



United Nations Global Compact Communication on Progress 2021

With excerpts from Avnet's 2020 Sustainability Report

ABOUT THIS REPORT

The COP 2021 provides brief highlights of action that Avnet is taking on a global basis to address the UNGC principles on human rights, labour, the environment and anti-corruption. The information is taken from excerpts of Avnet's 2020 Sustainability Report. That Sustainability report is expected to be published on the Avnet Website by Feb. 15, 2021 and can be found at this link:

<https://www.avnet.com/wps/portal/us/about-avnet/corporate-social-responsibility/overview/>.

The report highlights relevant initiatives and progress between July 1, 2018 and Dec. 31, 2020.

Specific content of the COP:

Page 2 -- CEO Statement of Support

Page 4 – Human Rights Principles

Page 6 – Labour Principles

Page 9 – Environment Principles

Page 12 – Anti-corruption Principles

Page 16 – U.N. Sustainable Development Goals

Page 17 – GRI Compliance Table

ABOUT AVNET

Avnet is a FORTUNE 200 global technology distributor and solutions provider, delivering design, product, marketing and supply chain expertise for customers at every stage of the product lifecycle. Over the last 100 years, Avnet's unique position at the center of the technology value chain has enabled the company to accelerate the design and supply stages of product development so customers can realize revenue faster. With operations around the world, Avnet expertly helps its global customers and suppliers realize the transformative possibilities of technology.

For more details about Avnet, visit www.Avnet.com

CEO STATEMENT OF SUPPORT – Letter screen-shot from Avnet’s 2020 Sustainability Report to be published in Feb. 2021

/ A MESSAGE FROM OUR CEO

Building resilience for the future with a focus on sustainability

Phil Gallagher
CEO



Ask around the electronics industry: What makes Avnet exceptional? You’ll hear a remarkably consistent answer. It’s our people.

Uniquely in our field, Avnet has many employees who have worked here for decades, like myself. These employees have seen Avnet continuously adapt to wave after wave of technological change as we enabled our customers’ and suppliers’ success.

The principles of resiliency and sustainability have been the bedrock of Avnet’s business for 100 years. After the past year’s events – a global pandemic, the consequences of climate change and the urgent need for more diversity and inclusion in business and society – these principles are even more relevant.

So, as we celebrate Avnet’s first century in business in 2021, we’re intensifying the company’s focus on sustainability, or, as many in the industry have begun to call it, our environmental, social and governance (ESG) performance.

Sustainability is not only what our stakeholders expect, it also builds the resilience we need for the century ahead. It’s a lever that improves our ability to execute Avnet’s mission: to deliver value to customers, suppliers, employees and shareholders. What makes us different is that Avnet people bring the integrity, empathy,

ingenuity, collaboration, objectivity and know-how customers need to succeed.

I’m proud of how our people performed during a tough 2020.

Our nearly 15,000 employees are the industry’s very best, and they inspire me to put people first in every decision we make. I appreciate, thank and salute them.

Customers and suppliers see Avnet’s employees as an extension of their internal teams. Never was this clearer than during the COVID-19 pandemic, when our people brought their boundless ingenuity and adaptability to ensure continuity of supply and collaboratively kept operations running as smoothly as possible.

We continue to adapt our business by building an even more diverse, inclusive culture.

To succeed in business calls for people who bring diverse backgrounds, experiences and perspectives to the table. Accordingly, creating a high-performing culture by focusing on people, talent, diversity and inclusion remains one of our core strategies. We believe this focus will benefit our employees, customers and suppliers while keeping Avnet competitive.

In addition, diversity and inclusion will continue

to be important areas of focus for boards. I am proud that our Board of Directors has focused on these areas, and 36% of our directors represent diverse populations.

We can do much more. Our executives are focused on diversity and inclusion. Even our compensation is tied to 2021 diversity goals.

Over time, our company will better reflect the diversity of our customers and communities. I'm convinced that our focus on diversity will become a competitive advantage for Avnet.

Still, to meet our goals, we need to collaborate across our industry to create pipelines of diverse job candidates. That's why I continue to serve on the advisory council of Women in Electronics, a nonprofit advocacy group building career paths for women in the electronics industry.

We're focused on ethics and governance.

A culture of strong ethics is another key to our company's longevity. Ethics and governance are at the heart of everything we do. In 2020, the Ethisphere Institute named Avnet one of the world's most ethical companies for the seventh consecutive year.

We're proud of this recognition, yet we must remain ever vigilant about ethics. As CEO and a director, it's my job to make sure our people

remember that ethics is a high priority for the company, and we will increase our focus in this area. I count on Avnet people to always:

- Communicate with honesty.
- Reflect the teamwork and inclusion we expect.
- Show leadership at all levels.
- Take ownership and responsibility for our results.

