2022 TTI SUSTAINABILITY REPORT
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This is one of those special opportunities where I get to express how grateful and proud I am of our ever-growing, global TTI Family of Specialists - now over 9,000 strong. I reflect on the legacy I witness being carried forward for the future generations who will call their work home this international, industry-leading electronic components distributor that began as a kitchen-table dream by our founder, Paul Andrews, over half a century ago.

When I look back at the ups and downs, gains and losses of the last few years, the thing that has given me the greatest joy is that so many of us have returned to our various work locations and pushed past the pandemic. Throughout my business career, one of the most valuable lessons I've learned is this: the business of business is people. We've got the finest people anywhere. So many different nationalities all around the world - did you know we have colleagues in over 65 countries?!

As I've said many times, we're all about people. Our Human Component campaign isn’t just a slogan. We truly believe that our people are our greatest asset - the critical component we can’t do without. Frankly, I wouldn’t want to do this without our human components - specifically!

Our beloved Paul enjoyed celebrating milestones. They meant a lot to him because they represented the vision, strategy, determination and hard work of our entire company. Whether it was a goal in sales, market share gain or inventory turns, Paul knew this meant people were reaching higher and farther to get better and better. Collectively, in 2022, our Family of Specialists reached $9 billion in sales, with nearly all businesses putting up a record year: TTI IP&E at $4 billion globally, Mouser exceeded $4 billion globally, Sager got even closer to $500 million and the new kid XTG exceeded $500 million.

For all the accomplishments and fond memories made, there are challenges ahead for our company, our industry and our economies. In the electronic components industry, we’re seeing signs of slowing growth in the overall global market as supply chains tighten, lead times stabilize and customer demand levels off. And that’s when we have always excelled. We not only survived under pressure, but we also thrived.

At the heart of our efforts is our ongoing dedication to the safety and quality of our environment and equal access of opportunity for all people in a spirit of acceptance, equity and inclusion. Whether it be to improve the climate through the reduction of greenhouse gasses or to meet the basic needs and fundamental rights of those who live among us, we are wholeheartedly committed to being an active contributor to a better world and the betterment of all people.

In this report, we are pleased to share our progress, which is a product of collaboration with a committed family of specialists worldwide. We are better together. We hope to make a positive impact on people and the planet by working together to do the right thing and leading with the integrity our company was founded upon.

Mike Morton
Chief Executive Officer
ORGANIZATIONAL OVERVIEW

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• American multi-national holding company worth more than $500 billion
• 5th largest company in S&P 500
• Owns interest in a variety of industries including Finance, Manufacturing, Airlines, and Utilities

• TTI: Connectors, Passives, Emech, Discretes, Deep & Wide Inventory, Global IT, Industrial, Mil-Aero, Comms & Transportation
• Mouser: One Stop for the Design Engineers, 1st to Stock the Latest Tech, Massive Online Inventory & Tool Set
• Sager: Connector, Emech, Power, Thermal, Power Supply Design Engineering & Assembly Center
• eXponential Technology Group (XTG): A collection of companies specializing in the design and supply of component technologies that enable modern electronic systems.
TTI Inc. is a specialty distributor of passive, interconnect, electromechanical and discrete components that exists to accomplish three major goals:

- Be the most preferred electronics distributor for our customers and suppliers, delivering the right parts exactly on time
- Exceed our internal and external customer requirements through continuous improvement
- Provide a home for hardworking, dedicated, knowledgeable, and ethical people who believe in this company and this philosophy

*The TTI Mission Est. 1971 by Paul Andrews, Founder*
OPERATIONS MAP
European, African, and Asian Sales Offices

Europe
- Vienna, Austria
- Gent, Belgium
- Varna, Bulgaria
- Brno, Czech Republic
- Brondby, Denmark
- Risskov, Denmark
- Tallinn, Estonia
- Espoo, Finland
- Brive, France
- La Ciotat, France
- Lyon, France
- Paris, France
- Rennes, France
- Berlin, Germany
- Dortmund, Germany
- Hannover, Germany
- Maisach-Gernlinden, Germany
- Munich, Germany
- Neu-Isenburg, Germany
- Schorndorf, Germany
- Stuttgart, Germany
- Budapest, Hungary
- Airport City, Israel
- Marche, Italy
- Milan, Italy
- Napoli, Italy
- Rome, Italy
- Firenze, Italy
- Padova, Italy
- Eindhoven, Netherlands
- Drammen, Norway
- Kwidzyn, Poland
- Porto, Portugal
- Cluj-Napoca, Romania
- Novi Banovci, Serbia
- Barcelona, Spain
- Madrid, Spain
- Vizcaya, Spain
- Gothenburg, Sweden
- Stockholm, Sweden
- Baar, Switzerland
- Istanbul, Turkey
- High Wycombe, United Kingdom
- Manchester, United Kingdom

