



# ESG

ENVIRONMENTAL SOCIAL GOVERNANCE

Taking care of our people, our business,  
and our global environment



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**Omar Baig**  
President, CEO,  
Chairman

## FOREWORD FROM OUR CEO

Since our founding in 1968, Future Electronics has emerged as a global leader by providing unparalleled service and expertise, steadfastly adhering to our core values, fostering strong relationships, and setting an exemplary standard in the industry. We remain committed to this tradition of excellence now and for years to come.

We are deeply invested in our commitment to being an excellent global corporate citizen. At Future Electronics, we know that the way we conduct our business can change the world. Through our actions and initiatives, we take care of our people and our planet. We adhere to the Responsible Business Alliance code of conduct and to our own core values which often go above and beyond government regulations. We take great strides to do our part for the environment and are constantly refocusing our efforts to be consciously aware of our impacts on the ecosystem. Since the founding of Future Electronics, giving back has been deeply engrained in our culture. We care for our communities and our employees' communities around the globe.

Future Electronics is a components distributor, demand creation partner, and so much more. We are a team that feels like a family, composed of smart, talented, and dedicated people. We take great pride in the diversity of our teams and celebrate individual ideas and ways of thinking.

Our people remain our greatest asset, and we care for them both personally and professionally. We offer a workplace where employees can grow and thrive. Our work is challenging, stimulating, and rewarding. At Future Electronics, career opportunities are limitless and employees are guided and encouraged by world-class leaders. We strive to create a positive and inclusive workplace where there are equal opportunities for all. We value longevity and invest in our employees for the long term.

We plan to consistently evolve and improve our ESG strategy as a part of our complete business strategy while paying mind to ethical consumption, transparency, authenticity, and equality.

ESG at Future Electronics goes beyond an acronym, a statement, and even this very guide. It is the steps we take daily, whether big or small, to make our world a better place.

**Omar Baig**  
President, CEO, Chairman





## OUR ESG STRATEGY

At Future Electronics we listen to the feedback we gain from our employees, customers, and suppliers on how we conduct our business while contributing to a better world. Our ESG Strategy supports our commitment to making the greatest impact possible through best practices.

### **From an Environmental Perspective:**

We aim to protect and conserve the world around us through sustainable practices and initiatives.

### **From a Social Perspective:**

We aim to ensure fair and equitable treatment for all our employees, removing any barriers to opportunity and well-being.

### **From a Governance Perspective:**

We aim to hold our company to the highest standards of responsible business.

We appreciate that ESG is an ever-evolving process and that we will need to change and adapt to continuously measure and improve our efforts.





## OUR GUIDING PRINCIPLES

At Future Electronics, we pride ourselves on conducting ourselves and our business based on these key fundamentals:

Integrity, Honesty, Trust, Teamwork, Transparency, and Communication.

At Future Electronics we are resilient, respectful, and inclusive, at all times and everywhere.







## OUR PEOPLE

### One World, One Company, One Community

Our people are our greatest asset, and at the core of this strength remains our diversity. By ensuring an environment where everyone can bring their best and true selves to work, we are able to achieve our personal and professional potential. Future Electronics is a place where difference is valued, voices are heard, and prejudice is not tolerated.

Being a global company, we engage with employees from over 75 nationalities. We recognize and celebrate differences in thought, innovative ideas, and unique perspectives. All employees have a role to play in building a diverse and inclusive culture. As we have witnessed through various cross-functional projects, employees are able to boost creativity by thinking freely. Combining diverse and inclusive teams of individuals enables us to improve our decision-making process and produce the best solutions to serve our company and our employees.

Working collaboratively and leveraging our differences enables us to build better solutions. Sharing opinions and ideas leads us to find better solutions. As we learn from each other and celebrate our differences, we find commonalities of views and purpose that make Future Electronics even stronger.

At Future Electronics, we know that bringing people together from across the globe strengthens our decision-making, problem-solving, and creativity. While our business can be measured by numbers and statistics, the most important reference is the voice of our employees. Operating as one diverse community, we create a safe place for our employees to engage and become more efficient and successful. We are committed to providing everyone with an environment that is inclusive and encourages all employees to continue to celebrate our diversity, together.

The Our People section highlights our commitment to the well-being and prosperity of our employees and our communities. We value our people above all else. We strive to create a positive work environment where employees can flourish both personally and professionally. With the success of our business comes an incredible opportunity to give back to communities worldwide, and we do so with great pride. Future Electronics strives to create lasting value and positive change.







**Jamie Singerman**  
Corporate Vice President  
Worldwide, HR, Learning  
and Development,  
Communications

## FOREWORD FROM HR LEADERSHIP

I am delighted to present our organization's ESG report which encapsulates our steadfast commitment to fostering sustainability, promoting social responsibility, and upholding strong governance practices throughout our worldwide operations.

Since our founding, we have believed in creating positive social impact and encouraging a diverse, inclusive, and equitable workplace. Our Human Resources teams have been instrumental in implementing programs that promote employee well-being, professional development, and work-life balance. We believe in hiring the right person for the right job, which has naturally led to a vibrant and diverse community within Future Electronics with a zero-tolerance policy for any harassment in the workplace.

We actively engage with local communities through volunteering initiatives, supporting local organizations, and giving back globally. By prioritizing social responsibility, Future Electronics strives to make a meaningful difference in the lives of our employees, customers, suppliers, and communities.

Future Electronics places a strong emphasis on sound corporate governance, transparency, and ethical practices. To this end, our policies and procedures are aligned with industry standards and legal requirements which are reinforced through our voluntary adoption of the Responsible Business Alliance (RBA) code of conduct.

As a leader in the electronics distribution industry, we recognize the pressing need for environmental stewardship. As such we constantly seek to reduce our footprint and preserve the planet for future generations.

At Future Electronics we continue to explore innovative ways to minimize our environmental impact, nurture a diverse and inclusive workforce, and strengthen our governance framework. We believe in growing and improving day by day, and year by year.

**Jamie Singerman**  
Corporate Vice-President Worldwide, HR,  
Learning and Development, Communications





## OUR COMPANY

Since 1968 Future Electronics has put our people first, fostering a work environment with familial energy where opinions are encouraged, ideas are valued, and everyone is treated with respect. Through economic uncertainty and challenging times, we have not wavered in our commitment to our people.

Every day, in offices and distribution centres across the globe, Future Electronics employees work toward a common goal - to Delight the Customer™. Our enthusiasm, innovation, and drive to succeed are what make us a worldwide leader in electronic component distribution. Combining these strengths with an entrepreneurial spirit and can-do attitude creates a community that is driven to achieve. By focusing on solutions with teamwork and collaboration, we strive to solve whatever problems are in front of us - for our customers and our suppliers.

At Future Electronics our focus is to ensure that we conduct our business based upon the key foundations of:

- Integrity
- Honesty
- Trust

In all our activities we are committed to doing the right thing. Our ESG model is an ever-living reminder to help our employees make informed ethical decisions. As a global Company there may be occasions when local legislation or regulations may conflict with our ESG standards. We trust our employees, with the training and guidance they have been given, to use wise judgement and seek clarification should they have any questions or concerns. To achieve this goal we believe that there lies a joint obligation between employees and management to ensure that our ethics and integrity are sustained.

We expect our employees to:

- Read and be aware of business updates and supporting Company policies
- Act in a manner that is ethical and safe and work with the applicable laws and regulations
- Raise any concerns or questions should they become aware of possible violations of laws, regulations or business policies
- Support the organization through any environmental or other Company-supported audit/investigation as required





From our managers we expect:

- A positive leadership mindset and adherence to Company guidelines and policies
- Ensure that all reporting personnel are aware of the Company policies and expectations of ethical standards
- Foster an environment that ensures that honesty, integrity and trust are part of our business relationships and activities
- As needed, undertake any investigations or actions where a lapse in our business policies may occur

By being open and transparent in our approach we want our employees to have a safe environment to pursue long, supported and fulfilling careers at Future Electronics.



Diversity, Equity, and Inclusion

Our intention has always been to provide an inclusive working environment at all levels and in all roles, helping individuals to progress their careers within the Company. We recruit, hire, and promote solely based on suitability for the role. We do not discriminate based on protected characteristics including but not limited to race, age, gender identity, sexual orientation, or religion. Future Electronics is dedicated to promoting equality, diversity, and inclusivity within a culture that actively values employee differences. We recognize that people from diverse backgrounds and experiences bring valuable insights to the workplace which enhance the way we all work.

We strive to continuously cultivate an environment where each and every employee can come to work every day with the knowledge that they can raise questions or concerns without fear. Future Electronics takes a zero-tolerance approach towards any form of discrimination to ensure that the work environment is free from harassment and bullying and that everyone is treated with dignity and respect.

We believe that the opportunity to engage with people of all ages is ideal to provide a level of stability and a range of life experiences to our teams. The spread of generational diversity at Future Electronics has remained consistent throughout the past three years with an age profile ranging from less than 20 years old to greater than 70 years old.

As our Company has expanded across the globe, we celebrate the diversity and multiculturalism of our teams. By enabling employees to come together from different cultures and ethnicities we encourage and enable a level of collective contribution. Recognizing the value of this cultural diversity empowers our employees to be authentically themselves.

By embedding Diversity, Equity, and Inclusion within Future Electronics we believe employees are engaged and hold a sense of belonging. By respecting and appreciating one another's differences and fostering an environment where everyone can bring their best and true selves to work, every individual's personal and professional potential is achieved.



