FY24
CORPORATE CITIZENSHIP REPORT

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Our purpose is to be your trusted distributor.

MESSAGE FROM OUR CHAIR AND CEO

For more than 30 years, ScanSource has led the channel by looking to what's next for technology distribution. In doing so, we position our partners for success in ever-changing markets. Our competitive advantage is our people, and our people and our culture enable our business success.

As we stated in last year's report, we took important steps to bolster our people and culture strategy. Our FY24 Corporate Citizenship Report outlines key areas where we made progress in keeping our people and culture front and center, in alignment with our ESG materiality matrix and business goals. It is our purpose to be a trusted partner for our customers and our suppliers, exceeding their expectations in all demand environments. We're in it for the long game, and this shared commitment starts with our people.

We value our people and are dedicated to their success. It shows through our investment in their well-being, career paths, and opportunities to give back to our communities. In 2023, we introduced Employee Voices, a new employee engagement survey, and The Bridge, our new digital workplace. Both company-wide initiatives reinforce our commitment to listening actively, inspiring action, enhancing global communication, and enriching our Company culture.

At ScanSource, we prioritize our ESG strategy to focus on what matters most for our business and stakeholders. Leading with our people and guided by our core values, we continue to make great strides and prepare for a bright future ahead.

MIKE BAUR,
Chair and CEO

> **It is our purpose to be a trusted partner for our customers and our suppliers, exceeding their expectations in all demand environments. We're in it for the long game, and this shared commitment starts with**
>
> ## OUR PEOPLE.

ABOUT SCANSOURCE

scansource

ScanSource, Inc. (NASDAQ: SCSC) is a leading hybrid distributor connecting devices to the cloud and accelerating growth for customers across hardware, SaaS, connectivity, and cloud. ScanSource enables customers to deliver solutions for their end users to address changing buying and consumption patterns. ScanSource sells through multiple, specialized routes-to-market with hardware, SaaS, connectivity and cloud services offerings from the world's leading suppliers of point-of-sale (POS), payments, barcode, physical security, unified communications and collaboration, telecom, and cloud services. ScanSource was named one of the 2024 Best Places to Work in South Carolina and is on Fortune magazine's 2024 list of World's Most Admired Companies. ScanSource ranks #776 on the Fortune 1000. For more information, visit **www.scansource.com**

CORE VALUES

ScanSource's core values serve as the foundation for who we are and how we operate.

Partners and Suppliers
We highly value our partners and suppliers and are committed to meeting their needs quickly and fairly.

Honesty and Integrity
We believe in honesty and integrity in everything that we do. There is no alternative.

Company Resources
We protect our Company resources to benefit those who depend on us, such as our employees and shareholders.

Innovation
We encourage innovation and creativity from every employee, in every department. Mistakes that arise from good intentions and hard work are distinguished from those arising from lack of effort or carelessness.

Employees
We believe each employee's opinion counts and deserves respect.

Community
We are committed to helping those less fortunate in our communities by giving our time, talents, and resources.

Diversity
We are committed to an environment that respects and values the diverse backgrounds, interests, and talents of our employees.

OUR PURPOSE

We accelerate the future of technology delivery for our partners, orchestrating connections, reducing complexity, and leading the channel in hybrid distribution.
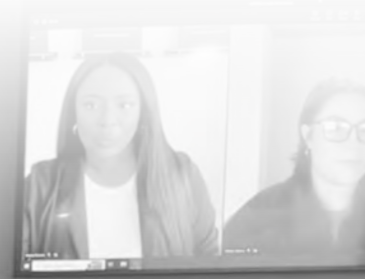
NASDAQ SCSC

2,300+ EMPLOYEES

SUPPLIERS ★500★

25,000 SALES PARTNERS

$3.3B FY24 NET SALES

FOUNDED 1992

★ HEADQUARTERS ★ GREENVILLE, SC

US CANADA BRAZIL

STAKEHOLDER ENGAGEMENT AND ESG STRATEGY

ESG MATERIALITY ASSESSMENT

ScanSource believes that good stewardship should be integrated with overall business strategy. Good stewardship is good for our business. Profitable growth and purpose go hand in hand as we advance our business and focus on important ESG topics for our key stakeholders, including our employees, customers, suppliers, investors, and communities. Our cross-functional **ESG Steering Committee** provides guidance, evaluates important ESG initiatives for the Company, and drives progress toward our goals. Three years ago, we performed our first-ever ESG materiality assessment. It identified the ESG topics most important to our business and our stakeholders. In support of this, we gathered data on our environmental impact, advanced our **Diversity, Equity, and Inclusion (DEI)** efforts, and began developing our ESG roadmap for the future. This year's report expands disclosures developed using foundational parts of the **Global Reporting Initiative (GRI)** and **Sustainability Accounting Standards Board (SASB)** frameworks, which are included in the Appendix.