Asia
- Bangalore, India
- Pune, India
- Bangkok, Thailand
- Gelugor, Malaysia
- Singapore
- Ho Chi Minh City, Vietnam
- Pasig City, Philippines
- Taipei, Taiwan
- Shanghai, China
- Dongguan City, China
- Shenzen, China
- Xiamen, China
- Beijing, China
- Seoul, Korea
- Kowloon, Hong Kong
- Tokyo, Japan
- Tunis, Tunisia
- Pretoria, South Africa
- Bangkok, Thailand
- Shanghai, China
- Kuala Lumpur, Malaysia
- Ho Chi Minh City, Vietnam
- Pasig City, Philippines
- Tokyo, Japan
- Tunis, Tunisia
- Pretoria, South Africa

Africa
- Tunis, Tunisia
- Pretoria, South Africa
TTI is committed to guiding a better tomorrow through its Environmental, Social, and Governance (ESG) activities by operating ethically and with integrity; promoting diversity, focusing on safety, reducing waste, and improving the environment through sustainable practices. – Mike Morton, CEO of TTI, Inc.
TTI has made a commitment to build a global sustainability program that focuses on Environmental, Social and Governance (ESG) topics. This program impacts the entire TTI Family of Specialists (FOS) – Global TTI, Mouser, Sager, and XTG.

No doubt, creating a global sustainability program is an undertaking, and with that in mind, it was determined a dedicated team was necessary with oversight from me. The Sustainability Team has responsibilities for overseeing sustainable efforts and the global implementation of ISO 26000 – an international standard dedicated to social responsibility.

Most of our sustainability team’s work has been focused on determining and identifying gaps against our current practices and determining the risks, opportunities, and significance to the entire Family of Specialists. This process will help us build a mature sustainability program.

To assure we are aligned with executive initiatives, we have created several levels of control. First is a global ESG Team that meets weekly and includes representation from the FOS. Second is a Steering Committee formed to provide support, guidance, and oversight of our progress.

This committee is made up of leadership from TTI, Mouser, Sager, XTG, and RFMW. And lastly, is the TTI Executive Leadership team, and with their support, we published our first ESG Policy.

We are looking to create positive ESG practices that can contribute to improved company performance, reduced environmental/carbon footprint and improved employee satisfaction.

ESG topics, such as climate change impacts, employee safety and workplace diversity, to name just a few, affect all our stakeholders: employees, customers, suppliers, Berkshire Hathaway and our communities.

As we begin to gain a better understanding of ESG and other sustainability topics, we sincerely hope to hear from our stakeholders. We will work together to determine what is important and incorporate that feedback and ideas into future planning.

John Archer, SVP Global Ethics & Compliance/General Counsel
Our Global ESG team is developed with regular meetings while our ESG policy is formally approved and signed by the CEO.

Awarded first global EcoVadis bronze medal.

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We assigned dedicated Sustainability staff, established a global ESG management system plan, and began a Risk Action Item List (RAIL).

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Our team streamlined sustainability customer survey completion process and established the ESG charter, which defined roles and rules on electing the Steering Committee.

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Completion of a GAP Analysis against ISO 26000 and began to incorporate ESG/Sustainability topics into Supplier Excellence Award criteria.

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Completion and Distribution of our Global Supplier Code of Conduct while also beginning Energy Assessments.

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Completion of our first materiality survey and analysis while also launching our Global Labor and Human Rights Policy and our Global Combatting Modern Slavery & Trafficking Policy.

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Creation of a risk analysis tool based on findings from materiality analysis, revise supplier requirements manual, and set appropriate targets and benchmarks.

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Engagement of education and outreach with stakeholders, completion of a Level 2 energy audit at our Texas locations, and completion of a global audit to ISO 26000 in Q1 2024.

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GLOBAL ESG ROADMAP

2022

Q1

Q2

Q3

Q4

2023

Q1

Q2

Q3

Q4
THE HUMAN COMPONENT
“Many people speak about culture as a differentiator, but we actually live and breathe it every day. The one thing that continues to amaze me is that regardless of which location I visit around the world, in every single office, I feel the same culture. It is very simple – we have respect for each other, we take pride in our work, and we support each other to be successful. Integrity, honesty, and ethical behavior are the founding principles that enable our long term growth and relevance in the electronics industry.”