*Our strength is our diversity. We work collaboratively and leverage our differences. We share our opinions and ideas which lead us to find better solutions. And as we learn from each other and celebrate one another, we find commonalities of views and purpose that make Future Electronics even stronger.*

**Ann Shepherd**  
Vice-President, HR and Business Operations EMEA

Sensitivity Training

Sensitivity training, also known as diversity training or cultural competency training, is an educational approach aimed at promoting understanding, empathy, and respect for differences among individuals. It is designed to increase awareness and sensitivity to various social identities, such as race, ethnicity, gender, sexual orientation, religion, and disability. The purpose of sensitivity training is to challenge biases, stereotypes, and discriminatory behaviours by fostering a safe and inclusive environment. Through interactive activities, discussions, and experiential learning, participants are encouraged to examine their own beliefs and attitudes, gain insights into the experiences of others, and develop effective communication and conflict-resolution skills. Sensitivity training plays a crucial role in fostering diversity, inclusion, and equality in workplaces, educational institutions, and communities, creating spaces where individuals can thrive and contribute to a more harmonious society.



All Future Electronics employees worldwide participate in best-in-class sensitivity training provided by a third-party organization. Based on local regulations, this mandatory training repeats every one to three years. We have an enhanced certification cycle at our Montreal Corporate headquarters. All Global HQ employees also sign a discrimination, harassment, and violence-free workplace acknowledgment upon hire.

Future Electronics UK has begun offering Diversity, Equity, and Inclusion training. Our offices worldwide will follow suit in the near future.

Employment Equity and Equal Opportunity

It is Future Electronics’ policy and practice to recruit, hire, compensate, and promote employees on the basis of their qualifications and ability without regard to race, national origin, ethnicity, religion, age, gender, pregnancy, marital status, sexual orientation, physical or mental disability or any other ground of discrimination prohibited by applicable law. Practices and policies affecting employees such as employee benefits, educational opportunities, and social/recreational programs are always administered on a non-discriminatory basis. This includes providing reasonable accommodation for employees’ disabilities or religious beliefs and practices. We evaluate all requests for reasonable accommodation on a case-by-case basis.

As a Company, our approach is to provide an inclusive working environment at all levels and in all roles, helping individuals to progress in their careers within the Company. We continue to recruit, hire and promote solely based on suitability for the role. As we work on the development of our talent management programs to increase collaboration and advance innovation, it remains clear that the inclusive recruitment of new talent remains key to our long-term success.

Our compensation and benefits offering is a critical part of our business aimed to support the growth of our employees while recognising the contribution that each employee brings to the success of the Company. Our intention is to ensure that employees in similar roles are paid equitably.

Like a number of other organizations, we do have a gender pay gap which varies across our business mainly because we employ different numbers of men and women in various roles, and specific roles/functions attract bonuses or commissions. We are working to reduce differences over time and recognize that this is a long-term challenge that we need to address.

Through the attraction, recruitment, and retention of employees we can ensure that we celebrate the unique ability of each person, treating one another with equity and respect at all times in order to support Future Electronics in being the best it can be.



As a leader at Future Electronics, I am passionate about equality. My career at Future Electronics has awarded me wonderful opportunities for growth, travel, and connection with incredible people. No matter an employee's race, gender, religion, or sexual orientation, they have a place here at Future Electronics and an abundance of opportunities.

AnnaMaria Pietromonaco  
Corporate Vice-President



## Philanthropy and Volunteering

We are in a privileged position to give back to the Global community. Future Electronics contributes to the Future Foundation as a way to change lives across the world. Rather than making monetary donations, the Future Foundation takes action to deliver resources that make a direct impact on the recipients' lives.

Since the Foundation's inception, over 1,000 people and families in need have been assisted. From school supplies to heating; prosthetic limbs, to hearing aids; all the way to delivering cows to remote villages. Every request is focused on helping those in need, whatever it may take and with all forms of aid.

Future Electronics employees contribute to the Foundation by requesting support for members of their local or global communities. There is no limit to the number of individuals, families, and communities we are ready to support. The Foundation's ambition is to change as many lives as possible. Employees can make multiple submissions and decisions are made quickly to respect the urgent nature of many of these needs. No request is too complicated, no location is too far. Together we can make lives easier and days brighter, one step at a time.



## CAREER MANAGEMENT

Future Electronics' success is based on its employees. By investing in the growth and advancement of our people we continue to enhance our competitive advantage as a company.

Our goal is to attract, develop, and retain the best talent to create a diverse and inclusive working environment, where differences are valued and everyone is accepted. Through our resolve to recruit, hire, and promote solely based on suitability for the role we seek to increase collaboration and advance innovation.

We are aware that it is imperative that we ensure the retention of our personnel in order to support the longevity of the Company. We do so by providing an excellent working environment, stimulating and challenging work, and career development prospects with the opportunity to enhance skills and knowledge through continuous learning. There is no set career path formula as we recognize that every individual's path may be different.

By supporting a positive work culture which encourages employee friendships and supports personal well-being, we create engaged teams. This is witnessed through the tenure of our current employees. Every year, numerous employees worldwide celebrate their 5th, 10th, 20th, 25th, and even 40th and 50th-year service anniversaries.

## Global Learning and Development

Our investment into our teams' personal and professional development is supported not only through equipping our teams with the relevant tools, but ensuring training is available for every step of their career at Future Electronics. Our intention is to ensure that our employees thrive.

Our Global Learning and Development team of experts adapt and offer exceptional programs in various forms from personalized one-on-one training to tutorials, virtual classes, and self-paced learning (eLearning).

By providing the opportunity for continuous learning, from onboarding through to Leadership programs, we recognize the host of professional benefits this brings both to our employees and the company. We gain an appreciation for each employee's personal learning plan through our annual appraisal process. Improving existing skills and broadening talents through upskilling allows our teams to engage more efficiently and productively while also pursuing professional development through promotional prospects.

We collaborate with our suppliers at events throughout the globe in order to ensure our employees are equipped with new product releases and mindful of technological changes in order to be able to adapt and remain current. By adopting an engaged approach we empower our teams to remain relevant, which enables our company to remain competitive.

Onboarding training sets the foundation of success for new employees and serves as a springboard for their careers. With many new employees joining Future Electronics, we have placed a new focus on onboarding that includes both the new hire and the hiring manager.



We offer a Welcome series of courses to help individuals feel part of the culture from the onset. The “FIT” training introduces individuals to what we are all about, what our value is, and how we all work together to bring value to our customers and suppliers.

Soft-skill classes are provided for both personal and professional development. Excellent courses focusing on employee wellness have been added to our course catalogue. Employees can dive into a range of topics including time management; work-life balance; mindfulness; and more.

**Leadership Training and Development**

Every day, Future Electronics leaders coach, motivate, and inspire our people. Investing in our leadership team is an important part of our future. That is why we develop our leaders through both classroom and experiential learning.

Management to Leadership programs are offered in each region. These programs are designed to empower individuals to become effective, influential leaders who are innovative, and achieve results.

Development takes place in-house and at conferences and training seminars across the globe. As a leader in our industry, we endeavour to equip our leadership with the tools, skills, and knowledge they need to continually excel as world-class leaders.

**Performance Appraisals**

Performance appraisals are an important part of providing employees with valuable feedback, guidance, encouragement, and constructive feedback. This process fosters one-on-one communication between the manager and their direct reports and forms an essential part of the career progression strategy at Future Electronics.