Our commitment to the environment is growing.

Avnet acknowledges the importance of measuring and mitigating our impact on the environment. We can reflect on our long and proud history while also charting a decisive path forward. We remain committed to building a sustainable future for our company and all our stakeholders. As a large multinational corporation supporting the world's top technology companies, we have a responsibility and an opportunity to influence the future of our planet and society for the better.

We're making progress to reduce Avnet's environmental impacts. For example, our new Farnell distribution center in Leeds, U.K., is an automated, state-of-the-art warehouse and distribution facility. Our Leeds facility achieves higher levels of efficiency with lower

environmental impacts. It raises the bar for all our facilities.

In the next year, we'll be further shaping our sustainability strategy and goals. Over the next few years, Avnet will focus on issues where we can make the most significant impacts, such as climate change and waste reduction.

We're committed to reporting on our sustainability performance by using the Global Reporting Initiative (GRI) Standards as well as those set forth by the Sustainability Accounting Standards Board (SASB). We also continue to support the UN Global Compact.

Looking ahead, our focus on sustainability and ESG performance will make us a much stronger and more resilient company – a benefit for all our stakeholders.

Sincerely,



Phil Gallagher
Chief Executive Officer
Avnet

HUMAN RIGHTS PRINCIPLES

[Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights]

[Principle 2: make sure that they are not complicit in human right abuses]

Committed to upholding human rights (Excerpt from the Avnet 2020 Sustainability Report)

Avnet values and seeks to uphold basic human rights in all our operations globally and we expect our supply chain partners to uphold the same standards. Avnet is a signatory to the U.N. Global Compact and its Ten Principles in the four areas of human rights, labor, environment and anti-corruption. We are committed to respecting human rights as expressed by the U.N. Guiding Principles on Business and Human Rights.

We provide reasonable working hours and fair wages. We do not use or tolerate others' use of forced labor or human trafficking practices, including the exploitation of children. We respect the rights of all workers to associate, peaceably assemble and communicate concerns with management without fear of discrimination or harassment. We recognize and respect the rights of all individuals and do not discriminate based on race, color, ethnicity, national origin, gender, gender identity or expression, sexual orientation, religion, age, disability or any other legally protected trait. We are taking steps to work toward a conflict-free supply chain and conform to modern-day slavery legislation.

Below we map our most salient human rights risks to related policies, oversight responsibility, rightsholders, and stakeholder engagement. This was screen-shot from the Avnet 2021 Sustainability Report with defined web links below chart.

| SALIENT RISK | VALUE CHAIN PHASE | RELATED POLICIES | OVERSIGHT/ RESPONSIBILITY | RIGHTSHOLDERS | STAKEHOLDER ENGAGEMENT |
|--------------------------|-------------------|---|---------------------------|--|---|
| Discrimination | Operations | Equal Opportunity and Diversity Guidance | HR Department | Employees | Internal: team trainings |
| | Supply Chain | Responsible Business Alliance (RBA) [Link 2] commitment letter | Strategy Office | Supply Chain workers – through all tiers of supply chain | External: RBA participation |
| | | Supplier Code of Conduct | Quality Team | Suppliers | Global Supplier Quality Handbook |
| Slavery and Forced Labor | Supply Chain | Avnet Anti-Slavery and Human Trafficking Policy Statements [Link 3] | HR Department | Supply Chain workers – through all tiers of Supply Chain | Internal: HR Department |
| | | RBA commitment letter | Strategy Office | | External: contractors and subsidiaries |
| Conflict Minerals | Supply Chain | Conflict Minerals Statement [Link 1] | Legal Department | Miners of conflict minerals | Internal: Legal, supply chain managers |
| | | | | | External: Conflict mining report to SEC, ASSENT |
| Health and Safety | Operations | Avnet EH&S policy | EH&S | E employees | Internal: Supply Chain management |
| | Supply Chain | RBA commitment letter | Strategy Office | Supply Chain workers | External: Government Safety regulators |
| Legal Wages | Supply Chain | RBA commitment letter | HR Department | Supply Chain workers | Internal: HR, business unit managers |
| | | | | | External: RBA |
| Data Privacy | Operations | Data Privacy Policy [Link 4] | Legal Department | Customers | External: RBA, customers |

Link 1: <https://www.avnet.com/wps/portal/us/about-avnet/human-rights/conflict-minerals/>

Link 2: http://www.responsiblebusiness.org/media/docs/RBACodeofConduct6.0_English.pdf

Link 3: <https://www.avnet.com/wps/wcm/connect/onsite/e3641520-bc00-423d-8802-a3e3144299b0/Statement+Against+Modern+Slavery+%282018%29+-+FINAL.pdf?MOD=AJPERES&CVID=mtXcZdu&CVID=m3olGG0&CVID=m3olGG0&CVID=m3olGG0&CVID=IR25kkt&CVID=IR25kkt&CVID=IHtgmk4&attachment=false&id=1491161117885>