Melanie Pizzey,
Corporate SVP Commercial Business Operations
## EMPLOYEE DEMOGRAPHICS

### GLOBAL AGE

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<thead>
<tr>
<th>Age Group</th>
<th>2021</th>
<th>2022</th>
</tr>
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<tbody>
<tr>
<td>Over 50 years of age</td>
<td>31%</td>
<td>29%</td>
</tr>
<tr>
<td>30–50 years of age</td>
<td>47%</td>
<td>45%</td>
</tr>
<tr>
<td>Under 30 years of age</td>
<td>22%</td>
<td>26%</td>
</tr>
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### GLOBAL GENDER

<table>
<thead>
<tr>
<th>Gender</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Men</td>
<td>50%</td>
<td>50%</td>
</tr>
</tbody>
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### US WORKFORCE DIVERSITY

<table>
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<tr>
<th>Race/Ethnicity</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>53%</td>
<td>51%</td>
</tr>
<tr>
<td>African American or Black</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>21%</td>
<td>23%</td>
</tr>
<tr>
<td>American Indian or Native American</td>
<td>.11%</td>
<td>.22%</td>
</tr>
<tr>
<td>Asian</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>Native Hawaiian or Pacific Islander</td>
<td>.61%</td>
<td>.60%</td>
</tr>
<tr>
<td>Two or More Races</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Not Specified</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
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REGIONAL EMPLOYEE GENDER DEMOGRAPHICS

THE AMERICAS
51% Male
49% Female

EUROPE, MIDDLE EAST, AND AFRICA
51% Male
49% Female

ASIA PACIFIC
54% Male
46% Female
EMPLOYEE GENDER DEMOGRAPHICS

2021

MANAGER OR HIGHER

Female 37%
Male 63%

SALARIED NON-MANAGER

Female 50%
Male 50%

HOURLY ROLES

Female 55%
Male 45%

2022

Female 38%
Male 62%

Female 49%
Male 51%

Female 54%
Male 46%
TTI FEMALE GMs CHART THEIR OWN COURSE TO SUCCESS

Alexis Canfield, Washington

Alexis began her career with TTI in November 2006 as a temporary employee in a customer service representative role with the TTI Oregon branch.

My path to general manager included several positions at TTI along the way. I started as a CSR in the Oregon branch. From this role, I continued to diversify my skillset and experience. I worked in the following positions with the Oregon team: TEAM account representative, inside sales representative, field sales representative, field sales manager and inside sales manager. This variety in experience gave me the understanding and knowledge to be prepared for the GM role.

My advice to other women is to invest in yourself and advocate your career. Make it known to your manager and others what you want to do and learn. Speak up and grow your confidence.

Sophie Chenard, Montreal

Sophie started her career with TTI in January 1995 as director of first impressions.

I enjoyed speaking with the customers and suppliers but after nearly three years, I needed a change. I took a course in basic electronics and when I mentioned this to Guy Lussier, Montreal GM, he offered me the opportunity to apply for the inside sales representative position and I went for it!

Over the course of eight years, I was on the inside sales desk. When a field sales position opened at the branch, I applied for it and once again was able to expand my leadership skills by putting a sales process in place to facilitate strategies to execute and meet sales goals. I continued in this role until the time Guy announced his retirement and I applied for the GM position.

First, I would say it is important to enjoy what you do. Educate yourself in what interests you, be confident. Know your worth. Surround yourself with mentors, be it men or women; they can help support you to be successful in your career development.

Christina Criscitello, New Jersey

Christina started with TTI in 2018. My first job was with one of our local rep firms as their customer service support 25 years ago.

I would tell other women to let go of any limiting beliefs. We get in our own way sometimes and hold ourselves back without even realizing it. This really is the best company to grow with. Find someone within TTI who is in a higher-level position that you’d like to learn from and see if they will mentor you. Ask them questions. The best way to learn is through experience and finding the right people to help you succeed.
OUR CULTURE

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TTI’s Family of Specialists understands that people are the foundation of our success and critical to exceeding our customers’ expectations. We have found that if we do the right thing for our employees, they will in turn do the right thing for our customers and our suppliers – and our business will continue to grow.
The ISO-26000 standard is written for organizations around sustainability and diversity within our Environmental, Social and Governance (ESG) program by establishing objectives and goals and reporting those efforts to our stakeholders. Our customers, suppliers, employees, and Berkshire Hathaway are our stakeholders. In organizations around the world, stakeholders have become increasingly aware of the need for socially responsible behavior.