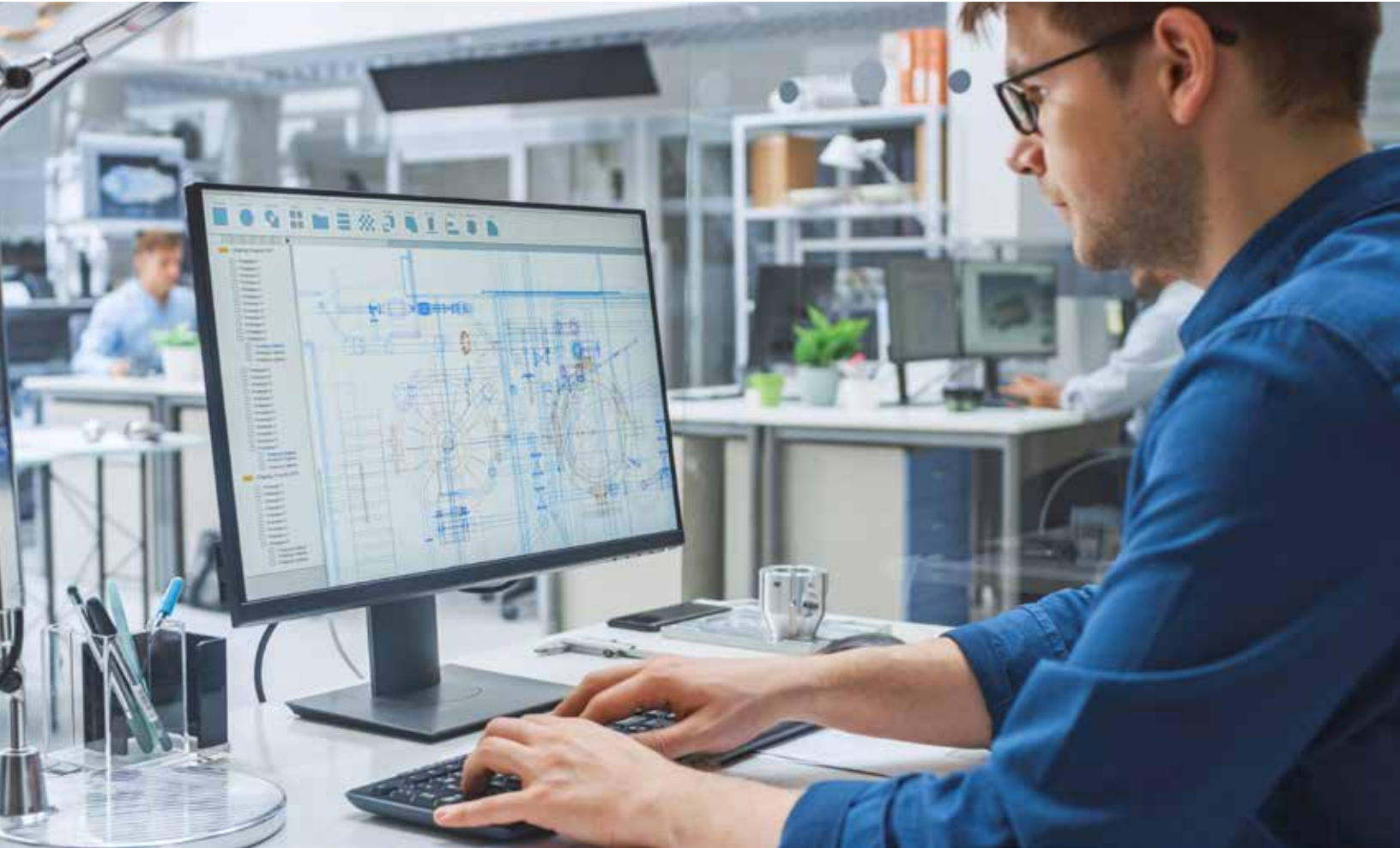
**Turnover**

Future Electronics is extremely proud of our employee retention. We have employees who have been with the Company for over 40 years! Longevity is something we value deeply, and we will do all that we can to ensure our people feel challenged, cared for, and that they have a place to grow for the entirety of their careers. Voluntary turnover happens for many reasons such as advancement opportunities, a career change, or personal or family matters. To help limit voluntary turnover, we have numerous measures and initiatives in place, many of them listed in this guide. Future Electronics is constantly working on innovative ways to ensure our people are satisfied, from fun social events to learning and development, to helping guide a job change internally when desired. We stand by our people and their happiness and wellbeing at work is our top priority.



*Future Electronics takes the learning and development of all our people to heart. As Corporate Vice-President, Engineering, I am deeply passionate about how we train our engineering staff. Future Electronics’ engineers are exposed to world-class learning and development opportunities throughout their careers, as the industry and technology are constantly evolving. Advanced Engineering University is Future Electronics’ week-long training for engineers featuring learning and networking with some of the top names in the industry. This highly anticipated and beloved event is hosted across the globe.*

**Todd Baker**  
Corporate Vice-President,  
Advanced Engineering Group





# WORKPLACE ENVIRONMENT

Our goal is to create a positive working environment to promote professional growth, provide cross-team collaboration and underpin employee morale. These tangible and intangible benefits lead to employee success and happiness.

## Employment

We have offices and distribution centres worldwide with a combination of hourly and salaried employees. Depending on the role and the region, we provide workplace flexibility which can take the form of flexible work hours, remote work options or reduced time arrangements. This flexibility allows employees to better manage their personal obligations, such as childcare, caregiving, or pursuing further education. It also contributes to a more resilient and adaptable workforce, capable of meeting the changing demands of the modern work landscape.



As seen through the longevity of our staff, some who have spanned a career history of over 40 years, this is a testament to our goal of creating a community. While career development is key, providing a work schedule and environment that enhances employee productivity, well-being, and work-life balance is of utmost importance.

## Workplace Flexibility

Worldwide, we offer a hybrid and flexible work model. We continue to evaluate our workplace flexibility and return-to-office protocols in the post-COVID-19 landscape. Our aim is to provide a work schedule and environment that enhances employee productivity, well-being, and work-life balance.

## Employee Wellbeing

We strive to create a healthy environment at work that enables employees to take charge of their wellbeing. We believe that when employees are feeling positive, they can perform their best and feel proud of the work they are doing. Numerous initiatives have been put in place in the different regions to support the mental health and wellbeing of our employees and their families.

- Creation of a Wellbeing Hub: an online destination filled with helpful and engaging resources to help employees take charge of their own wellbeing
- Employee Assistance Programs
- Virtual Care Queens University mental health certification program for Corporate managers (Canada)
- Third-party professional support

We continuously review our well-being engagement strategy. Availability may vary by region.

## Health and Safety

To learn more about Occupational Health and Safety please consult the [Governance section](#) of this document.



*We truly live our values at Future Electronics: When we say we put our people first, we mean it. From their first day at work, we aim to make all employees feel like family. Employment at Future Electronics goes beyond a job. It is a partnership built on trust, growth, and shared success. Together we take on challenges, embrace our differences, and strive for excellence.*

**Geoff Annesi**  
Corporate Vice-President Sales

## Against Harassment and Intimidation

Future Electronics believes that every employee should be treated with dignity and respect in the working environment. Harassment, abuse, violence or bullying of any kind is not tolerated at any time. Harassment and intimidation are not gender specific and are regarded as unwanted conduct affecting the dignity of the individual in the workplace irrespective if the occasion is a small and isolated case.

Our expectation is that our employees, whether representing the Company on or at off-site premises, for supplier/customer functions, or any business-related activities, will observe our professional standards of engagement.

As used in this policy, the term “harassment” includes sexual harassment, physical harassment and psychological harassment as well as discrimination based on race, colour, religion, national origin, ancestry, ethnic heritage, age, gender, sexual orientation, marital

status, mental or physical disability, and any and all classifications are protected by law. The term “violence”, as used in this policy, includes (i) the exercise of physical force by a person against an employee, that causes or could cause physical injury to the employee, (ii) an attempt to exercise such physical force, and (iii) a statement or behaviour that is reasonable for an employee to interpret as a threat to exercise such physical force.

Some examples of what may be considered harassment, depending on the facts and circumstances may include (but are not limited to):

- **Verbal / Written Harassment:** Unwelcome, humiliating, or derogatory words, slurs, jokes, or gestures regarding a person’s race, colour, sex, religion, national origin, ancestry, ethnic heritage, age, sexual orientation, mental or physical disability, or other classifications protected by law; threats of harm; or distribution or display of unwelcome, humiliating, or derogatory written or graphic material.
- **Physical Harassment:** Physical contact, unwelcome touching, aggressive physical conduct, intimidation, or gestures or threats to do any of the above.
- **Psychological Harassment:** Any vexatious behaviour in the form of repeated and hostile or unwanted conduct, verbal comments, actions or gestures, that affects an employee’s dignity or psychological or physical integrity and that results in a harmful work environment for the employee. Moreover, a single serious incidence of such behaviour that has a lasting harmful effect may also constitute psychological harassment.
- **Sexual Harassment:** Includes a range of subtle and not-so-subtle behaviour: unwelcome sexual conduct, whether verbal or physical, including among other things, requests, pressure, or demands for sexual favours, sexual advances, or other verbal or physical conduct of a sexual nature. Depending on the circumstances, sexual harassment may include (but is not limited to):
  - Making sexual comments or innuendoes about a person’s clothing, anatomy or appearance/looks;
  - Unwelcome physical contact, such as patting, pinching or brushing against another person’s body;
  - Display or distribution of sexually explicit or sexually suggestive objects, cartoons, software, photos, pictures, e-mails, etc.;
  - Inquiries regarding sexual experiences or activities.





### Employee Handbook

Each region in which Future Electronics operates has an employee handbook that is tailored to the customs, regulations, and specifics of that region. It also contains key information about Corporate values, policies, and procedures. The handbook imparts to employees the importance of company culture, code of conduct, employment policies, benefits, leave policies, performance expectations, and disciplinary procedures. The handbook ensures consistency in communication and helps to establish clear guidelines for behaviour and performance standards.

Each new employee receives access to the handbook which they are required to acknowledge receipt and read thoroughly. The handbook remains a valuable resource throughout an employee’s tenure with Future Electronics.

### Drug and Alcohol-Free Workplace

Future Electronics is committed to providing a healthy and safe working environment for all of its employees and takes the issue of substance abuse very seriously. To that end, the Company has adopted a Drug and Alcohol-Free Workplace Policy to protect its employees and the Company from the negative impact resulting from the use of drugs and alcohol.



### Professional Conduct and Behaviour

Our expectation remains that our employees whether representing the Company at on or off-site premises for supplier/customer functions or any business-related activities will observe our professional standards of engagement throughout.

Examples of unacceptable conduct and behaviour include but are not limited to:

- Theft of any kind
- Harassment, discrimination, or violence
- Falsification of company records or documents, divulging trade secrets or confidential information, or engaging in conduct which may adversely affect the company or its reputation
- Willful destruction of company property or unauthorized use of company facilities
- Any violation of the Drug and Alcohol-Free workplace policy
- Refusing the direction or instruction from supervisors or managers
- Discourteous, disruptive, or unprofessional conduct towards customers, suppliers, guests, employees, supervisors or managers, as well as abusive language

### Solicitation and Distribution

All Future Electronics employees have the right to perform their duties without being interrupted by unwanted solicitations. Employees and non-employees may not solicit for any purpose during working time. They may not distribute material, literature, e-mails, etc. in any area of the company’s premises for any purpose at any time. Employees are not permitted to enter or remain on company premises without special permission other than during normal working hours or as requested by management.

### Pay Equity

Future Electronics values equity. We endeavour to ensure that all employees are treated equally with respect to pay and opportunity. We follow all necessary regulations and testing based on geography.

Future Electronics subscribes to all legally obligated reporting and adjusting of pay equity.



*Professional conduct is key to a thriving workplace environment, worldwide. Each day, Future Electronics leaders and team members contribute to a workplace that is inclusive, collaborative and respectful, where our actions mirror our values. We are proud to have built a culture that achieves incredible company results while nurturing personal growth.*

**YH Chin**  
Corporate Vice-President, APAC





# GOVERNANCE

## INTRODUCTION

This section highlights our unwavering commitment to transparency, accountability, and ethical business practices. We firmly believe that strong governance is the foundation upon which our business operates responsibly and sustains long-term success.

Since our founding in 1968, honesty, integrity and trust have been the foundation of Future Electronics' success. We are committed to conducting all our business activities according to the highest ethical standards. Every one of our customers, suppliers and employees knows that we will act in their best interest, with the highest degree of professionalism.

Today, Future Electronics has over 5,200 employees and operates in 170 offices in 44 countries around the world. It is of the utmost importance to us that we operate in full compliance with the laws and regulations of every country in which we do business. We take great pride in meeting all our legal and regulatory obligations to customers, suppliers, and governments.