Link 4: <https://www.avnet.com/wps/portal/us/about-avnet/data-privacy-policy/>

LABOUR PRINCIPLES

[Principle 3: Businesses should uphold the freedom of association and the effective recognition of the rights to collective bargaining]

[Principle 4: the elimination of all forms of forced and compulsory labour]

[Principle 5: the effective abolition of child Labour]

[Principle 6: the elimination of discrimination in respect of employment and occupation]

Collective bargaining (Excerpt from Avnet Code of Conduct)

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

People and communities (Excerpt from Avnet 2020 Sustainability Report)

Our employees are Avnet's most important stakeholders. We foster a strong culture that emphasizes D&I, reinforces our core values and creates a workplace where people are treated with dignity and respect. Our approach helps attract and retain talented people. It's reflected in how we engage with suppliers, customers and communities. We strive to drive responsible, positive change in the communities where we work.

The Avnet Code of Conduct sets standards and expectations for a workplace that prioritizes health and safety, fair labor practices, equal opportunity and D&I. We prohibit discrimination, harassment and retaliation.

Embracing a diverse and inclusive culture

D&I is central to our culture and organization. We derive our greatest value and strongest competitive business advantage by seeking unique perspectives, experience and contributions from our diverse global team. When employees feel they belong, they're more engaged, innovative and productive. By fostering a sense of inclusion, modeling inclusive behaviors and empowering leaders with appropriate resources, Avnet unleashes the full potential of our workforce.

Focused strategy and reinforced commitment

Diversity and inclusion rank high among internal and external stakeholders. Our strategy underscores the importance of fairness and justice while ensuring equal opportunities. As set out in our vision, we are committed to sustaining an environment that respects all perspectives, values individual differences, and is committed to equity and equality for all.

In 2020, we took steps to reinforce our long-standing commitment to D&I in a more comprehensive way. Racial and social inequity captured the spotlight in 2020. Avnet took this opportunity to reflect on how we could do more to support our employees and positively impact communities.

Avnet created its first global D&I role in 2020, appointed Claire Senga, former senior director for Human Resources, as senior director of Global Diversity and Inclusion, reporting to the Executive Leadership Team. Claire Senga's mandate is to help Avnet build on our diversity foundation by adding inclusion training and education, initiating inclusive hiring and career development, expanding employee resource groups and supporting communities.

In addition, we launched a Global Diversity Council representing all regions. Its mandate is to educate Avnet's workforce on topics of concern to employees around the world, enabling us to act locally. In 2020, we increased internal accountability to foster inclusion and committed to increasing D&I practices. Our senior leaders focus on diversity and inclusion. In fact, executive compensation is tied directly to Avnet's 2021 diversity and inclusion goals.

Our strategy expands our global diversity activities and prioritizes the inclusion of historically marginalized or underrepresented groups. Our strategy is globally focused and locally executed. The D&I strategy encompasses four main areas:

1. talent programs
2. culture and engagement
3. community presence
4. key performance indicators (KPIs)

Talent programs

We will implement more targeted recruiting, hiring and career opportunity practices. We will focus on diverse candidate inclusion, retaining talent and holding managers accountable for driving progress towards our goals.

Some of our progress and commitments include:

- ensuring that a D&I component in performance management is tied to executive compensation
- expanding female representation in senior roles, including the Board of Directors. In 2020, women were at least 34% of management, including all manager levels and the Board of Directors. Our overall workforce is 45% female. Women and minorities are considered for any new or replacement leadership role as a matter of policy.
- increasing the number of women in our leadership development programs
- providing unconscious bias training to about 600 Avnet leaders at our Global Leadership Summit in 2020
- training all employees annually on D&I, including unconscious bias training by year-end 2022
- expanding our partnerships with universities, diverse student organizations and select diversity recruitment fairs and associations to enhance recruitment of women and underrepresented race and ethnic groups

Culture and engagement

Cultivating an inclusive and respectful culture while building diverse teams is integral to how we do business.

Some examples of our commitment in action include:

- holding listen and learn sessions as an open and safe environment where employees anywhere in the world can be heard. Building on what we learned during four sessions in 2020, we plan to

continue these sessions to highlight the experiences and concerns of historically underrepresented groups. We gather employee feedback as we implement our actionable strategy to advance D&I globally.

