.0	5.1	3, 4
Scope 1 & 2 GHG emissions intensity by floor area (location-based)	metric tonnes CO ₂ e/'000 ft ²	5.8	6.3	3, 4
Scope 1 & 2 GHG emissions intensity per person (market-based)	metric tonnes CO ₂ e/person	2.3	2.1	3, 4
Scope 1 & 2 GHG emissions intensity per person (location-based)	metric tonnes CO ₂ e/person	2.6	2.6	3, 4

Fig. 40

ESG PERFORMANCE SUMMARIES - CONTINUED

DESCRIPTION	UNIT	CY20	CY21	ENVIRONMENTAL FOOTNOTES
Water				
Water withdrawn by source:				
Surface water, including wetlands, rivers, lakes, oceans	m ³	0	0	8
Groundwater	m ³	0	0	8
Rainwater	m ³	0	0	8
Wastewater from another organization	m ³	0	0	8
Municipal water suppliers or other public or private water utilities	m ³	140,988	164,553	8
Total water withdrawn	m ³	140,988	164,553	8
Domestic	m ³	128,034	141,221	8
Irrigation	m ³	6,223	5,296	8
Process water	m ³	6,731	18,036	8
Total water consumed	m ³	140,988	164,553	8
Domestic	m ³	128,034	141,221	8
Irrigation	m ³	6,223	5,296	8
Process water	m ³	6,731	18,036	8
Percentage of water withdrawn in regions with high or extremely high baseline water stress	%	15%	11%	8
Percentage of water consumed in regions with high or extremely high baseline water stress	%	15%	11%	8
Waste				
Waste generated by weight	metric tonnes	4,536	7,141	9
Percentage of waste recycled (values are extrapolated to 100%)	%	74.6%	72.3%	9
Total hazardous waste	metric tonnes	9	286	9
Waste diverted by weight and hazardous/non-hazardous (recycled)	metric tonnes	3,579	5,355	9
Recycled hazardous waste	metric tonnes	0	196	9
Recycled non-hazardous waste	metric tonnes	3,579	5,159	9
Waste direct to disposal by weight and hazardous/nonhazardous (disposed)	metric tonnes	957	1,786	9
Disposed hazardous waste	metric tonnes	9	90	9
Disposed non-hazardous waste	metric tonnes	948	1,696	9