To build on these longstanding ethical, legal and regulatory commitments, and to use our position to help advance the industry as a whole, Future Electronics has voluntarily adopted the Responsible Business Alliance (RBA) Code of Conduct, and we have asked all of our partners to follow suit.



# FOREWORD FROM LEGAL

It starts with having a vision for our company's ESG initiatives. Then we set goals and take action. Governance is what allows us to monitor and track our efforts, and helps our company achieve our goals faster.

Future Electronics' success over the past five decades is driven by strong corporate governance and a commitment to integrity, ethics, compliance, and risk management. Governance ensures we "walk the talk" and protects all Future Electronics stakeholders. It is wide-reaching and covers everything from employee wellbeing at work, to how we interact with our suppliers, to ethics, and tax compliance.

Standards and regulations have changed over the years and continue to evolve rapidly. The introduction of GDPR is an example where Future Electronics had to adapt business practices not only in the United Kingdom but also worldwide. Because of our robust, global governance practices, we were able to bring our business up to the new standards efficiently.

At Future Electronics, we know that operating a successful and ethical business goes hand in hand with fostering a positive impact on society and the environment. Our Governance practices serve as a framework to align our corporate practices with these beliefs, aiming to promote transparency, accountability, and continuous improvement.

Our Legal team has reviewed and endorsed the content of this ESG Guide, ensuring its alignment with legal requirements and best practices. As we move forward, the Legal team will continue to play a pivotal role in ensuring compliance with ESG-related regulations, the adoption of new standards and regulations, and guiding the integration of ESG considerations into our day-to-day operations.

**George Maughan**  
Corporate Vice-President, Legal Affairs



**George Maughan**  
Corporate Vice-President, Legal Affairs

## CORPORATE ETHICS

The need for integrity and trust is key to our success. Our employees recognize that through the mutual respect of each other and the values held, we unite for the success of Future Electronics. To ensure the maintenance of Future Electronics culture based on respect and fairness we adhere to an ethical corporate standard of excellence.

### Responsible Business Alliance

The RBA is the world's largest industry coalition dedicated to responsible business conduct in global supply chains.

From labour to minerals, our RBA commitment touches every element of the Future Electronics supply chain. The RBA code of conduct is rigorous and impactful and we take pride in upholding the code of conduct and conducting our business in a way that contributes to a better tomorrow for workers, communities, and the environment.

### Ethics, Anti-Bribery and Anti-Corruption

Future Electronics is committed to the prevention, deterrence, and detection of fraud, bribery and all other corrupt business practices. It is the policy of Future Electronics to conduct all of its business activities to the highest possible ethical standards. The appropriate actions and conduct of all employees, together with third-party agents, consultants, contractors, and suppliers acting on behalf of the business are essential to maintain these high standards.

As a Company, we comply with anti-bribery and anti-corruption laws and regulations and ensure that our business dealings are accurately reflected in our business books and records. We do not tolerate bribery and corruption in any form in our business.

### Gifts and Entertainment

We recognize that due to the synergistic nature of the working relationships with Future Electronics' vendors, suppliers, and customers, our employees should ensure that they conduct themselves in an appropriate fashion and do not put themselves, the Company, or others in situations that result in actual or potential conflicts of interest or create the appearance of such conflicts of interest. We do not accept nor provide gifts nor entertainment if the intent is to bias a decision or in return for any business advantage, services or confidential information. While the Company has published internal guidance as to the expectations for employees to uphold, in the case of any doubt all employees are asked to liaise with their manager or respective regional legal team.

### Trade Compliance

As a global leader in the electronics industry, we have more than 5,200 employees in over 44 countries. With this international business comes the responsibility to comply with the import and export regulations of over 44 countries in which we do business.

We have implemented a "best practice" Global Trade Compliance Program overseeing our internal policies and procedures which have been developed to support trade regulations and the due diligence guidelines for safe and secure trade. The number one predictor of success for the Trade Compliance Program is the Executive Compliance Council which guides the program, supports the processes and ensures the right resources.

Every employee is required to ensure the integrity of the trade compliance policies.

### Third-Party Due Diligence

Our business partners are essential to the success of our Company but are chosen carefully to ensure the same mindset toward ethics and compliance. We engage with the same philosophy and due diligence to ensure that we have adequately assessed our legal and ethical risk and the alignment to our values of honesty, integrity and trust. Should there be any occasion whereby we have concerns over a business partner and their conduct we will assess the situation and take all necessary steps as required.

### Conflicts of Interest

As a Company, Future Electronics respects the private lives of all our employees. At the same time, we seek a level of openness where a possible conflict of interest may occur whereby views, interests or activities may affect an individual's ability to make objective decisions.

This may relate to but is not limited to:

- Direct Interests: Relates to an employee's own personal self-interest, family obligations and personal business interests. This may relate to working with close relatives who may hold a government role.
- Indirect Interests: Relates to an employee's engagement or association with personal, family and business interests of groups or people. Such occasions may include outside jobs, roles or affiliations with competitors, customers or suppliers.



*As an industry leader, we feel it is our duty to conduct our business in a way that makes a difference. Our RBA commitment is a two-way street involving us as well as those with whom we do business. By working together, we take a transformative step toward a more sustainable future, where we safeguard human rights, protect the environment, and elevate ethical practices.*

**Karim Yasmine**  
Executive Vice-President Global Marketing



- Financial Interest: Relates to any monetary value, inclusive of services and commercial dealings or share ownership. This may include serving as a board member of another company or holding investments that might influence or are perceived to influence an employee’s judgement
- Non-financial Interests: Involves personal or familial relationships which may create a level of bias. For example, an intimate relationship with a colleague may influence decisions such as performance assessment, promotion or salary reviews.

Where any doubt may occur employees are asked to disclose situations to management where they believe there may be conflict or even the appearance of a conflict. Once disclosed, management will take the necessary actions.

Business Integrity

The Company believes in maintaining a transparent and ethical work environment where our employees are able to speak up and report any concerns or potential violations of our company’s policies and values without fear of retaliation. All employees who may suspect some wrongdoing are asked to raise the matter, under the basis of a Protected Disclosure and the Company affirms that confidentiality will prevail except where prohibited by law. We are committed to upholding our corporate values of integrity, honesty and trust to promote a culture of accountability and ethical behaviour.

To meet the needs of a changing environment we are currently undertaking a trial for an online integrity line, allowing, both internal and external stakeholders to raise concerns anonymously. Our intention is that this will be globally adopted.

Employees are encouraged, should they feel comfortable, to first express to the offending party their objection to their conduct. Employees may also report their concerns to their supervisor, to their manager, or to the HR department.

Privacy Protection

Future Electronics respects data protection and privacy laws and is committed to protecting the personal data of our employees, customers, suppliers and others with whom we conduct our business. In compliance with data privacy, we will:

- Obtain valid consent for the collection and use of personal data for lawful and necessary purposes
- Ensure privacy and security considerations are adhered to in the storage of personal data

The Company will not share personal data with others without a legal or legitimate reason and as required will adopt necessary measures of protection.

LABOUR AND WORKING CONDITIONS

Modern Slavery and Human Trafficking

As a Company, we understand and are committed to confronting modern slavery. We will not tolerate any form of slavery, servitude, or exploitation in our business or supply chains. Our ambition is to raise awareness of the issue through both internal and external stakeholders in order to always be vigilant in the safeguarding of the rights of our employees through the endorsement of our established policies and procedures.

Please refer to our [Modern Slavery and Human Trafficking Statement](#).

Child Labour

Future Electronics does not use any child labour. The term “child” refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, state or province, whichever is greatest. Future Electronics respects and abides by all applicable laws in regard to employing workers who are minors. The use of legitimate workplace learning programs complies with all applicable laws and regulations. Employees under the age of 18 do not perform work that is likely to jeopardize their health or safety, including night shifts and overtime.

Working Hours

Future Electronics respects and abides by all applicable laws regarding the number of working hours and overtime. Employees are allowed at least one day off every seven days.

Wages and Benefits

Compensation paid by Future Electronics to its employees complies with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with applicable laws, employees are compensated for overtime at pay rates greater than regular hourly rates. For each pay period, employees are provided with a timely and understandable wage statement that includes sufficient information to verify they are accurately compensated for the work performed.



*Privacy protection is imperative. Future Electronics takes great care to safeguard the personal data that is entrusted to us. We deeply value the trust and respect of our customers and stakeholders and are committed to the security of all information that is provided to us.*

**Stéphane Lamoureux**  
Chief Information Officer

## Human Rights

Future Electronics is committed to its responsibility to respect human rights. Operating around the world we aspire to conduct ourselves in a manner that is consistent with high ethical standards including equal opportunity, the freedom to associate and the elimination of modern slavery, human trafficking and harmful or exploitative forms of child labour.

We believe that business can only flourish in societies where human rights are protected and respected irrespective of age, disability, gender, race, religion, sexual orientation, or any other legally protected trait without fear of discrimination or harassment. We recognize that as a business we need to continually improve our approach and ability to contribute to positive human rights impacts.

Future Electronics strictly prohibits and condemns any form of harsh or inhumane treatment towards its employees. This includes but is not limited to sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, and verbal abuse. We have clear and well-communicated disciplinary policies and procedures in place to ensure compliance with these standards.

For more information, please see our [Human Rights Statement](#).

## Non-Discrimination

It is Future Electronics' policy and practice to recruit, hire, compensate and promote employees on the basis of their qualifications and ability, without regard to race, national origin, ethnicity, religion, age, gender identity, pregnancy, marital status, sexual orientation, physical or mental disability or any other type of discrimination prohibited by applicable law. It is also the policy of Future Electronics to provide a work environment that is free from intimidation, hostility, unlawful discrimination, harassment and violence. Employees are provided with reasonable accommodation for religious practices and disabilities. *To learn more please refer to the [Our People section](#) of this guide.*



## Freedom of Association

We respect and abide by all applicable laws regarding the right of all employees to form and join unions of their own choosing, to bargain collectively and to engage in peaceful assembly, and also respect the right of employees to refrain from such activities. Employees can openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment.