ScanSource's materiality assessment helps us identify ESG topics that are important to our business and stakeholders. The findings from our assessment are key inputs as we develop our ESG strategy and disclosures.
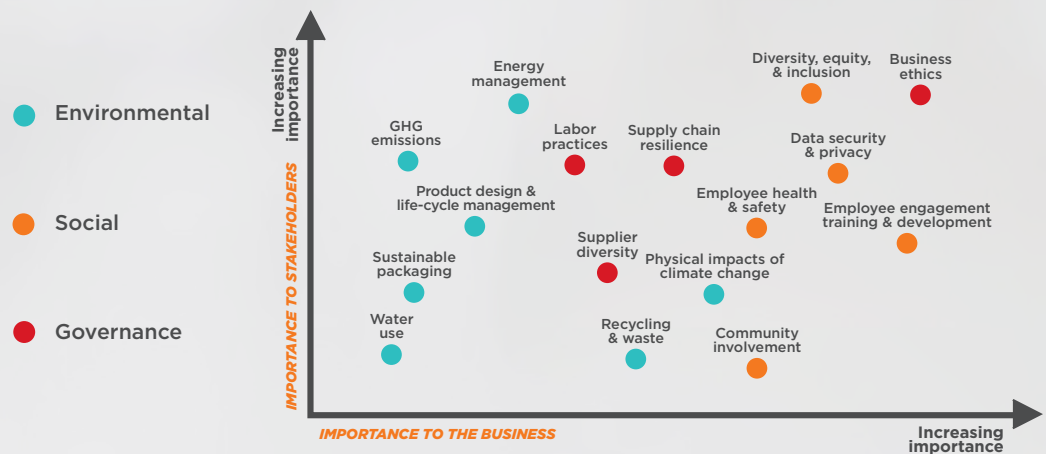
> **Profitable growth and purpose go hand in hand as we advance our business and focus on ESG topics that matter most for our key stakeholders.**
>
> *MARY GENTRY,*
> *Senior Vice President, Investor Relations and Treasurer; Co-Chair, ESG Steering Committee*

ESG MATERIALITY MATRIX

ScanSource's ESG materiality matrix aligns with the Sustainability Accounting Standards Board (SASB) framework, which prioritizes key ESG issues based on our stakeholder communities. Identifying these areas drives our overall ESG strategy and goals.

Legend:
- Environmental
- Social
- Governance

Axes: Increasing importance / IMPORTANCE TO STAKEHOLDERS (vertical); IMPORTANCE TO THE BUSINESS / Increasing importance (horizontal)

Plotted topics: Energy management, Diversity, equity, & inclusion, Business ethics, GHG emissions, Labor practices, Supply chain resilience, Data security & privacy, Product design & life-cycle management, Employee health & safety, Employee engagement training & development, Sustainable packaging, Supplier diversity, Physical impacts of climate change, Water use, Recycling & waste, Community involvement

PEOPLE AND CULTURE

![scansource logo]

Our values and culture define us. As a people-first organization, respecting and protecting our people are our top priorities. From ensuring and supporting an inclusive and diverse workforce and partner base; providing a safe, healthy work environment; and working with suppliers and partners that share this commitment, we are dedicated to doing what is right for our people. ScanSource's workforce diversity representation as of 12/31/23 is available in the SASB index table.

Our competitive advantage is our people, and we continue to take integral steps to keep them front and center. In 2022, ScanSource changed the name of our Human Resources department to People and Culture and appointed Alex Conde as Chief People Officer to advance ScanSource's talent and recruitment strategies, culture-focused initiatives, and overall people success. This direction has led to a more holistic approach to the employee journey, resulting in a strategic shift to better support and empower our teams, both personally and professionally. As we advance strategy and support a hybrid working model, we continue to invest in new infrastructure, tools, and programs to help our employees succeed in our "productivity-anywhere" environment.