- celebrating events throughout the year commemorating diversity, such as Black History Month, Women’s History Month, Pride Month and Diversity Awareness Month
- recognizing Juneteenth as an official Avnet holiday in the U.S. starting in 2021. We will celebrate the emancipation of enslaved people in the U.S. on June 19.
- adding a module on D&I to Avnet’s new hire orientation program starting in 2022
- empowering Employee Resource Groups as forums to address employees’ needs, concerns and ideas. In 2021, we will initiate a Black Employee Resource Group to encourage advocacy in the organization. We incorporate our emphasis on D&I into RISE, a group focused on elevating Avnet female employees in the workplace through networking and leadership development.

Community presence

We demonstrate Avnet’s commitment to diverse talent, suppliers and customers in the communities where we operate. Among our goals for 2021:

- Increase our spending with businesses owned by diverse individuals or groups by updating procurement practices and setting goals for increased equity in our sourcing. This work includes setting expectations with our service providers about diverse groups’ representation on the teams that work with us.
- Identify volunteer opportunities to support Black-owned businesses through our Avnet Cares program. We focus especially on those affected by social unrest or on those struggling to recover from health, economic and other challenges related to COVID-19.
- Support efforts to increase diversity in the technology industry by providing resources to diverse-owned technology companies. We help them bring products to market with in-kind support and services.

In 2020, Avnet joined the Human Rights Council Business Coalition for the Equality Act. This group of leading U.S. employers supports the Equality Act, federal legislation that would provide the same basic protections to LGBTQ+ people that other protected groups receive under federal law. The Equality Act would create clear, consistent protections to prohibit discrimination on the basis of sexual orientation and gender identity in employment. It would ensure that LGBTQ employees are hired, fired and promoted based on their performance.

D&I Goals – Screenshot from Avnet 2020 Sustainability Report

| COMPLETED IN FISCAL YEAR 2020 | FISCAL YEAR 2021 | FISCAL YEAR 2022-2023 |
|---|--|---|
| Established diversity awareness and education | Increase D&I community support | Set goals on pay equity by gender and ethnicity in the U.S. |
| Increased internal accountability to foster inclusion | Develop baseline D&I programs | Increase non-trade supplier diversity |
| Committed to increasing D&I practices | Set goals on Executive Leadership team diversity | Quantify impact of community support |
| | Set goals for increasing diversity training and hiring | Launch diversity in product development program |
| | Maintain board diversity at 36% | |
| | Evolve our Employee Resource Groups | |

ENVIRONMENT PRINCIPLES

[Principle 7: Businesses should support a precautionary approach to environmental challenges]

[Principle 8: undertake initiatives to promote greater environmental responsibility]

[Principle 9: encourage the development and diffusion of environmentally friendly technologies]

Environment (Excerpt from Avnet 2020 Sustainability Report)

We take a responsible approach to our impact on the environment, with a particular focus on how we manage our carbon footprint in light of global climate change.

Avnet commits to abide by all environmental regulations and laws in countries where we operate. Compliance with environmental regulations is complemented by our Global Environmental Policies and ISO-based management practices. The precautionary principle in environmental science is part of our management approach. Our 13 distribution centers are ISO9001 certified. All of our high-impact facilities are ISO14001 certified and we perform environmental audits and operational risk assessments, which include emergency response and evacuation exercises, as well as fire and spill drills. We also routinely perform preventative maintenance.

Climate and waste goals

| Fiscal year 2021 | Fiscal years 2022-23 |
|--|---|
| <ul style="list-style-type: none"> • Complete carbon and waste footprint • Develop strategy to: <ul style="list-style-type: none"> ○ Increase renewables ○ Reduce emissions ○ Reduce waste • Streamline process for communicating to stakeholders | <ul style="list-style-type: none"> • Add waste and water to reporting • Deepen emissions reporting (scope 3) and goals • Explore with suppliers how to reduce emissions and waste • Integrate emissions reductions in design phase of product development |

Prioritizing product stewardship

We consider environmental impact when we source, package and market products as part of product stewardship. Along with ensuring regulatory and legal compliance, we seek to responsibly source, distribute and reclaim products. Avnet strives to minimize potential environmental risks throughout our product lifecycles. In addition to holding our own operations to high stewardship principles, we will encourage third-party vendors and partners to adopt similar principles, including improved transparency, waste reduction and responsible sourcing.

We strive to reduce unforeseen environmental impacts created by our products. Avnet manages materials used for production and works to create innovative solutions for reusable and easily recycled

packaging. We work with partners and third parties to improve practices and processes, including encouraging our suppliers and manufacturers to provide product information to relevant stakeholders and enhance the environmental aspects of their design principles.

Moving forward, we seek to expand our capacity for product stewardship practices. We plan to implement projects aimed at minimizing waste, improving efficiency and reclaiming products and their packaging.