## OCCUPATIONAL HEALTH AND SAFETY

Our employee's health and safety is top of mind. On the job, we work to identify and assess all potential health and safety hazards, including chemical, electrical and other energy sources, fire, vehicles, and fall hazards, and to mitigate them by eliminating the hazard, substituting processes or materials, controlling through proper design, implementing engineering and administrative controls, preventative maintenance and safe work procedures, and by providing ongoing occupational health and safety training.

Where hazards cannot be adequately controlled by these means, Future Electronics provides employees with appropriate and well-maintained personal protective equipment and educational materials about the risks associated with these hazards.

Future Electronics takes steps to remove pregnant women and nursing mothers from working conditions with higher hazards, to remove or reduce any workplace health and safety risks to pregnant women and nursing mothers, including those associated with their work assignments, and to provide reasonable accommodations for nursing mothers.

We care for our employee's physical and mental health through benefits and programs available regionally.

To learn more please refer to the [Our People section](#) of this guide.

## Emergency Preparedness

Future Electronics employs robust processes to identify potential adverse events that could impact our employees and operations. The emergency preparedness and response processes aim to minimize harm to life, environment, and property. Our global facilities regularly conduct tests to ensure the efficacy and proper functioning of these protocols.

## Occupational Injury and Illness

Future Electronics has established protocols and systems to prevent, handle, monitor, and report work-related injuries and illnesses. These procedures include encouraging employees to report incidents, categorizing and documenting cases of injury and illness, offering essential medical care, conducting investigations, taking corrective measures to eliminate the root causes, and supporting employees in their return to work.

## Industrial Hygiene

We strive to identify, assess, and manage employees' exposure to chemical, biological, and physical substances. Whenever potential hazards are identified, we take measures to eliminate or minimize them. If required, employees are supplied with suitable personal protective equipment at no cost, ensuring its proper maintenance. Additionally, Future Electronics maintains continuous protective programs that encompass informative resources concerning the risks associated with these hazards.



*At Future Electronics, we strive to ensure that we have a positive impact on the quality of life of our employees, our customers and suppliers, and the communities that surround us all. We respect and comply with all applicable laws and internationally recognized human rights standards.*

**Jessica Huang**

HR Director, China, Hong Kong



Physically Demanding Work

Future Electronics identifies, evaluates, and controls employee exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing, and highly repetitive or forceful assembly tasks.

Machine Safeguarding

We conduct regular assessments of machinery to identify safety hazards. Adequate physical guards, interlocks, and barriers are supplied and effectively maintained in areas where machinery poses potential risks of injury to employees.

Distribution Centres

Safety is a top priority at Future Electronics’ distribution centers. Our Memphis Area Distribution Centre has a thorough safety training program as part of New Hire Orientation. Upon hiring, and before being allowed to begin work, all employees are required receive training for Bloodborne Pathogens, Hazard Communication / Employee Right-To-Know, Safe Lifting Techniques, Prevention of Slips, Trips and Falls, and Emergency Evacuation. Safe Lifting Techniques, Slips, Trips and Falls, and Evacuation training also recur annually. Safety data sheets are retained for all hazardous chemicals located onsite and are always made available to all employees. All accidents and/or injuries will be reported, and safety audits are conducted regularly.



Sanitation, Food, and Office Space

Future Electronics ensures that employees have convenient access to well-maintained restroom facilities, safe drinking water, and hygienic areas for preparing, storing, and consuming food. Future Electronics maintains clean and secure office space for residents, offering necessary amenities such as emergency exits, hot water for bathing and showering, sufficient lighting, heating, and ventilation. Individuals are provided with secure storage spaces for personal and valuable belongings, reasonable personal space, and appropriate entry and exit privileges.

Future Electronics provides employees with appropriate workplace health and safety information and training in a language they can understand for all identified workplace hazards. Health and safety-related information is clearly posted in the facility or placed in a location identifiable and accessible to employees. Training is provided to all employees prior to beginning work and regularly thereafter. Employees are encouraged to raise any health and safety concerns without fear of retaliation.

To raise awareness about safety and reduce the risk of work-related accidents and injuries, employees are asked to identify any unsafe conditions to a supervisor or manager. All job-related injuries or accidents must be immediately reported as well. It is the supervisor or manager’s responsibility to ensure that all employees receive appropriate training with regard to the proper use and/or maintenance of equipment, material handling, hazardous chemicals and protective clothing and safety footwear. It is the employee’s responsibility to comply with all safety rules and regulations, as well as the use of prescribed protective equipment.

All employees who become injured or ill arising from employment are generally eligible for Worker’s Compensation or the local equivalent. A Statement of Injury must be completed and forwarded to the Worker’s Compensation carrier and/or board. This will ensure compliance with all local laws. Delays in reporting an injury/illness may result in the delay or loss of an employee’s right to compensation.

Our goal is zero accidents.

When employees have been absent from work due to illness or injury, they must communicate with their local benefits team prior to returning to work. A doctor’s note or a release to resume work must be submitted prior to the return indicating any limitations.



As a leader in the electronic components distribution industry, it is imperative that we remain ahead of the curve when it comes to our digital offerings. We are constantly launching strategic initiatives that will contribute to customer engagement through sales and communication channels, deepen our relationships with suppliers, and allow us to connect with the community at large.

Georgia Genovezos  
Corporate Vice-President,  
Digital Marketing

Social Media

The Company is committed to making the most effective use of communication technologies to support our business engagement both with our internal and external customers. External Social Media platforms create new opportunities for personal expression.

All have a responsibility to manage legal, ethical and reputational risks, as the boundaries of professional and personal information are not always clear, and as you cannot always be sure what is being shared, viewed or archived. Future Electronics’ view is that if ever unsure if the content is appropriate to share, then do not post it. It is better to err on the side of caution.

All communication made by an employee on Social Media platforms is as an individual and not on behalf of the Company unless due authorization has been granted. It is also imperative that no employee discloses information that may be deemed confidential or proprietary.



Protection of Business Property

We expect that all employees, irrespective of role or position to be responsible for protecting Future Electronics’ assets. For completeness, the Company assets include funds, facilities, property and equipment, computers, IT systems, information as well as our Intellectual Property.

This includes adherence to:

- Observing the confidential and proprietary nature of Company information
- Ensure that company assets are not damaged, misused or lost
- Vigilance to fraud or potential cyber-attacks
- Ensure ID cards, passwords and keys to buildings and lockers are kept secure

Any concerns should be reported to our internal security for due investigation.

With regard to Intellectual Property rights, this is key both to Future Electronics and our business partners. All employees are compelled to ensure that any engagement with any external stakeholder is undertaken with due care and guidance to legal obligations. In the case of any doubt, all employees are asked to contact their respective regional legal counsel for advice.

MANAGEMENT SYSTEMS AND GOVERNANCE

Future Electronics actively participates in strategic planning, emphasizing continuous improvement to support our business strategy. Objectives and targets at relevant functions are implemented to ensure efficient and effective operations to maximize positive ethical, social and economic opportunities while minimizing our impact on the environment.

Management’s role is to oversee the development, maintenance, and allocation of our assets and resources in order to achieve our organizational goals. We acknowledge the significance of both internal operating practices and external engagements with suppliers and business partners, and compliance with regulatory laws in the regions where we operate.



*Navigating the global business landscape is complex. In the face of a pandemic, rampant inflation, and worldwide supply chain complications, Future Electronics has remained strong. At the core of this success is our team, and the governance in place to enable us to operate confidently and efficiently. Future Electronics shares one global strategy, with regional implementation. We put the customer first with regular touch-bases and a premium level of service. We prioritize service over volume and quality over quantity.*

**Karim Khebere**  
Executive Vice-President and Managing Director, EMEA



**Supplier and Business Partner Management Practices**

It is our intention to build and maintain strong relationships with all our suppliers and business partners.

Future Electronics has developed its policies and procedures which support the Reliable Business Alliance Code of Conduct and we encourage all our suppliers to review these guidelines, consider their value in their businesses and communicate their importance to their employees. Working with those within our supply chain who share our commitments to these principles, alongside ethics and compliance with the laws applicable in each country strengthens our unity of business engagement.

**CTPAT Corporate Security Statement**

Future Electronics is committed to the highest standards of quality, service and integrity in all of our global operations. To ensure the protection of our operations and infrastructure from potential acts of terrorism or trafficking throughout our supply chain, Future Electronics has elected to participate in numerous global security programs. This includes the Customs Trade Partnership Against Terrorism (CTPAT) program in the United States, Authorized Economic Operator (AEO) programs in the European Union and China; and the Secure Trade Partnership program in Singapore (STP Plus).

Any conduct that puts the security of Future Electronics’ Supply Chain at risk must be addressed by notifying the Future Electronics Global Trade Compliance Department as soon as possible.

**Accounting Practices**

Managers and employees both contribute to the process of recording financial and non-financial information. Our intentions are honourable to ensure that while we protect our interests, we are transparent about our business practices to fulfil fiscal and legislative practices in all jurisdictions in which we operate.

As a Company, it is our fundamental policy to comply with the laws, regulations and rules where we undertake our business activities. Given the unique nature of each country and the laws that abide internally and cross frontier, where questions may be raised with regard to laws, regulations or rules, employees are advised to consult with Legal Counsel within their respective regions.

**Tax Compliance**

As a trusted and responsible business, Future Electronics is committed to ensuring that we pay the correct amount of tax, in the correct place and at the correct time. As a Company we work in an open, transparent and collaborative manner with tax authorities to achieve agreement on our tax position. If we are uncertain as to how the tax law applies, we will seek to discuss with the relevant tax authority to achieve certainty for both the tax authority and Future Electronics. Adherence is monitored by the Chief Financial Officer and Vice-President of Taxation.