We have made the commitment to become compliant to this international standard centered on social responsibility. This equates to an organization’s performance in relation to the society in which it operates and its impact on the environment. We have been moving along in the right direction and are now taking another step toward international recognition in having a documented ESG program. This responsibility requires transparency, and the actions taken in management reviews and sustainability reports provide accountability for us all, especially your management team.

Working together, we can achieve the goals and objectives for our workplace and in our communities being socially responsible for the good of us all.

Joe Hall, Sr. Manager of Sustainability & Quality Systems
Engaging our stakeholders provides substantial business benefits beyond sustainability. Stakeholder insights help us to operate more effectively, forecast market conditions, deliver on customer needs and mitigate risk so that communities across the globe welcome our business and the jobs it creates.

We identify stakeholders and stakeholder-generated topics and evaluate them as part of our materiality assessment. The ESG Steering Committee drives this process, which involves different areas of the company and team members from diverse functions and job roles.

Findings from stakeholder engagement efforts are reviewed by third party certified organizations and customers. We actively monitor industry-specific information from peers and subject-matter experts as well as international organizations such as the International Organization of Standardization (ISO), the International Labor Organization (ILO), the United Nations Global Compact (UNGC), and many others.

To gain the most value from stakeholder engagement insights, including informing sustainability strategy and bolstering inclusivity, we strive to refine engagement methods and broaden the conversation when and where possible.

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**Stakeholder Engagement Types**

- Berkshire Hathaway ethics and compliance hotline
- ISO certifications
- Materiality Survey
- Social Media
- Training and Development Programs
- Surveys, Audits, and Inspections
- Conferences and events
- Marketing
- Codes of Conduct
- Compliance Activities
- Newsletters
- Supplier Excellence Award Program
- Supplier Quality Requirements Manual
To remain competitive and agile, we must adapt to an everchanging world while also remaining steadfast to our values, commitments, and responsibilities as a company. A materiality assessment helps determine a company’s economic, environmental, and social impact.

In 2023, we conducted our first global materiality assessment. A quantitative survey was conducted worldwide and sent to all employees and strategically selected global suppliers and customers.

Respondents were asked to rate each key topic and sub-topic on a scale of 5 levels – least important, less important, important, more important, and most important.

After the response period, our ESG team analyzed the materiality survey results and charted the key topics and sub-topics against their importance to our internal (employees) and external (customers and suppliers) stakeholders.

Through this process, we gained enhanced clarity, identified topics important to key groups, and developed a pathway to address these topics now and into the future.

**Background**

**Analyzing Results**

Our Top 10 Material Sub-Topics: These are 10 of the 44 sub-topics that ranked the most material in the materiality matrix. They are more specific topics that reflect areas of concern held by our stakeholders. The selected sub-topics are listed below:

- Compliance With Laws
- Customer Satisfaction
- Ethical Business Practices
- Trust & Transparency
- Privacy & Security
- Protection of Data Privacy
- Cost Effective Quality Assurance
- Work/Life Balance
- Delivering Value to our Customers
- Employee Health & Safety

Our Most Material Key Topics by Group: These are 3 of the 7 key topics that had the ranked the most material amongst respondents. They are broad topics that reflect the general areas our stakeholders are more concerned about, without getting too specific. The selected key topics are listed below:

- Business Conduct, Ethics, & Compliance
- Attracting, Developing, Rewarding, & Retaining Employees
- Procurement Practices & Supply Chain Management
*The chart outlines how material certain sub-topics correspond with the concerns and decision making of TTI stakeholders.*
Looking toward the future, we’re taking steps to ensure our teams feel invested in their work by creating an environment that provides more one-on-one interaction with department supervisors. Promoting career opportunities within is another key component of engagement. Employees have the opportunity to set their own career path as many hourly employees have moved into higher level positions within operations or were selected for positions in other departments. We encourage our employees to grow and develop.

The anthem of “People and Parts” has always been at the heart of our core values and now more than ever our focus is to keep enhancing the overall employee experience, with the goal of making our company a prime employment destination. Growth is putting operations on the fast track and to stay competitive we must attract and retain our most talented workers. To do this we need to amplify our understanding of what motivates our employees and know more about keeping them engaged and excited about their work environment.