Fig. 40

Environmental footnotes

- ¹Scope 1 Energy: CY1 collected energy data represents an estimated 87% of Avnet's square footage, excluding land. CY20 collected energy data represents an estimated 85% of Avnet's square footage, excluding land. Extrapolated energy data is estimated to 100% of Avnet's square footage. Fleet data was collected in CY20 and CY21 and not extrapolated. 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). Avnet did not consume renewable fuel in CY20 or CY21.
- ²Scope 2 Energy: CY21 collected energy data represents an estimated 87% of Avnet's square footage, excluding land. Extrapolated energy data is estimated to 100% of Avnet's square footage. CY20 collected energy data represents an estimated 85% of Avnet's square footage, excluding land. Scope 2 = Purchase of off-site generation of electricity, heating and steam consumed by Avnet facilities. It may contain a mix of both green and non-green energy. Facilities in the U.K, Germany, Denmark, Austria, Sweden, and Switzerland use green electricity products, e.g., green tariffs, supported by energy attribute certificates and invoices.
- ³Scope 1 emissions: 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). CY21 collected emissions data represents an estimated 87% of Avnet's square footage, excluding land. CY20 collected energy data represents an estimated 85% of Avnet's square footage, excluding land. Extrapolated data is estimated to 100% of Avnet's square footage. Fleet data was not extrapolated. 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. Baseline for GHG target is CY19, the best data that was available pre COVID-19. For additional details regarding emission factor sources, see [2022 Carbon Disclosure Project \(CDP\) report](#).
- ⁴Scope 2 emissions: Scope 2 include indirect emissions from purchased off-site generation of electricity, heating and steam consumed by Avnet facilities. CY21 collected emissions data represents an estimated 87% of Avnet's square footage, excluding land. Extrapolated data is estimated to 100% of Avnet's square footage. CY20 collected energy data represents an estimated 85% of Avnet's square footage, excluding land. 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 Ltd., and EPA Emission Factors for Greenhouse Gas Inventories. Baseline for GHG target is CY19, the best data that was available pre COVID-19. For additional details regarding emission factor sources, see [2022 Carbon Disclosure Project \(CDP\) report](#).
- ⁵Scope 3 Category 4 Upstream Transportation and Distribution and Scope 3 Category 9: Downstream Transportation and Distribution: 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 spent carbon. Data includes Avnet (AMER, APAC, EMEA) and Farnell (AMER). Data does not include Farnell (APAC and EMEA). Emissions were calculated for transportation and distribution logistics for carriers within Avnet's control. For additional details regarding emission sources, see [2022 Carbon Disclosure Project \(CDP\) report](#).
- ⁶Scope 3 Category 6 Business Travel: Air, rental car and hotel travel data includes 100% of U.S. and EMEA and 65% of APAC. Avnet reports 85% of corporate transport data for CY21; the remaining 15% was estimated using a percentage of actual airfare spend. Calculations were based on guidelines specified by the UK's Defra and the Department of Energy and Climate Change (DECC). Mileage reimbursement (AMER and EMEA) emissions were calculated using GHG Protocol's distance-based method. Business travel emissions data were provided by travel management companies. For additional details regarding emission sources, see [2022 Carbon Disclosure Project \(CDP\) report](#).
- ⁷Scope 3 Category 7 Employee Commuting: Commuter data requested from Maricopa County Air Quality Department's Travel Reduction Program survey. Survey included data from Avnet's largest three Phoenix-based locations: 47th Street headquarters and the Morelos and McKenny facilities. Emissions were calculated using GHG Protocol's distance-based methodology including mode of transportation and weekly miles traveled. Commuter data accounts for 8% of Avnet's total headcount. Data was extrapolated to represent 100% of employee commuting emissions from the three surveyed Arizona facilities. For additional details regarding emission sources, see [2022 Carbon Disclosure Project \(CDP\) report](#).
- ⁸Water: For CY20, collected water data represents an estimated 71% of Avnet's square footage, excluding land. For CY21, collected water data represents an estimated 73% of Avnet's square footage, excluding land. CY20 data was revised to reflect more accurate figures.
- ⁹Waste: For CY20, collected waste data represents an estimated 68% of Avnet's square footage, excluding land. For CY21, collected waste data represents an estimated 71% of Avnet's square footage, excluding land. CY20 data was revised to reflect more accurate figures.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

The following tables incorporate the accounting standards from the Sustainability Accounting Standards Board (SASB) related to Multiline and Specialty Retailers & Distributors with supplemental metrics from Semiconductors and Electronic Manufacturing Services. They include the relevant topic metric(s) where available and/or references to sections within this report where specific topics are discussed.