**Fair Business, Advertising, and Competition**

Future Electronics respects and abides by applicable laws and regulations regarding standards of fair business, advertising and competition.

**Audits and Assessments**

To ensure continual improvement is attained and retained, an annual plan of internal audits is conducted to ensure that the Quality, Environmental, and Management Systems in place remain robust and grounded. External auditors then review our actions, plans, and policies to verify and ensure compliance with industry standards such as but not limited to ISO 9001, ISO 14001, AS9120 and AEO.

**Corrective Action**

Should an issue become known, Future Electronics has determined an internal Corrective Action process covering the three core areas: Customer, Suppliers and Internal (Company) investigation. The assessment aims to identify the root cause analysis with the intention of seeking timely corrective and preventive action where needed.









# ENVIRONMENT

## INTRODUCTION

Future Electronics is committed to environmental stewardship and sustainability. We recognize the urgent need to conduct our business and operations in a way that addresses climate change and contributes to a better future for the planet and its people.

By integrating environmental considerations into our business practices, we aim to contribute to the global transition toward a more sustainable future. This section outlines our comprehensive approach to environmental management, showcasing the strategies, initiatives, and targets we have implemented to mitigate environmental impacts across our operations.

We recognize that there is always room for improvement and strive to continue to innovate toward more sustainable business practices. Future Electronics believes that responsible environmental practices are integral to our long-term success and the well-being of future generations.



# FOREWORD FROM QUALITY

At Future Electronics, quality transcends product performance and customer satisfaction. It encompasses a comprehensive approach to delivering exceptional value while ensuring responsible business practices. Our dedication to quality is reflected in every aspect of our operations.

First and foremost, quality at Future Electronics means consistently providing innovative, reliable, and sustainable solutions to our customers. By adhering to rigorous standards and implementing robust quality management systems, we ensure that our products meet or exceed the highest industry benchmarks. This commitment empowers our customers to realize their own objectives while minimizing environmental impact and embracing ethical business practices.

However, quality extends beyond product excellence. It also encompasses our relationships with employees, suppliers, and the communities in which we operate. Future Electronics recognizes the importance of fostering a diverse and inclusive work environment where every individual can thrive, contribute their unique perspectives, and be treated with respect and fairness. By upholding these principles, we nurture a culture of innovation and collaboration that enables us to surpass customer expectations.

Moreover, Future Electronics is deeply committed to ESG principles. Environmental stewardship lies at the core of our operations, as we strive to minimize our ecological footprint through sustainable practices, waste reduction, energy efficiency, and responsible sourcing. We actively seek partnerships with suppliers who share our commitment to environmental responsibility, ensuring that our entire supply chain aligns with our ESG goals.

Future Electronics upholds strong governance principles that foster transparency, accountability, and ethical conduct. We believe in maintaining the highest standards of corporate governance, ensuring integrity in all our interactions and adhering to legal and regulatory requirements. By doing so, we build trust with our stakeholders and contribute to the long-term sustainability of our business.

In summary, quality at Future Electronics is not just a measure of product excellence but a reflection of our commitment to environmental stewardship, social responsibility, and sound governance. By integrating these principles into our daily operations, we position ourselves as a responsible industry leader, driving positive change and sustainable growth.

**Paolo Baldassarre**  
Director, Worldwide Quality Assurance



**Paolo Baldassarre**  
Director, Worldwide  
Quality Assurance

## Minimizing Our Impact

Future Electronics is steadfast in its commitment to minimizing our environmental impact and enhancing our role as an environmentally responsible corporate citizen. Recognizing the importance of sustainable practices, we strive for continuous improvement in our programs, policies, and initiatives that focus on environmental conservation.

We've embarked on numerous initiatives within our offices and warehouses that contribute significantly to our environmental responsibility. These initiatives are not only aimed at reducing our carbon footprint but also at promoting a culture of sustainability and consciousness towards the environment among our employees and stakeholders.

Our efforts extend to every corner of our operations, from waste management to energy efficiency, highlighting our dedication to "green" practices. We believe that these ongoing efforts play a critical role in shaping our identity as a corporation that values and prioritizes environmental sustainability.

In essence, we are not just talking about environmental responsibility at Future Electronics, we are living it through our concerted efforts to reduce our environmental impact and contribute to a sustainable future. With each initiative, we are making strides towards becoming a "greener" corporate citizen, proving that environmental responsibility and business can, indeed, go hand in hand.

## Strategic Management Initiatives

Future Electronics is a worldwide leader in electronic components distribution and is recognized as one of the most respected and innovative companies in the industry today. We lead technology manufacturers and service providers by distributing cutting-edge products and acknowledge the environmental consequences of our operations. To address these impacts, we are centralizing environmental management and implementing global systems for measurement and monitoring. Our primary focus lies in activities that reduce our operational environmental footprint, including:

- Assessing the overall global impact of our business
- Decreasing the energy consumption of our buildings
- Implementing waste reductions and recycling practices worldwide
- Engaging our manufacturers and suppliers to lower greenhouse gas emissions
- Ensuring compliance with environmental regulations
- Promoting employee engagement in sustainability practices
- Adopting a hybrid workplace structure for energy efficiency

- Establishing global key performance indicators for environmental evaluation
- Enhancing transparency through communication with stakeholders

## Our Sustainability Priorities

**Climate action:** Future Electronics is addressing climate change through initiatives such as reducing greenhouse gas emissions, adopting renewable energy sources, and implementing energy-efficient practices.

**Resource efficiency:** Promoting responsible resource management by minimizing waste generation, improving recycling and waste reduction practices, and optimizing the use of water and materials.

**Biodiversity conservation:** We value protecting and preserving biodiversity by minimizing habitat destruction, promoting ecosystem restoration, and supporting sustainable land use practices.

**Social responsibility:** Emphasizing fair labour practices, promoting diversity and inclusion, ensuring employee wellbeing, and supporting local communities worldwide through philanthropy and community engagement.

**Sustainable supply chain:** Future Electronics encourages sustainable sourcing practices, supplier engagement, ethical procurement, and responsible production to reduce environmental and social impacts throughout our supply chain.

**Circular economy:** We promote a circular approach to resource management which involves reducing waste, reusing materials, and recycling products to create a closed-loop system that minimizes resource extraction and waste generation.

**Stakeholder engagement:** We engage with stakeholders such as employees, customers, communities, and investors to understand their concerns, gather feedback, and incorporate their perspectives into sustainability strategies and decision-making

**Transparency and reporting:** Future Electronics is increasing our transparency by disclosing sustainability performance, setting goals, and reporting our progress through reporting and other public platforms to promote trust and accountability.



Environmental Objectives and Targets – Montreal Headquarters

Future Electronics sets annual objectives and targets for a variety of Environmental factors at our corporate headquarters in Montreal, Canada. For example:

Environmental Aspect	Target for 2022	2022 Monthly Average	Variation % (versus the target)	Meeting Target
Recycle rate (%)	65%	62.14%	-4.40%	No
Electricity usage	732 366 kWh or less (monthly average)	602 670	-17.71%	Yes

For each environmental aspect, recycling rate or electricity for example, a yearly target is set. This target is based on the previous year’s goal and outcome with the intention of setting goals that are achievable and ensure we are continuously improving in our eco-efforts. Throughout the year, we track our progress and set a monthly average. We are then able to determine whether we have met our target, and the variation by which we missed or surpassed our goal.

Office Initiatives

In an organization the size of Future Electronics, a series of minor changes add up to a significant impact.

**A cleaner coffee break:** In our offices, disposable coffee cups have been removed from coffee stations and cafeterias. Employees are invited to bring their own tumblers or use the mugs provided.

**Reduction in food-waste and food-related waste** by changing the norms in our cafeterias. Over 800 meals a day are served in Future Electronics cafeterias. We began by swapping disposable cutlery for silverware and continued our efforts by providing reusable dishware. When employees return their used dishes to the cafeteria, any remaining food is composted. This means that virtually no element of an employee’s lunch should end up in the landfill!

**Single-use plastic reduction** by switching to shared recycling stations at the Montreal HQ. Where every employee used to have a garbage can at their desk (800 workstations total), whose garbage bags were replaced three times a week, up to 10,000 plastic bags were being used monthly. Future Electronics has removed these individual garbage cans and replaced them with 20 garbage, recycling, and compost stations throughout the office. Along with reducing the use of plastic bags, this will facilitate recycling and composting for employees.

**Emissions reduction** through our bus service for employees living in the town centre. The bus has a capacity of 30, which is a significant reduction in the number of cars on the road to and from the office, in rush hour traffic. Hybrid work arrangements also help reduce emissions caused by commuting to work.



**Bike to work:** Each summer, Future Electronics Montreal encourages a healthy and eco-friendly commute to work with the Bike to Work initiative. Employees who bike or inline skate to work will receive a free breakfast in the cafeteria. In prior years employees cycled to work over 260 times. This resulted in a total of 1,306km travelled and a 273.63kg reduction in CO2.



Green Teams

Green Teams have been formed to help all employees have a more positive impact on the environment. Green Teams are groups of passionate employees who are helping Future Electronics spread the word internally about environmentally friendly initiatives and easy changes that make a significant difference. These teams will collaborate internationally to ensure that ideas and efforts are shared company-wide. Each region’s Green Team will set local targets that contribute towards corporate goals.

Battery Recycling Program

Batteries that are improperly disposed of pose a threat to the environment as batteries contain toxic chemicals that can leach into soil and water, polluting ecosystems and endangering human health. Future Electronics’ Corporate facilities will be collecting batteries from our offices and inviting employees to bring their batteries from home so they may be appropriately and safely disposed of.