We do a great job of telling our story to customers, but potential employees need to hear the story as well. Our hiring situation is different from most. Unlike many warehousing facilities, we do not do seasonal hiring, therefore we can remain strong and ride out the ups and downs when faced with unstable market conditions. In this respect, job stability can’t be understated and I’m proud to say we have never been in a situation to involuntarily reduce weekly hours.

Anniversaries, like birthdays, have a way of sneaking up on us so it may seem surprising – I know it is to me – that 2022 marks the fifth anniversary of the opening of the Paul E. Andrews Distribution Center. During this brief time, we’ve already successfully navigated a 168,000 square foot expansion due to tremendous growth (a good thing) and weathered a major interrupter known as COVID-19. Speaking of the pandemic, that’s where I’d like to begin this column.

By all accounts, operations is a different animal, meaning the nature of our business dictates that we can’t work from home – we must be able to receive and ship product every day. Over the past couple of years, our operations team worked together following safety protocols and did an incredible job keeping our team safe and the warehouse up and running. I want to personally thank each of our dedicated team members. I am incredibly proud of the entire team. In a very tough environment, they were true pros and showed great respect toward each other throughout. With the events of the past couple of years in our rearview mirror, it’s important to take what we learned and move forward.
As a distributor, safety is of the utmost priority. In cultivating a culture of safety, we encourage all our employees to keep safety front of mind at work, at home and in their communities.

As a part of encouraging safety, we have taken the following measures at our warehouses:
• Internal Safety Audits
• Formal MHE (Material Handling Equipment) training with certifications
• Regularly Held Safety Committee Meetings with Warehouse Employees
• Annual 3rd Party Safety Inspections
At TTI, we are proud of our diverse workforce. We are also a place where employees from all over the world come together and work together. At the Gernlinden site in Europe alone, more than 50 nationalities are represented. Some time ago, we asked employees at our European headquarters to share their favorite recipe from their home country with us. Now, we are proud to be able to present a cookbook with all the collected recipes, which we developed together with our company restaurant team.

With the book, we collected donations with which we supported “Über den Tellerrand e.V.” and were able to give their team a nice New Year’s celebration. This Munich initiative promotes personal exchange between refugees and locals to get to know each other at eye level. At culinary, creative and sporting events, people from different cultures regularly exchange ideas and get to know and appreciate each other. This sustainable network helps to create a more open and tolerant society.
GIVING BACK
Commitment to Global Relief

TTI POLAND EXTENDS HEART-FELT COMPASSION TO REFUGEES

From the moment Poland began receiving Ukrainian refugees seeking safety and protection from the raging war in their homeland, Piotr Jankiewicz, general manager, TTI Poland, was there to lend a hand. Jankiewicz put on his volunteer hat and went about working tirelessly to coordinate efforts to provide financial assistance, securing living arrangements, basic needs of food and clothing to those impacted by the war.

Knowing he could rely on the kindness of his own TTI team, Jankiewicz enlisted their help. Together, they soon learned due to language barriers many children were experiencing, an on-line pre-school.

For language preparation was ramping up and refurbished IT equipment was in great demand. Requests came in for pcs, notebooks, keyboards and screens to enable as many children as possible to participate. Jankiewicz and his team immediately jumped in to help organize the effort for the badly needed equipment that would help many young learners.

Hats off to Piotr and our dedicated team in Poland for sharing their compassionate spirit with the Ukrainian people.

OUR SPECIALISTS GENEROUSLY DONATE TO UKRAINE HUMANITARIAN CRISIS

Recognizing the urgent need to help the Ukrainian people, we began working with the American Red Cross to donate urgently needed funds to supply food and necessities to those caught in the conflict of war.

Without question, our employees did what they are known to do; they opened their hearts and generously providing monetary support. Donations began pouring in, and at the end of the three-week campaign the contributed amount from employees totaled $15,929.

Leadership generously matched this entire amount and pledged an additional $5,000, bringing the total company-wide donation to $36,859.
INITIATIVES TO SUPPORT VICTIMS OF TURKEY/SYRIA EARTHQUAKE

To aid those affected by the devastating earthquake in Turkey and Syria, TTI leadership provided monetary support of 10,000 Euros directly to the affected region for immediate distribution. The donation went to ‘Diakonie Katastrophenhilfe’ providing humanitarian aid worldwide. They directly cooperate with local organizations in Turkey - Hayata Destek Derneği / Support to Life Hayata Destek - İnsani Yardım Derneği - and in Syria. From February 13 to March 12, 2023 – TTI also matched up to EUR 5,000 being donated by our employees.