TOPIC	ACCOUNTING METRIC	SASB CODE	AVNET FY22 RESPONSE
Activity Metrics	Number of: (1) retail locations and (2) distribution centers	CG-MR-000.A	We have 12 major distribution centers, 11 technology campuses, six programming centers and approximately 250 total facilities in 45+ countries.
	Total area of: (1) retail space and (2) distribution center	CG-MR-000.B	Trade counter retail space is 6,888 square feet: approximately 0.12% of Avnet's total estimated square footage, excluding land. Distribution centers are approximately 2.5 million square feet of space—roughly 40% of Avnet's total estimated square footage, excluding land.
Energy Management in Retail & Distribution	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	CG-MR-130a.1 TC-SC-130a.1	(1) 99,763 MWh (2) 67% (3) 23% Values shown represent collected energy data. See page 40 for extrapolated energy values.
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	TC-ES-140a.1 TC-SC-140a.1	(1) 164,553 cubic meters, 11% (2) 164,553 cubic meters, 11%
Waste Management	Amount of hazardous waste from manufacturing, percentage recycled	TC-ES-150a.1 TC-SC-150a.1	Avnet has very limited manufacturing operations. Total hazardous waste from our operations was 286 metric tonnes, which represents 4% of our total waste. Sixty-eight percent of hazardous waste was recycled.
Data Security	Description of approach to identifying and addressing data security risks	CG-MR-230a.1	Please see page 17 of our FY22 Sustainability Report.
	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	CG-MR-230a.2	There were no material cybersecurity incidents or data breaches in FY22. For more information about our legal and risk disclosures, please reference our 2022 Form 10-K .
Labor Practices	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	CG-MR-310a.1	1) Average hourly wage of distribution center employees (USD): Global average = \$16.51 Average in AMER: \$18.58 Average in APAC: \$10.08 Average in EMEA: \$15.49 (2) We pay at or above applicable minimum wage in all locations
	(1) Voluntary and (2) involuntary turnover rate for in-store employees	CG-MR-310a.2	(1) Voluntary turnover rate: a. Overall: 11.9% b. Non-management: 12.7% (2) Please see page 18 of our FY22 Sustainability Report for more information about how we attract and retain talent.
	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	CG-MR-310a.3	Please reference our 2022 Form 10-K for legal and risk disclosures.
Workforce Diversity	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	CG-MR-330a.1	Percentage female in global workforce: Senior leadership (VP and above): 19% Management: 33% Individual contributors: 47% Racial/ethnic diversity in workforce (U.S. only): 30%
	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	CG-MR-330a.2	There were no material legal proceedings in FY22 associated with employment discrimination. For more information about our legal and risk disclosures, please reference our 2022 Form 10-K .
Product Sourcing, Packaging & Marketing	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	CG-MR-410a.2	Please see page 34 of our FY22 Sustainability Report.
	Discussion of strategies to reduce the environmental impact of packaging	CG-MR-410a.3	Please see page 34 of our FY22 Sustainability Report.

Fig. 41

GLOBAL REPORTING INITIATIVE (GRI) INDEX

CODE	DESCRIPTION	AVNET FY22 INFORMATION
General disclosures		
Organizational profile		
102-1	Name of the organization	Page: 5
102-2	Activities, brands, products and services	Page: 5
102-3	Location of headquarters	Page: 6
102-4	Location of operations	Page: 6
102-5	Ownership and legal form	Page: 5
102-6	Markets served	Pages: 5-6
102-7	Scale of the organization	Pages: 6-7
102-8	Information on employees and other workers	Page: 39
102-9	Supply chain	Page: 25
102-10	Significant changes to the organization and its supply chain	No significant changes
102-11	Precautionary principle or approach	Page: 8
102-12	External initiatives	Page: 46
102-13	Membership of associations	Page: 46
Strategy		
102-14	Statement from senior decision-maker	Page: 2
Ethics and integrity		
102-16	Values, principles, standards and norms of behavior	Page: 7
Governance		
102-18	Governance structure	Page: 10
Stakeholder engagement		
102-40	List of stakeholder groups	Page: 9
102-41	Collective bargaining agreements	Pages: 15, 16
102-42	Identifying and selecting stakeholders	Pages: 8, 9
102-43	Approach to stakeholder engagement	Pages: 8, 9
102-44	Key topics and concerns raised	Pages: 8, 9
Reporting practice		
102-45	Entities included in the consolidated financial statements	Consolidated financial information
102-46	Defining report content and topic boundaries	Page: 5
102-47	List of material topics	Page: 8
102-48	Restatements of information	Pages: 39, 41
102-49	Changes in reporting	None
102-50	Reporting period	Page: 5
102-51	Date of most recent report	Page: 5
102-52	Reporting cycle	Page: 5
102-53	Contact point for questions regarding the report	Page: 5
102-54	Claims of reporting in accordance with GRI standards	Page: 5
102-55	GRI content index	Pages: 43-46
102-56	External assurance	None