*I am thrilled to be participating in the Green Team initiative at the Montreal Headquarters. We are a global team encouraging our Future Electronics friends and colleagues to make changes both big and small in our offices and our lives outside of work as well. Together, we can make a big difference for our planet!*

**Anna Hernandez**  
Quality Specialist,  
Green Team Leader

### Scrap Program

All forms of scrap metal, cardboard, or shipping materials as well as paper are recycled throughout all Future Electronics facilities and distribution centers. Plastics and aluminum are recycled and aerosols are appropriately discarded.

### Memphis Area Distribution Centre

The Memphis Area Distribution Centre (MADC) is Future Electronics’ largest distribution center. It is where we receive, store, QC, pack, and ship most of our orders to customers across North America.

Over the past few years, the MADC has implemented numerous strategic environmental initiatives including:

- The facility sets an environmental goal for recycling a percentage of total waste each year, with the aim of reducing landfill waste.
- Future MADC works with recycle service providers on an ongoing basis to identify additional types of waste that can be recycled.
- Scrap electronic components are sent to an R2-certified recycler.
- Fluorescent lighting and high-bay heavy metal lamps have been replaced with energy - efficient LEDs, reducing both electricity consumption and hazardous waste generation.
- Climate control software is utilized to regulate temperature and relative humidity levels throughout the facility.
- Infrared sensors have been installed to control lighting in office areas of the building.
- CO 2 emissions are reported annually, including natural gas usage, electricity usage, and gasoline / diesel usage.
- Other environmental goals continue to be set as determined appropriate.
- Future Electronics plans to continue expanding sustainability efforts across all of our distribution centers worldwide.
- Consolidation of orders: When orders are headed to the same destination, we ensure that a minimal amount of individual packages are being sent. This results in reduced packaging, labels, and touchpoints which allows us to be more efficient and reduce carbon emissions



- Reduction of labels: For packages being shipped with FedEx we have been able to reduce shipping labels from two to one, resulting in less paper and plastic waste
- Emissions tracking: We will begin tracking our emissions with our three main carriers
- Universal waste: Appropriately and safely disposing of hazardous waste such as batteries, pesticides, mercury-containing equipment, and lamps.

Future Electronics plans to continue expanding sustainability efforts across all of our distribution centers worldwide.

### Green Goals

As a leader in the industry, Future Electronics is spearheading the global trend for green-minded tech, recognizing how innovation and creativity can make a positive difference toward a greener future.

Future Electronics has many different technologies and product offerings in renewable energy, power efficiency, and other green alternatives. We look to continue making “green” a focus, expecting that our leading role in the industry brings a constructive impact to business partners, customers, and audiences alike.

We are planning and focusing on improving our environmental sustainability by reducing our carbon footprint and wasteful practices globally.

### Our Reduction Strategies

- **Our direct Scope 1** emissions are generated when we directly burn fossil fuels. Future Electronics reduces Scope 1 emissions by optimizing the energy efficiency of our buildings.
- **Scope 2** emissions include those created by others on Future Electronics’ behalf. These come primarily from electricity generation and are reduced by consolidating building space and making our buildings more efficient.
- **Scope 3** emissions result from indirect activities such as business travel, employee commuting, as well as upstream and downstream shipping and distribution. We are reducing Scope 3 emissions by implementing efficient product shipping and transportation practices; encouraging suppliers and customers to optimize efficiencies and reduce waste; minimizing business travel, offering hybrid work arrangements; and establishing recycling and composting programs to reduce related emissions.

### Environment and Energy Management Systems

As Future Electronics progresses with our “green” initiatives, we anticipate gathering additional data and insights to enhance our understanding of the environmental impacts we generate. This knowledge will enable us to prioritize new projects and set further improvement goals, ensuring Future Electronics’ continuous commitment to sustainability.

Our management systems are designed to systematically manage activities as well as monitor and mitigate potential environmental and energy risks. They contain policies, controls, processes, and tools that help the company facilitate performance improvement and maintain compliance with relevant laws and regulations.



*Every day, Future Electronics is distributing electronic components around the globe. Conducting our business has an impact on the environment, and reducing this impact is one of the most important steps in our eco-journey. In an organization as large as Future Electronics, a series of seemingly small changes add up to a major impact. Our teams are working hard to continue developing ingenious ways to do business with the best, most sustainable practices.*

**Albert Josiah**  
Vice-President, Worldwide  
Distribution Operations



To date, all of our sites across the globe have environmental management systems that meet 14001:2015 certification requirements set by the International Organization for Standardization (ISO). ISO's criteria contain best management practices for organizations seeking to reduce their environmental footprint.

To maintain the effectiveness of these management systems, we conduct annual audits to evaluate the following:

- The level of understanding and adoption of environmental policies and standards
- The severity of current environmental risks and the potential for new risks and impacts

Future Electronics also conducts annual assessments of environmental risks during its risk assessment for the corporation.



EcoVadis

Future Electronics is a proud member of EcoVadis, a platform providing globally recognized sustainability ratings and insights that enable companies to reduce risk, drive improvement, and accelerate positive impact on our planet and society.

Future Electronics UK

At our United Kingdom headquarters, the following efforts have been introduced:

- We are a client of Verco Advisory Services, a consulting firm dedicated to helping their clients reach net-zero emissions
- Mileage, waste, and utilities usage is captured
- Reporting on all emission sources under SECR (Streamlined Energy and Carbon Reporting)
- Objectives to reduce Greenhouse Gas emissions per square meter

Along with these higher-level efforts, Future Electronics UK has implemented the following initiatives:

- Continued replacing existing halogen lights with energy-efficient LEDs: recent changes have resulted in estimated savings of 6,898 kWh
- As able, all lighting in the building is turned off by 10pm (except where staff is present!)
- AHU filters have been upgraded to reduce required run-time and consequent energy consumption
- Light control systems have been converted to passive infrared sensors as part of an ongoing upgrade program

Our UK distribution centres (DCs) have implemented the following:

- Recycling: The recycling rate is a fixed environmental target in the DC. The current target rate is a minimum of 93%
- Emissions: Yearly Co2 reports for gas and electricity
- Disposal: Future Electronics supports a local workshop as part of our scrapping process for electronic components
- Environment: We collaborate with “Biotope Association Leipzig”, an organization aiming to create insect-friendly flowering meadows, plant trees, and build nesting boxes



*ISO standards are an important step in our ever-evolving journey surrounding quality and sustainability. We are constantly reviewing and working on new ISO certifications that will take Future Electronics to new heights regarding caring for our environment, our people, and the products we sell to the world. By adhering to ISO standards, we strive to strengthen our foundation and exceed industry expectations.*

**Sarah Ahmed**  
Manager, Quality Systems



## Energy Savings Opportunity Scheme (ESOS)

The Energy Savings Opportunity Scheme (ESOS) is a UK Government established program. ESOS is a mandatory energy assessment scheme for organizations in the UK that meet the qualification criteria. Organizations that qualify must carry out ESOS assessments every four years. The assessments are audits of the energy used by their buildings, industrial processes, and transport to identify cost-effective energy-saving measures.

Future Electronics qualifies for ESOS and works with Verco Advisory Services to report on the required criteria. Some of the reporting requirements include:

- Total energy consumption (kWh) including a breakdown by end-use
- Total estimated energy savings identified during the current phase, including a breakdown by organization, end-use, and type of recommendation
- Total energy savings achieved during the present phase including a breakdown, and details of this has been calculated
- Total energy savings achieved during previous ESOS phases (when applicable)
- Details of any government support received toward energy/carbon savings

## ISO Standards

The International Organization for Standardization, ISO for short, creates standards that are internationally agreed upon by experts. ISO defines them as “a formula that describes the best way of doing something”. ISO standards cover a wide range of activities including making a product, managing a process, delivering a service, or supplying materials. “Standards are the distilled wisdom of people with expertise in their subject matter and who know the needs of the organizations they represent” states ISO.

Each ISO Standard has a unique code. Future Electronics adheres to multiple ISO Standards ranging from environmental management to IT security. Some of these standards are subsections of larger standards. The two most prevalent are:

- ISO 14001: This standard maps a framework and sets the criteria that an organization can follow to set up an effective environmental management system. This helps us improve environmental performance through more efficient use of resources while reducing waste. Future Electronics offers special training for employees on ISO 14001.
- ISO 9001 and AS9120: These standards set the criteria for a quality management system. They are based on a number of quality management principles including a strong customer focus, the motivation and implication of top management, the process approach, and continual improvement.