Our approach to conflict minerals

Avnet is working towards a conflict-free supply chain and fully supports the aims of conflict minerals legislations such as the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act and the EU Conflict Minerals Regulation (EU) 2017/821. Conflict minerals (CM) include tantalum, tin, tungsten and gold, and are used in many electronic components and computer products. We strive to avoid buying products that directly or indirectly support armed groups in Conflict-Affected and High-Risk Areas (CAHRAs).

Avnet is multiple steps away from the companies that source the minerals used in our products, and we do not directly purchase any minerals. This is true for all the products that we distribute and the few products that we manufacture or contract to manufacture. Therefore, Avnet must rely, in good faith, on our direct suppliers to provide us with valid and complete information. Avnet can provide only reasonable, but not absolute, assurance regarding the country of origin and chain of custody of the necessary CMs in our products.

Our conflict minerals due diligence program follows the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. This due diligence process is based on Avnet requesting information from our direct suppliers, with those suppliers requesting similar information from their suppliers and so on, up the supply chain, to eventually identify the original sources of the necessary CMs. However, those companies that purchase CMs directly from smelters or refiners may not be able to discern which of their product lines include specific CMs from each smelter or refiner, and so it is common practice for such purchasers to list all smelters and refiners they may purchase from within the reporting period. We do we ask the suppliers that have reported using certain high-risk smelters to remove them from their supply chain.

We incorporate our supplier information in our own aggregated Conflict Minerals Reporting Template, which we make available to customers since we believe that our customers should be fully informed about the products they purchase.

In addition, Avnet has adopted a [Conflict Minerals Policy](#), which has been communicated to Avnet's suppliers and the public. We continue to refine our conflict minerals policy and practices with the goal of meeting our customers' needs and reflecting our stakeholders' values.

A proactive stance on climate change

Doing our part to address the impact of climate change across our global operations is important to Avnet, our customers, investors and all our stakeholders. We are committed to taking meaningful action, in both the short and long terms, to reduce greenhouse gas emissions and increase use of renewable energy.

Climate action and reducing greenhouse gas emissions are among our most material topics. We monitor our energy and direct and indirect emissions (Scope 1 and Scope 2, respectively) at our major facilities. Next year we will measure Scope 1 and 2 for all facilities, and aim to measure Scope 3 emissions in the near future. Our long-term objective is to reduce greenhouse gas emissions and increase energy efficiency throughout our operations, upstream in our supply chain and downstream to our customers. We help customers improve the energy-efficiency and power consumption of their products to help them

reduce emissions. Even as our business grows, we continue to reduce our energy use and emissions intensity.

In 2020 we focused on improving our emissions data and setting more ambitious goals. We have more work to do to ensure we set goals based on complete data. In 2021, we will perform a complete carbon and waste footprint study, developing a strategy to increase renewables and reduce emissions and waste. In addition, we aim to streamline our process for communicating climate goals to stakeholders.

Our goals for 2022 and 2023 include adding waste and water data to our sustainability reporting, and deepening emissions reporting to include Scope 3 with accompanying goals. Further, we will explore with suppliers how to reduce emissions and waste, and integrate emissions reductions into the design phase of product development.

ANTI-CORRUPTION PRINCIPLES

[Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery]

Corporate governance (Excerpt from Avnet 2020 Social Responsibility Report)

Ethically and environmentally sound business practices are fundamental to our culture and identity. At Avnet, integrity is a core value: “We mean what we say, we respect others and we do business the right way.” Our aim is to promote fairness, seek to prevent corruption and unethical behavior, and provide accountability for actions.

We work continuously to improve and strengthen corporate governance and responsible business practices related to sustainability. Operating responsibly and with integrity generates long-term value for stakeholders to help ensure positive business outcomes. We take a proactive stance on issues such as anti-corruption and human rights. Not only do we comply with local and global regulations, we work to maximize our positive impacts and minimize negative impacts. We do so by setting goals and measurable KPIs in specific areas and by demonstrating leadership in action.

Our Code of Conduct

We are guided by policies such as the [Avnet Code of Conduct](#), which sets standards in areas such as human rights, anti-corruption, data security and privacy, non-discrimination, diversity and equal opportunity, and workplace health and safety. The Code of Conduct applies to all employees, officers, members of our Board of Directors and the company’s subsidiaries around the world. Our Code of Conduct is translated into 16 languages. All new employees must review the Code of Conduct and existing employees are trained on it at least every two years.

Risk management

Avnet maintains a comprehensive Enterprise Risk Management program. Our program demonstrates a structured, consistent and coordinated process involving quantification, analysis and mitigation of risks across the enterprise. The program is anchored by a cross-functional Risk Council composed of executives from each major facet of our business.

Additionally, Avnet protects supply chain resiliency through its extensive Business Continuity Management system. Through this system, we identify potential impacts to our business, build resilience to systemic events and seek to generate effective management processes for recovery or continuity in the event of a disaster or disruption. Based on our operational requirements, the program includes risk assessment, business impact analysis, recovery strategy development, detailed emergency response, business continuity and IT data center recovery plans.