“With devastating pictures coming out of Turkey by the minute, the TTI Family of Specialists knew we could not sit idly by, and recognized timing was critical to provide relief quickly to those in Turkey affected by this catastrophic event.”

- MIKE MORTON, CEO OF TTI, INC.

“Although we are thankful that no members of the Turkish TTI family were directly impacted by the earthquake, sadly, the devastation is far-reaching and is felt throughout our community. I am very proud and comforted knowing that our global TTI family is behind us providing support and encouragement at this time.”

- BIRAN YILMAZ, TTI GM TURKEY
CANStruction contestants pulled out all the stops to participate in this year’s annual sculpture contest benefitting the Tarrant Area Food Bank in their mission to address food insecurity in the Fort Worth community. The Business Development Group scored a touchdown with their “Connections for Life Stadium.” Utilizing a whopping 5,000 cans of food, the makers constructed a scale model of a football stadium complete with lights, turf, players and flying high above was none other than the Goodyear Blimp.

Honorable mention in the contest went to “Lettuce Live in Peas and Hominy,” a team effort by Strategic Accounts, Mil-Group, Nokia, Space X, Raytheon, QRG and CQG. The “peasable” scene was created using 750 cans and boxes of food.

To set the tranquil vibe, musical accompaniment of 70s favorites was provided by Amy Logsdon, Global Accounts Manager and her enthusiastic group of backup singers.
MEAN WELL Sustainable Development Group (SDG)

Inspired by the United Nations Sustainable Development Goals and its Environmental, Social, and Governance (ESG) principles, MEAN WELL announced its Sustainable Development Group in 2022. Through a rebate program, MEAN WELL provided rebates to its “reliable partners” to encourage their business partners to give back in service of the nine sustainable development goals – quality education, affordable and clean energy, climate action, clean water and sanitation, and responsible consumption to name a few.

Sager Electronics, a subsidiary of TTI, was named a reliable partner and invited to participate in the sustainable development group, making joint donations with MEAN WELL to numerous non-profit organizations, some of which are shown on the right.
Commitment to the Environment

For 2023, Mouser launched a new charitable program with supplier, Analog Devices. The program will plant one tree in European reforestation projects for every order that includes ADI product, purchased on mouser.com in Europe, in partnership with the non-profit group, One Tree Planted. With this contribution, One Tree Planted can help restore forests, create habitats for biodiversity and make a social impact.

For more information on this program, please visit: emea.info.mouser.com/adi-one-tree-planted

O U R  I N I T I A T I V E

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O U R  G O A L

100,000
Trees

A B O U T  O N E  T R E E

One Tree is a non-profit group focused on global reforestation. As an official partner of the United Nations’ Decade on Ecosystem Restoration, the group has planted over 40 million trees in more than 47 countries since 2014. They seek to re-establish woodlands, improve water and soil quality, and create habitat for wildlife.
In 2022, TTI, Mouser, Sager, and XTG launched a workplace giving program with Fidelity as part of the Family of Specialist benefit plan where employees may support charitable organizations with a company match of up to $250 annually in the United States. Additionally, the company initiated its volunteer paid time off benefit, giving employees eight hours of paid time off per year to volunteer in our communities.

$30,000+
Donated by Family of Specialist employees since June 2022
OUR FOOTPRINT

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Solid Waste 39
2022 ENVIRONMENTAL IMPACT

23,470 Metric Tons CO₂ Scope 1 and 2 GHG Emissions

29,173,586 Gallons of Water

393,042 Pounds of Solid Waste
SCOPE 1*
According to the EPA, Scope 1 emissions are those that occur from sources that are controlled or owned by an organization. For us, this primarily includes natural gas consumption for our facilities.

SCOPE 2*
According to the EPA, Scope 2 emissions are indirect emissions that are associated with the purchase of electricity, steam, heat, or cooling. For us, this primarily includes electricity consumption for our facilities.

3,077 Metric tons of CO₂

20,393 Metric tons of CO₂

*Emissions and Goals are subject to change with third party validation of data*

OUR CARBON EMISSION INTENSITY*
Carbon intensity is calculated by dividing total Scope 1 & 2 emissions by our total company revenue for 2022.