> **We strive to provide the best tools, resources, and support to elevate our employees' career journeys and personal lives. Their well-being, fulfillment, and development are integral to our Company's success.**
>
> *ALEX CONDE,*
> *Senior Executive Vice President, Chief People Officer*

scansource

WHAT IS DEI AT SCANSOURCE? GOAL: INCLUSION & BELONGING

STRATEGY: AWARENESS & EDUCATION | WORKFORCE REPRESENTATION | PARTNER DIVERSITY | COMMUNITY RELATIONS

In 2020, we reaffirmed ScanSource's commitment to diversity and inclusion with the creation of a comprehensive **Diversity, Equity, and Inclusion (DEI)** program, the appointment of our first Chief Diversity Officer (CDO), and the creation of a DEI Advisory Council. The Council is an employee-led group focused on sharing insights, ideas, and opinions from our employee base to assist in the implementation of our DEI plan. To support our goal of becoming a more inclusive workplace, our DEI strategic plan focuses on awareness and education, workforce representation, partner diversity, and community relations. In 2023, we promoted current initiatives and encouraged additional involvement at all levels of our Company.

Offered educational DEI opportunities to employees:

- Celebrated various cultural milestones during the year.

- Repositioned our DEI book and movie club as "Diversity Dialogue" to increase employees' exposure to educational media and serve as a platform that allows them to openly discuss relevant issues. With four sessions held annually, employees have an opportunity to explore an array of topics while connecting with team members across the business.

- Completed unconscious bias training as a requirement for all people leaders. Through this extensive training, leaders gained better understanding of how bias is formed, how it can be identified, and actions they can take after it is recognized, knowing it can impact hiring and development.

- Introduced unconscious bias training for all employees, recognizing the importance and impact of this topic on all levels of the organization.

- Launched a DEI learning channel via our internal learning management system (LMS) for employees, allowing them to partake in self-paced learning in this space.

- Looking ahead, plan to initiate a mentoring program for all employees, with a focus on women and people of color, recognizing the need to invest in their development so they are prepared for organizational opportunities.

In 2021, we launched **Employee Resource Groups (ERGs)**. These workplace groups support professional development and networking, and strengthen business impact internally and externally. In 2023, based on employee feedback, ScanSource launched two additional ERGs in North America, continuing our efforts to create an environment of inclusion and belonging. To date, the focus areas across North America and Brazil are women, gender equity, mental health, multicultural, race equity, LQBTQIA+, and people with disabilities.

Women in the Workforce
scansource

The **Women and Gender Equity ERGs** enable and drive opportunities for women and men to connect through peer-to-peer engagement, professional development, and open and inclusive dialogue around pertinent topics. These networks focus on making our work environment welcoming to people of all genders to enhance everyone's journey at ScanSource. In 2023, some engaging "Toolbox Topic" sessions focused on goal setting, public speaking, and negotiations. Women in the Workforce also launched quarterly, virtual-water-cooler events that provided employees with opportunities to network and connect.

Mental Health Matters
scansource

The vision of our **Mental Health ERG** is to increase awareness and destigmatize mental health challenges by providing resources, information, and events, as well as direction on where to find group or individual counseling if desired. This ERG launched in May 2022 during Mental Health Awareness month. It offers employees opportunities to focus on their mental health and raise awareness—including participating in a week of mindfulness, walking for National Alliance on Mental Illness, connecting employees with Employee Assistance Program resources, and encouraging everyone to check in with their peers. Monthly events included how to utilize art therapy to help regulate stress, gathering with friends to discuss pressures around the holidays, discussions about mental health, journaling sessions, and a walk to eliminate stress during a busy workday.

Safe Space
scansource

The **LGBTQIA+ ERGs** at ScanSource are committed to fostering a safe and inclusive workplace environment that embraces and celebrates the diverse identities and experiences of LGBTQIA+ employees and allies. Their mission is to promote belonging and support for the LGBTQIA+ community and to provide a safe space for education and resources for all employees. They strive to create a community that embraces our differences and diversities, ensuring every employee feels valued, respected, and empowered. The groups welcome all employees' backgrounds and stories as this is a safe space regardless of race, gender, or sexual identity.

Unity through Diversity
scansource

The **Multicultural and Race Equity ERGs** empower employees of diverse backgrounds to reach their full potential at ScanSource and to promote actions and raise awareness about the importance of combating racism. They want to ensure that diversity is never a barrier in career development and that it is seen as the asset it is. The plan is to accomplish this through education, advocating for, engaging, and empowering people from all backgrounds through open discussions, improved resources, and career development.

The **People with Disabilities ERG** raises awareness and confronts the realities regarding ableism in the Brazil job market, ultimately aiming to support and attract employees who identify with this group. Employees participated in learning sessions focused on autism, Down syndrome, and sign language.

WORKFORCE REPRESENTATION

We reviewed our **workforce recruitment strategies** and **interviewing tactics**, which enabled a more open and inclusive talent selection approach.