Fig. 42

GLOBAL REPORTING INITIATIVE (GRI) INDEX - CONTINUED

CODE	DESCRIPTION	AVNET FY22 INFORMATION
Economic (200 Series)		
Anti-corruption		
103-1	Explanation of the material topic and its boundary	Pages: 13-16
103-2	The management approach and its components	Pages: 13-16
103-3	Evaluation of the management approach	Pages: 13-16
205-1	Operations assessed for risks related to corruption	Page: 15
205-2	Communication and training about anti-corruption policies and procedures	Page: 16
Environmental (300 Series)		
Energy 2016		
103-1	Explanation of the material topic and its boundary	Pages: 32, 33
103-2	The management approach and its components	Pages: 32, 33
103-3	Evaluation of the management approach	Pages: 32, 33
302-1	Energy consumption within the organization	Pages: 38, 40
302-3	Energy intensity	Page: 40
Emissions 2016		
103-1	Explanation of the material topic and its boundary	Page: 32
103-2	The management approach and its components	Page: 32
103-3	Evaluation of the management approach	Page: 32
305-1	Direct (Scope 1) GHG emissions	Pages: 32, 40
305-2	Energy indirect (Scope 2) GHG emissions	Pages: 32, 40
305-3	Other indirect (Scope 3) GHG emissions	Pages: 32, 40
305-4	GHG emissions intensity	Page: 40
305-5	Reduction of GHG emissions	Pages: 31, 32
Water and effluents 2018		
103-1	Explanation of the material topic and its boundary	Page: 35
103-2	The management approach and its components	Page: 35
103-3	Evaluation of the management approach	Page: 35
303-1	Interactions with water as a shared resource	Page: 35
303-2	Management of water discharge-related impacts	Page: 35
303-3	Water withdrawal	Pages: 35, 41
303-5	Water consumption	Pages: 35, 41
Waste 2020		
103-1	Explanation of the material topic and its boundary	Page: 34
103-2	The management approach and its components	Page: 34
103-3	Evaluation of the management approach	Page: 34
306-1	Waste generation and significant waste-related impacts	Page: 34
306-2	Management of significant waste-related impacts	Page: 34
306-3	Waste generated	Pages: 34, 41

Fig. 42

GLOBAL REPORTING INITIATIVE (GRI) INDEX - CONTINUED

CODE	DESCRIPTION	AVNET FY22 INFORMATION
Waste 2020		
306-4	Waste diverted from disposal	Pages: 34, 41
306-5	Waste directed to disposal	Pages: 34, 41
Social (400 Series)		
Occupational health and safety 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
403-1	Occupational health and safety management system	Page: 23
403-2	Hazard identification, risk assessment and incident investigation	Page: 23
403-3	Occupational health services	Page: 23
403-4	Worker participation, consultation and communication on occupational health and safety	Page: 23
403-5	Worker training on occupational health and safety	Page: 23
403-6	Promotion of worker health	Pages: 18, 23
403-7	Prevention and mitigation of occupational health and safety impacts	Page: 23
403-8	Workers covered by an occupational health and safety management system	Page: 23
403-9	Work-related injuries	Pages: 23, 39
Training and education 2016		
103-1	Explanation of the material topic and its boundary	Page: 19
103-2	The management approach and its components	Page: 19
103-3	Evaluation of the management approach	Page: 19
404-1	Average hours of training per year per employee	Page: 19
404-2	Programs for upgrading employee skills and transition assistance programs	Pages: 18-19
404-3	Percentage of employees receiving regular performance and career development reviews	Page: 19
Diversity and equal opportunity 2016		
103-1	Explanation of the material topic and its boundary	Pages: 20-23
103-2	The management approach and its components	Pages: 20-23
103-3	Evaluation of the management approach	Pages: 20-23
405-1	Diversity of governance bodies and employees	Pages: 11, 13, 22, 39
Non-discrimination 2016		
103-1	Explanation of the material topic and its boundary	Pages: 13-16, 22
103-2	The management approach and its components	Pages: 13-16, 22
103-3	Evaluation of the management approach	Pages: 13-16, 22
406-1	Incidents of discrimination and corrective actions taken	Page: 22 Please reference our 2022 Form 10-K for legal and risk disclosures