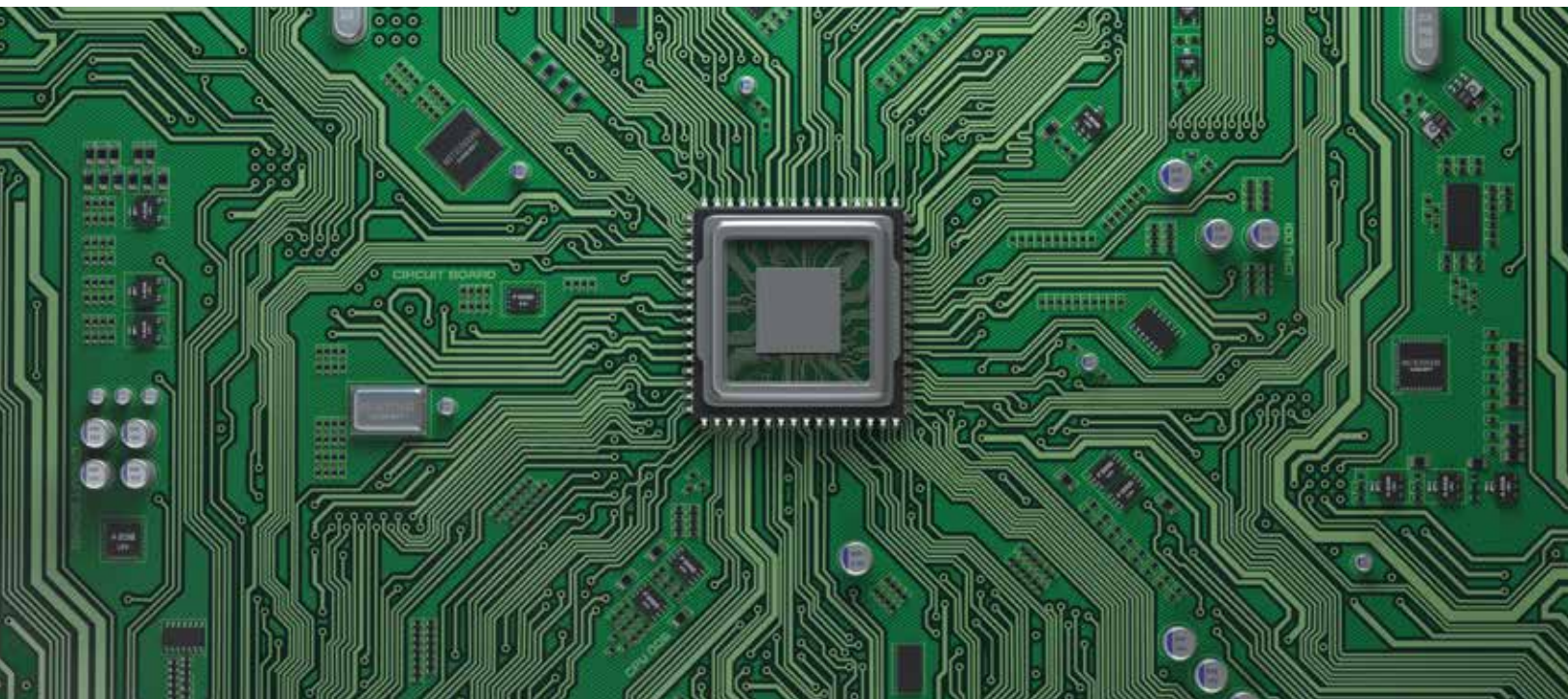
## Carbon Disclosure Project (CDP) Climate Change

Future Electronics voluntarily participates in the CDP global environmental disclosure system. CDP is an international, non-profit organization that supports companies, cities, states, and regions in measuring and managing their risks and opportunities related to climate change, water security, and deforestation.

The CDP Climate Change report is a questionnaire that Future Electronics fills out. Each year, CDP will give a score based on the information provided. This score helps us learn and improve year over year. Upon request, we share our score with customers. CDP states: “Disclosure drives action and by scoring companies from D- to A, we take them on a journey from disclosure through awareness and management, and finally to leadership”. Future Electronics is proud to be on this journey.

## RoHS Compliance

As a major player in the electronics industry, Future Electronics takes great pride in remaining RoHS compliant. RoHS stands for the Restriction of Hazardous Substances. RoHS compliance is crucial as the restricted materials are hazardous pollutants to the environment and are dangerous during the manufacturing and recycling process.





Future Electronics provides RoHS compliance status on packing slips, inner packaging labels, and on our online platforms. When available, we also provide manufacturer certificates of RoHS compliance.

Related to RoHS is WEEE, which stands for Waste from Electrical and Electronic Equipment. WEEE Directive 2002/96/EC mandates the treatment, recovery and recycling of electric and electronic equipment. All applicable products in the EU market must pass WEEE compliance and carry the “Wheelie Bin” sticker. WEEE compliance aims to encourage the design of electronic products with environmentally safe recycling and recovery in mind. RoHS compliance dovetails into WEEE by reducing the amount of hazardous chemicals used in electronics manufacture.

RoHS regulates the hazardous substances used in the manufacture of electrical and electronic equipment (EEE), while WEEE regulates the disposal of this same equipment.

**Persistent, Bioaccumulative, and Toxic (PBT) Chemicals**

On January 6th, 2021, the U.S. Environmental Protection Agency (EPA) issued final rules under Section 6(h) of the Toxic Substances Control Act (TSCA) for five persistent, bioaccumulative and toxic (PBT) chemicals which include:

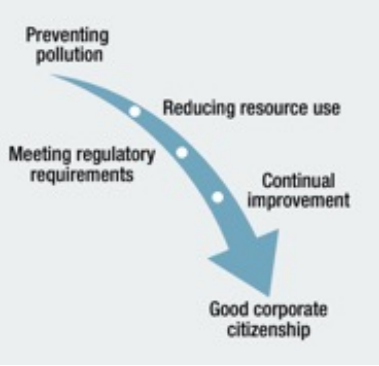
- Decabromodiphenyl ether (DecaBDE)
- Phenol, isopropylated phosphate (3:1) (PIP (3:1))
- 2,4,6-Tris(tert-butyl) phenol (2,4,6-TTBP)
- Hexachlorobutadiene (HCBD)
- Pentachlorothiophenol (PCTP)

As such, Future Electronics collaborates with our manufacturing partners to ensure transparency in chemical content information and make this information available to our customers. Through this transparency, we can ensure that controlled chemicals are not being used in our components.

**Streamlined Energy Carbon Reporting**

As mandated by the UK Government, Future Electronics is required to participate in Streamlined Energy Carbon Reporting (SECR). With the help of a third-party advisor, Verco, Future Electronics reported the following for the United Kingdom:

- Combustion of gas;



- Consumption of fuel for the purposes of transport, where the Company is responsible for purchasing the fuel or reimbursing fuel expenses to employees, including:
  - Fuel used in Company cars for business use;
  - Fuel used in fleet vehicles which the Company operates on business use;
  - Fuel used in personal/hire cars for business use;
  - Fuel used in private jets, fleet aircraft, trains, ships or drilling platforms which the Company operates, onsite transport such as fork-lift trucks;
  - The purchase of electricity by the Company for its own use, including for the purposes of transport;
- Emissions from the combustion of volatile organic compounds (VOC’s)
- The annual quantity of emissions in tonnes of carbon dioxide equivalent (CO2e) resulting from the total UK energy use from electricity, gas and transport as defined above.
- Offshore undertakings must report energy use and emissions for the UK and the offshore area.



*Future Electronics feels a strong responsibility to care for our planet. This goes beyond a badge or a marketing message. It is a true commitment to do better and care for our earth. By championing environmental initiatives throughout our organization, we hope to set an example and inspire others to join us in shaping a more sustainable tomorrow.*

**Jillian Thomas**  
Vice-President,  
Marketing, Asset and  
Supplier Development

Future Electronics’ objective is to maintain or reduce its greenhouse gas emissions per full-time employee and square meter of occupied premise space each year and will report each year whether we have been successful in this regard.

Future Electronics aims to make this reporting a worldwide endeavour across all office geographies and distribution centres.

**Environmental Management System**

As a global distributor of electronic components, we acknowledge our legal responsibilities to help prevent pollution, to reduce waste and energy consumption, and to minimize the impact we have on the environment through our activities and services. Our Environmental Management System allows us to consistently control our impact on the environment, ensures compliance with environmental legislation and gives us the incentive to continually improve our business operations.

**Environmental Permits and Reporting**

Environmental legal, regulatory, and other requirements are identified and documented on the Environmental Aspects and Impacts Matrix. Periodic evaluation of environmental compliance to these requirements is performed to ensure that obligations are met. Results of the evaluation are reported to Future Electronics’ Executive Management during the annual Quality and Environmental Management System Review.

**Environmental Sub-Contractor or Supplier Selection Process**

Future Electronics has implemented a robust process when selecting and approving environmental sub-contractors or suppliers. An approved vendor list is controlled and maintained at the site level and is overseen by the Director of Worldwide Quality Assurance. Sub-contractors or suppliers are then evaluated based on:

- Their capability to perform the required work
- Their environmental responsibility
- Cost
- Their availability to complete the task in the necessary timeframe

**Pollution Prevention and Resource Reduction**

Future Electronics recognizes its responsibility for protecting the environment, preventing pollution, and meeting regulatory and other requirements for environmental protection. We will work in partnership with Customers, Suppliers, Governments and Communities to understand environmental issues and support environmental improvement initiatives, and we will strive to minimize the environmental impact of our activities and facilities.

**Hazardous Substances**

Future Electronics identifies items considered hazardous by federal, state, provincial, and/or local regulations (for example WHMIS, COSHH, MoM, or OSHA regulations). These items have a Safety Data Sheet (SDS) from their manufacturer which is kept on file at the site where the substance is warehoused, used, and/or stored. The SDS defines safe handling, movement, storage, use, recycling and disposal of the substance, and it will be provided in each customer shipment.

**Solid Waste**

Future Electronics’ Corporate and Distribution Centers have processes in place to monitor the amount of solid waste generated by these facilities. Recycling and reuse programs have been developed to continually reduce the amount of solid waste sent to landfills.

**Air Emissions**

Future Electronics’ business operations are considered ‘low relevance’ in terms of air emissions environmental impact. Air emissions are limited primarily to HVAC systems and are monitored as required by legal and regulatory requirements.

**Materials Restrictions**

Future Electronics passes through material chemical content compliance information as available from original component manufacturers. As a distributor, Future Electronics cannot provide blanket certifications, agreements, test reports, or other chemical content details beyond the information provided by the original component manufacturer.



## Water Management

Future Electronics facilities are considered 'low relevance'. As such, there is minimal wastewater from our facilities. Any regulatory requirements for wastewater control and/or reporting are managed at the site level. Sites may also monitor their water use with the goal of water conservation where possible.

## Energy Consumption and Greenhouse Gas Emissions

Greenhouse gas emissions are tracked and documented for our Corporate Headquarters. Future Electronics looks for opportunities to reduce energy consumption and increase energy efficiency.

## Looking forward...

Future Electronics plans to continuously improve and evolve our efforts related to the environment. Change takes time, and we have a long-term vision for our company. Some ideas we are currently working on include new ISO certifications related to environmental citizenship, as well as installing EV charging stations at our offices to encourage employees to adopt greener technologies in their lives.