Responsible management of suppliers

As part of responsible management of our supply chain, we are careful to select suppliers and other business partners who share our commitment to conducting business ethically, with social responsibility and quality. Avnet expects all suppliers to comply with the Responsible Business Alliance (RBA) code of conduct or another code or policy with substantially the same terms. All products supplied to Avnet also must comply with the essential requirements of the Dodd-Frank Act (U.S.) Section 1502.

Avnet expects its supply base to have a quality-management system in place that complies with ISO 9001 at a minimum, or as defined by specific purchase order and/or contract. Avnet works with suppliers

who are committed to being responsible corporate citizens through ongoing environmental health and safety programs. Preferred suppliers to Avnet demonstrate this commitment by establishing ISO 14001 registration at a minimum.

Avnet has established a comprehensive supply chain management program to effectively identify, qualify, monitor, manage and communicate with our supply chain. Our subcontractor performance scorecards and supplier performance data processes effectively communicate to our supply chain vendors their quality performance and approval status. Avnet also manages performance reviews, supplier corrective action requests and process improvement programs for suppliers who fall short of expectations.

Ethics and compliance central to Avnet’s values-based culture

Ethics and compliance are top priorities, reflected in Avnet’s six core values, which include integrity. We are committed to conducting our business with high ethical standards and in compliance with all applicable laws and regulations. To live up to our commitment, our comprehensive global ethics and compliance program is designed to prevent, detect and remediate any misconduct and maintain a strong culture of legal compliance and ethical conduct. We prioritize ethics and business integrity not only because it is the right thing to do, but also because responsible business practices make us a more trusted employer and business partner.

A comprehensive program

The ethics and compliance program includes eight central components:

1. Ensure oversight of ethics and compliance (i.e., of business operations).
2. Establish and implement relevant policies (e.g., the [Code of Conduct](#) and the Global Anti-Corruption Policy).
3. Require ethics and compliance training for all employees globally.
4. Create awareness and communications around ethics.
5. Conduct auditing and monitoring (e.g., anti-corruption risk assessments).
6. Provide a mechanism for reporting concerns (the Ethics Alertline), conduct investigations and take correction action as needed.
7. Report on ethics and compliance to both executive management and the Board of Directors.
8. Carry out continuous assessment and readjustment of the program.

This program has been recognized externally. Ethisphere named Avnet one of the World’s Most Ethical Companies in 2020 for the seventh consecutive year. Our goals in this area appear in this table:

| Fiscal year 2021 | Fiscal year 2022 |
|---|--|
| <ul style="list-style-type: none"> • Incorporate “moment of ethics” at Executive Leadership Team meetings, senior leader and town hall meetings • Report on ethics training • Strengthen language in job descriptions and onboarding | <ul style="list-style-type: none"> • Expand ethics training • Maintain Most Ethical Company status |

Highlights of our approach and progress in 2020 are described below.

Oversight

Avnet's commitment to responsible, ethical conduct starts at the board and senior management levels, includes the CEO and Executive Leadership Team, and is implemented across the company through specific policies and initiatives. The Board of Directors oversees the overall strategy related to ethics and compliance, and the Audit Committee of the board receives updates regarding ethics and compliance.

Under the leadership of a Chief Ethics Officer, the Ethics and Compliance Office (ECO) works to implement the strategy, policies, training and other aspects of the program. This office is represented by a Global Director for Ethics and Compliance, members of Corporate Counsel, a Compliance Program Manager and attorneys supporting various business units. The ECO includes a network of Code of Conduct advisors and partners closely aligned with Human Resources, Legal, Finance and business units to ensure support and implementation of the company's compliance strategy and policies.

Our Corporate Ethics and Compliance Committee consists of Avnet executive leaders including the Chief Ethics Officer, the Chief Financial Officer, the General Counsel, the Chief People Officer and the Vice President of Global Audit. The Committee supports management and the Audit Committee by enabling Avnet to continue living up to our high ethical standards.

In addition, Avnet operates a Regional Ethics and Compliance Committee for both EMEA and APAC, which provides guidance and oversight on the program in those regions. The committee is cross-functional. It includes the Regional Ethics and Compliance Director and representatives of Legal, Finance, Human Resources, Audit and the Regional Business Unit.

Training

The ethics and compliance training program consists of four core compliance courses. We offer the first two to all global employees in odd-numbered years:

- Code of Conduct
- Privacy and Security

We offer the second two courses to all global employees, except some Logistics staff, in even-numbered years.