2.61

Metric tons of CO₂ / Revenue in Millions of USD

Goal
10%
Reduction in Carbon Emission Intensity from 2021-2022

Progress
12%
Reduction in Carbon Emission Intensity from 2021-2022

*All ISO-14001 certified facilities report electric and gas usage*
WATER USAGE
*All ISO-14001 certified facilities report water usage*

39,663,496 Gallons water used in 2021

29,173,586 Gallons water used in 2022

Goal
10% Reduction in water usage

Progress
26%↓ Reduction in water usage from 2021 - 2022
SOLID WASTE

*All ISO-14001 certified facilities report solid waste produced*

560,506
Pounds of solid waste produced in 2021

393,042
Pounds of solid waste produced in 2022

Goal

10%
Reduction in solid waste

*Goal is subject to change with third party validation of data*

Progress

30%↓
Reduction in solid waste from 2021-2022
GOVERNANCE
We set the highest expectations of sustainable and ethical conduct from our employees and business partners, who are expected to act consistent with our integrity, principles, and values.

We have and continue to communicate our commitment to sustainable governance through our Supplier Code of Conduct, Labor and Human Rights Policy, and Combatting Modern Slavery and Human Trafficking Policy.
Our Supplier Code of Conduct outlines our expectations for Supply Chain compliance on ethical and sustainable practices. We require suppliers to acknowledge receipt of this Code as a condition of doing business and compliance is ensured through audits and a signed agreement. We expect our Supplier Code of Conduct to cascade similar expectations through their own supply chains.

Our Supplier Code of Conduct mandates

- Freely Chosen Employment
- Prohibition of Child Labor
- Migrant Worker Protections
- Freedom of Association
- Prohibition of Unlawful Eviction
- Taking of Land, Forests, and Waters
- Compliance with Conflict Mineral Laws
- Avoidance of Raw Materials that Finance Armed Groups Violating Human Rights

Our Supplier Code of Conduct has been sent to 1000+ suppliers.
To ensure that our high standards of ethics and compliance are maintained and that we can address violations early to reduce harm to our company and our stakeholders, it is necessary for us to become aware of the following:

**Human Rights**
- Product Safety and Conformity Laws
- Environmental laws
- Supply Chain Due Diligence Act
- Labor Laws
- Public Health Regulations
- Consumer Protection Laws
- Privacy and Personal Data Laws
- International Trade laws
- Security of Network and Information Systems
- Our Global Code of Conduct & Ethics

Business Partners should have a reporting tool in place internally to report violations. Additionally, everyone is given the opportunity to report potential violations by our workers. Every report is investigated and followed up on consistently. Information received is treated confidentially. All investigations are governed by the principle of presumption of innocence. For this reason, confidentiality is assured both to the person making the report and to the person(s) affected by the report. Their legitimate interests are taken into consideration. We ensure those who make a report in good faith are protected against adverse action or retaliation.
To ensure that our high standards of ethics and compliance are maintained and that we can address violations early to reduce harm to TTI and our stakeholders, it is necessary for us to become aware of ethical violations. These are either reported through the Berkshire Ethics Reporting Hotline, directly to our SVP of Global Ethics and Compliance, or through our electronic whistleblowing inbox designed for Europe.

“\textbf{I WANT EMPLOYEES TO ASK THEMSELVES WHETHER THEY ARE WILLING TO HAVE ANY CONTEMPLATED ACT APPEAR THE NEXT DAY ON FRONT PAGE OF THEIR LOCAL PAPER – TO BE READ BY THEIR SPOUSES, THE CHILDREN AND FRIENDS – WITH THE REPORTING DONE BY AN INFORMED AND CRITICAL REPORTER.”} 
\textbf{- WARREN BUFFETT}

As an entity of Berkshire Hathaway, we not only have a responsibility to our employees, customers and suppliers but also an obligation to the leaders and shareholders of Berkshire Hathaway.
MINIMUM WAGE BENCHMARKING
We abide by and respect all applicable minimum wage laws and 100% of our employees are paid at or above minimum wage.

CAREER IMPROVEMENT
Our company invests in our employees’ professional development through a diverse selection of trainings and annual performance evaluations.

36
Average Hours of Training per Warehouse Employee

21
Skills Trainings Offered to Warehouse Employees on Average

WORKER’S RIGHTS AND BENEFITS
Although not a traditional unionized industry, we support and respect the right of workers to collectively bargain and join a union if they choose to do so.