Fig. 42

GLOBAL REPORTING INITIATIVE (GRI) INDEX - CONTINUED

CODE	DESCRIPTION	AVNET FY22 INFORMATION
Customer privacy 2016		
103-1	Explanation of the material topic and its boundary	Page: 17
103-2	The management approach and its components	Page: 17
103-3	Evaluation of the management approach	Page: 17
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page: 17 Please reference our 2022 Form 10-K for legal and risk disclosures .
Socioeconomic compliance 2016		
103-1	Explanation of the material topic and its boundary	Pages: 13, 16
103-2	The management approach and its components	Pages: 13, 16
103-3	Evaluation of the management approach	Pages: 13, 16
419-1	Non-compliance with laws and regulations in the social and economic area	Page: 16 Please reference our 2022 Form 10-K for legal and risk disclosures .

Fig. 42

List of associations

- | | |
|--|--|
| Association of Electronics Districts in Italy | Indian Electronic Semiconductor Association (IESA) |
| Arizona Chamber of Commerce and Industry | Distributors Association of Semiconductors & Components (DAFS) |
| Arizona Technology Council* | Adaptive Computing Research Initiative (ACRI) |
| DMASS Europe | Center for Information on Security Trade Control (CISTEC) |
| Electronics Components Industry Association (ECIA)* | Electronics Manufacturer Services – Japan (EMS-JP) |
| Electronic Components Supply Network (ECSN Europe) | Hachioji Traffic Safety Association |
| Electronics Representatives Association (ERA) | LonMark Japan |
| Global Electronics Distributor Association (GEDA) | Singapore Human Resources Institute (SHRI) |
| Greater Phoenix Chamber of Commerce | Taipei Electronic Components Suppliers’ Association (TECSA)* |
| Greater Phoenix Economic Council GPEC)* | Mobility in Harmony (MIH) |
| Greater Phoenix Leadership (GPL)* | HRRoot |
| Semiconductor Industry Association (SIA)* | HRflag |
| Women in Electronics (WE)* | Shenzhen Internet of Things Industry Association (SZIoT)* |
| Fachverband Bauelemente Distribution e. V. (Professional Association of Component Distribution in Germany) | |

*Supported beyond membership dues

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 2, 2022, 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: geopolitical events and military conflicts; pandemics and other health-related crises, including COVID-19; competitive pressures among distributors of electronic components; an industry downcycle in semiconductors, including supply shortages; relationships with key suppliers and allocations of products by suppliers, including increased non-cancelable/non-returnable orders; accounts receivable defaults; risks relating to the company’s international sales and operations, including risks relating to the ability to repatriate cash, foreign currency fluctuations, inflation, duties and taxes, sanctions and trade restrictions, and compliance with international and U.S. laws; risks relating to acquisitions, divestitures and investments; adverse effects on the company’s supply chain, operations of its distribution centers, shipping costs, third-party service providers, customers, and suppliers, including as a result of issues caused by military conflicts, terrorist attacks, natural and weather-related disasters, pandemics and health-related crises, and warehouse modernization and relocation efforts; risks related to cybersecurity attacks, other privacy and security incidents, and information systems failures, including those related to current or future implementations, integrations or upgrades; general economic and business conditions (domestic, foreign and global) affecting the company’s operations and financial performance and, indirectly, the company’s credit ratings, debt covenant compliance, liquidity, and access to financing; constraints on employee retention and hiring; 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. Our ability to collect and evaluate data is subject to limitations. We undertake no duty to update this information unless required by law.