- Anti-Corruption
- Export Compliance

In 2019, the Code of Conduct and Privacy and Security training reached 96% completion globally. After a slight delay due to the COVID-19 pandemic, the Anti-Corruption and Export Compliance training is underway and on track.

Avnet regions also draft an instructor-led training plan annually, which includes specific trainings based on the results of the anti-corruption risk assessment or other necessary focus areas.

Awareness and communications

To reinforce the importance of ethics in our company's culture, Avnet incorporates "moments of ethics" — relevant information, reminders and updates for employees on ethics and compliance. These discussions reinforce Avnet's commitment to responsible business at Executive Leadership Team meetings, regional staff meetings, senior leader meetings and all-employee Town Halls.

Auditing and monitoring

The Global Audit team performs an annual anti-corruption risk assessment based on pre-defined anti-bribery/anti-corruption (ABAC) risk factors, with regional scoring by business unit and country. The Global Audit team addresses any ABAC risks under the Sarbanes-Oxley (SOX) Act, which regulates corporate disclosures where applicable. Based on the results of our yearly anti-corruption risk assessments, the Audit team carries out targeted audits. The team assessed 99% of Avnet's operations in 2019 and 2020 for risks related to corruption.

The Global Audit's anti-corruption risk assessments focus on corruption and bribery.

The team identified no significant risks related to corruption, yet we are mindful that we work with third parties and ensure appropriate due diligence is carried out.

Reporting concerns

Avnet has established a 24/7/365 Ethics Alertline available to employees and third parties globally. It enables people to report (including anonymously) or seek guidance on compliance and ethics-related matters. The Ethics Alertline is managed by our Ethics and Compliance Office. Training and awareness about the hotline is provided in ethics and compliance training for employees. Other stakeholders find the Ethics Alertline on our website. Avnet does not currently assess user satisfaction for its Ethics Alertline.

When the Ethics and Compliance Office receives a new report (via the Alertline or another way), a team member contacts the reporter to confirm receipt of a report, then works to investigate the report thoroughly, typically partnering with local contacts such as HR, Legal or Finance. Once a report is investigated and appropriate actions taken, the reporter is made aware that the issue has been investigated and handled as needed. Details about the investigation are documented in the case management tool.

External partnerships

We also engage in external partnerships with industry peers to combat corruption, bribery and related human rights issues. Partnerships include Trace International, a globally recognized anti-bribery business association.

U.N. SUSTAINABLE DEVELOPMENT GOALS - (Excerpt and screenshot from the Avnet 2020 Sustainability Report)

Harnessing technology to advance SDG's

We're pleased to report our progress on the U.N. Sustainable Development Goals (SDGs) for the first time in this report. The 17 SDGs are an urgent call to action by all U.N. Member States, adopted in 2015 to provide a blueprint for peace and prosperity, for people and the planet.

Also known as the Global Goals, the SDGs recognize that ending poverty and tackling other global challenges must go hand in hand with strategies to improve health and education, reduce inequality and spur economic growth while tackling climate change and working to preserve oceans and forests.

In 2020, we mapped the SDGs where Avnet could make the most meaningful contribution and have the greatest influence through our products, services and business strategy (see table below). Where relevant, we link activities described in this report to the relevant SDG. In this mapping process, we considered how Avnet reduces or mitigates the risks to people and the planet. We also considered how Avnet's enterprise generates benefits to specific SDGs.

We report on our actions in 2020 that contribute to the SDGs as part of setting a baseline. We will continue to expand our reporting on Avnet's contribution to the SDGs in future years, as we identify other relevant goals where we can have an impact. This table summarizes ways that Avnet contributes toward the goals. We intend to build on this framework in coming years.