Employees in a Collective Bargaining Agreement: 13%
Employees not in a Collective Bargaining Agreement: 87%

*In this chart, 13% reflects employees in countries with collective bargaining laws*
OUR FUTURE

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UPCOMING SUSTAINABILITY INITIATIVES

BENCHMARKING GLOBAL GREENHOUSE GAS (GHG) EMISSIONS
Our company aims to benchmark our carbon footprint inclusive of Scope 1, 2, and 3 GHG emissions and their targets in accordance with the CDP and other global initiatives.

ASSESSING AND COLLECTING KPIs ON THE DIVERSITY OF OUR SUPPLIERS
In the next year, we plan on beginning a pilot program focused on supplier diversity and assessing DEI in our supply chain.

ACHIEVING A SILVER MEDAL IN OUR ANNUAL ECOVADIS ASSESSMENT
We have scored a bronze medal for the past two consecutive years by the third-party sustainability rating agency, EcoVadis. In our next assessment, we anticipate a silver medal as a result of our increased ESG practices.

IMPLEMENTATION OF AN ISO-26000 STANDARD GLOBALLY
ISO-26000 is an international standard on corporate social responsibility. We aim to complete our first ISO-26000 audit of our ESG management system in 2024.

INCREASE OUR ENERGY EFFICIENCY AND USAGE OF RENEWABLES
Mouser’s Mansfield Distribution Center, TTI’s Corporate Headquarters, and our Fort Worth Distribution Center are actively pursuing solar panel construction. TTI’s North American Distribution Centers also intend on completing Level 2 Energy Audits.
<table>
<thead>
<tr>
<th>Year</th>
<th>Natural Gas Usage (MCF)</th>
<th>Scope 1 Emissions (metric tons CO₂)</th>
<th>Electricity Usage (kWh)</th>
<th>Scope 2 Emissions (metric tons CO₂)</th>
<th>Total Emissions (metric tons CO₂)</th>
<th>Carbon Intensity (metric tons CO₂ / millions of revenue in USD)</th>
<th>Water Usage (gallons)</th>
<th>Water Intensity (gallons / total headcount)</th>
<th>Solid Waste Produced (lbs.)</th>
<th>Solid Waste Intensity (lbs. / total headcount)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>59,544</td>
<td>3,276</td>
<td>40,254,498</td>
<td>17,416</td>
<td>20,692</td>
<td>3.76</td>
<td>30,364,317</td>
<td>4,159.50</td>
<td>371,040</td>
<td>50.83</td>
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<tr>
<td>2021</td>
<td>67,861</td>
<td>3,733</td>
<td>44,047,880</td>
<td>19,058</td>
<td>22,791</td>
<td>2.96</td>
<td>39,663,496</td>
<td>4,931.43</td>
<td>560,506</td>
<td>69.69</td>
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<tr>
<td>2022</td>
<td>55,927</td>
<td>3,077</td>
<td>47,133,993</td>
<td>20,393</td>
<td>23,470</td>
<td>2.61</td>
<td>29,173,586</td>
<td>3,279.40</td>
<td>393,042</td>
<td>44.18</td>
</tr>
</tbody>
</table>

*Water and Solid Waste data is only published for 30 strategic locations that represents 70% of our workforce and 76% of our global square footage*

*Data and goals are subject to change with third party validation*

**ENVIRONMENTAL APPENDIX & GOALS**

**GOAL #1:**
15% Reduction in Carbon Intensity from 2022-2026

**GOAL #2:**
15% Reduction in Water Usage from 2022-2026

**GOAL #3:**
15% Reduction in Solid Waste Produced from 2022-2026
<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Injuries Per Year</th>
<th>Number of Days Lost Per Year</th>
<th>Total Hours Worked per Year</th>
<th>LTI Frequency Rate</th>
<th>LTI Severity Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>75</td>
<td>1486</td>
<td>9,321,660</td>
<td>8.046</td>
<td>159.414</td>
</tr>
<tr>
<td>2021</td>
<td>81</td>
<td>1321.5</td>
<td>10,013,460</td>
<td>8.089</td>
<td>131.972</td>
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<tr>
<td>2022</td>
<td>75</td>
<td>1080</td>
<td>11,114,744</td>
<td>6.748</td>
<td>97.168</td>
</tr>
</tbody>
</table>

*Lost Time Frequency Rate: The number of total injuries per year multiplied by 1,000,000 and divided by the total hours worked that year. Out of 1 million hours worked, the number posted is the potential lost time incidents that could have occurred.

*Lost Time Severity Rate: The number of total days lost per year due to an injury multiplied by 1,000,000 and divided by the total hours worked that year. Out of 1 million hours worked, the number posted is the potential lost time days that could have occurred.