| GLOBAL GOALS | CONTRIBUTION |
|---|---|
| GOAL 1 End poverty in all its forms everywhere | <ul style="list-style-type: none"> • Provided excellent employment opportunities in countries with traditionally low wages for manual, technical and professional labor. • Paid wages at or above the minimum wage in India, Malaysia, Taiwan, Mexico and Poland, at or above the minimum industry level or regional market level in India and above the living wage in Serbia and Spain. • Provided above statutory required benefits packages in all of these countries, include medical insurance, paternity leave and job-related educational assistance. • Provided other benefits such as dental insurance, life insurance and marriage leave, which varies by country. |
| GOAL 3 Ensure healthy lives and promote well-being for all at all ages | <ul style="list-style-type: none"> • Helped employees stay safe during COVID-19. • Avnet community Hackster.io created the COVID-19 Detect and Protect Challenge (see case study, Page xx). Our element14 community launched its Fighting Germs contest to encourage engineers to develop solutions to fight COVID-19. • Reduced accidents through strong health and safety performance . |
| GOAL 5 Achieve gender equality and empower all women and girls | <ul style="list-style-type: none"> • Created a senior-level global position for diversity and inclusion. • Focused on strengthening the quality of diversity data. • CEO serves on advisory council for Women in Electronics, a trade group focused on advancing women in the electronics industry. Avnet is a founding sponsor of the group. • Avnet community element14.com was recognized for its award-winning #Badass Women Engineers Contest to recognize excellence in female engineers (see case, Page xx). |
| GOAL 6 Ensure access to water and sanitation for all | Our products and technology contribute to access to water (see case study, Page xx). |
| GOAL 13 Climate action: Take urgent action to combat climate change and its impacts | <p>Improving carbon footprint</p> <ul style="list-style-type: none"> • In 2020 we further improved data collection, enabling us to develop robust and time-bound goals on emission reduction for 2021. Our aim is to consider science-based targets by 2023. We intend to build a robust approach built on solid data. <p>Setting renewable goals</p> <ul style="list-style-type: none"> • Most of the buildings within our facilities are leased. We are looking into options to increase the share of renewables and emissions reductions and will set these targets in 2021. |
| GOAL 15 Life on land | Avnet community Hackster.io in partnership with Smart Parks provides advanced sensor solutions to conserve endangered wildlife (see case study, Page xx). |

GRI COMPLIANCE TABLE

This is a screen-shot from the Avnet 2021 Sustainability report listing which GRI standards Avnet will be reporting out on. Please refer to the report after it is published by Feb. 15, 2021 at this location: <https://www.avnet.com/wps/portal/us/about-avnet/corporate-social-responsibility/overview/>.

GRI TABLE

| GRI STANDARD | DISCLOSURE |
|---|---|
| GRI 101: Foundation 2016 | |
| General Disclosures | |
| GRI 102: General Disclosures 2016 | Organizational profile |
| | 102-1 Name of the organization |
| | 102-2 Activities, brands, products, and services |
| | 102-3 Location of headquarters |
| | 102-4 Location of operations |
| | 102-5 Ownership and legal form |
| | 102-6 Markets served |
| | 102-7 Scale of the organization |
| | 102-8 Information on employees and other workers |
| | 102-9 Supply chain |
| | 102-10 Significant changes to the organization and its supply chain |
| | 102-11 Precautionary Principle or approach |
| | 102-12 External initiatives |
| | 102-13 Membership of associations |
| | Strategy |
| | 102-14 Statement from senior decision-maker |
| | Ethics and integrity |
| | 102-16 Values, principles, standards, and norms of behavior |
| | Governance |
| | 102-18 Governance structure |
| | Stakeholder engagement |
| | 102-40 List of stakeholder groups |
| 102-41 Collective bargaining agreements | |
| 102-42 Identifying and selecting stakeholders | |

| GRI STANDARD | DISCLOSURE |
|--------------------------------------|---|
| GRI 101: Foundation 2016 | |
| General Disclosures | |
| GRI 102: General Disclosures 2016 | Organizational profile |
| | 102-43 Approach to stakeholder engagement |
| | 102-44 Key topics and concerns raised |
| | Reporting practice |
| | 102-45 Entities included in the consolidated financial statements |
| | 102-46 Defining report content and topic Boundaries |
| | 102-47 List of material topics |
| | 102-48 Restatements of information |
| | 102-49 Changes in reporting |
| | 102-50 Reporting period |
| | 102-51 Date of most recent report |
| | 102-52 Reporting cycle |
| | 102-53 Contact point for questions regarding the report |
| | 102-54 Claims of reporting in accordance with the GRI Standards |
| | 102-55 GRI content index |
| | 102-56 External assurance |

| GRI STANDARD | | DISCLOSURE |
|---|-------|--|
| Material Topics | | |
| 200 series (Economic topics) | | |
| Anti-corruption | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary |
| | 103-2 | The management approach and its components |
| | 103-3 | Evaluation of the management approach |
| GRI 205: Anti-corruption 2016 | 205-1 | Operations assessed for risks related to corruption |
| | 205-2 | Communication and training about anti-corruption policies and procedures |
| 300 series (Environmental topics) | | |
| Emissions | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary |
| | 103-2 | The management approach and its components |
| | 103-3 | Evaluation of the management approach |
| GRI 305: Emissions 2016 | 305-1 | Direct (Scope 1) GHG emissions |
| | 305-2 | Energy indirect (Scope 2) GHG emissions |
| 400 series (Social topics) | | |
| Diversity and Equal Opportunity | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary |
| | 103-2 | The management approach and its components |
| | 103-3 | Evaluation of the management approach |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 | Diversity of governance bodies and employees |
| Customer Privacy | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary |
| | 103-2 | The management approach and its components |
| | 103-3 | Evaluation of the management approach |
| GRI 418: Customer Privacy 2016 | 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data |