We continue to **strengthen our recruitment relationships** with a focus on diversity, including a renewed focus on historically Black colleges and universities ("HBCUs") and two-year colleges. During our **2022 HBCU Recruitment Summit**, we invited recruitment directors from select HBCUs to listen and better understand how our Company can make connections with their institutions and students. This resulted in hosting the two most diverse groups of interns in our internship program, in addition to other positive changes made to modify our overall engagement and recruitment approach.

Our recruitment efforts have expanded with an emphasis on **HBCU recruitment** and attending **LGBTQIA+ career fairs**, allowing us to tap into a more diverse pool of talent. We are confident that this approach will continue yielding positive results as we work to present capable, talented, and diverse candidates to hiring managers.

We continue to review workforce metrics to determine areas of opportunity and establish goals. We aim to make intentional efforts to improve **diverse representation** at all levels of the organization.

PARTNER DIVERSITY

Our **Diversity Partner Program** at Intelisys, our technology services distribution business, is designed to identify and support partner businesses owned by **Black, Indigenous, and People of Color (BIPOC)** to contribute to their long-term success. In this program, we offer financial support, networking, and other benefits to support these partners in growing their businesses. In 2023, we recognized participants and partners who played key roles in advancing this effort during our Company's Channel Connect event, one of the largest of its kind in the cloud and connectivity channel. In its third year of existence, this program is one of the first in the channel and is paying dividends for those participating in this space.

In 2023, efforts were made to build the foundation for a **Diversity Procurement Program** focused on enhancing our utilization of minority- and women-owned businesses in our operations. We plan to formally introduce this program in 2024, beginning with educating decision makers on the program and the value added by diversifying our purchasing portfolio.

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US EMPLOYEES

53%
FEMALE

44%
FEMALE MANAGEMENT

Note: Management is defined as any person who leads people.

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Diversity Leaders Initiative (DLI) at The Riley Institute at Furman University

Since 2014, a number of ScanSource leaders have participated in DLI—a unique, highly interactive, multi-award-winning program. Participants learn to understand their diversity and inclusion "blind spots" and how to suspend their assumptions. They come away with better-focused decision-making skills and a deeper knowledge of how to effectively manage and lead increasingly diverse workers and clients. DLI graduates become Riley Fellows—members of a powerful, cross-sectored, statewide network. Riley Fellows are diverse and are united in their commitment to South Carolina's progress. They gather at their statewide event, One South Carolina®, to examine issues critical to SC and how to drive positive changes.

Greenville Chamber of Commerce Diversity and Inclusion Summit

ScanSource is proud to be a founding sponsor of this Diversity and Inclusion Summit. This annual conference educates attendees about the impactful role of diversity, equity, and inclusion. The speakers challenge attendees to move beyond comfort zones and encourage them to take real action in their workplaces and communities. Summit attendees enrich their lives and their businesses through this unique opportunity to hone their skills as authentic, intentional leaders of diversity, equity, and inclusion.

International African American Museum (IAAM)

Located in Charleston, SC, the IAAM is a place that commemorates and celebrates the foundational role that Africans and their descendants played in the making of America. As one of the IAAM's founding donors, ScanSource worked with the museum staff to lend support during the planning of the facility. ScanSource is honored to support the IAAM as it showcases this rich history and culture. The technology-centric museum engages visitors with interactive, multimedia learning experiences— while outreach and programming opportunities will extend its lessons to benefit local and regional communities. In 2023, members of the ScanSource DEI Council had the honor of attending IAAM's opening-weekend festivities. During Black History Month, we highlighted its Center for Family History's educational webinar series that explored the unknown stories and under-recognized roles of African Americans in US military history.

Clemson Men of Color Summit

Finding ways to connect our community and its youth is important to us. ScanSource is proud to be a multi-year sponsor of Clemson University's Men of Color Summit. In its seventh year of existence, this event is designed to expose young men of color to positive role models, potential opportunities for educational advancement, and new ways to better understand a broader scope of career options. This sponsorship is another way we are taking a more-targeted approach to our recruitment efforts.

There is a direct correlation between employee satisfaction and the Company's success. To sustain and enhance employee satisfaction and retention, having transparent communication and gathering employee feedback have been of great importance to the success of our "productivity-anywhere" environment. We administered employee engagement surveys and conducted focus group sessions, which provided participants opportunities to share their feedback and help the organization improve. In addition to these broad actions, many leaders found creative approaches to connect with their teams throughout the year. Virtual games, recognition campaigns, and in-person networking/training opportunities are just a few ways managers continue to keep their employees engaged.

In 2023, we launched Employee Voices, a new employee engagement survey module for our North America and UK employees. This semi-annual, anonymous survey provides frequent opportunities to hear the concerns of our employees, similar to the existing Pulses survey module in Brazil. Questions cover a range of areas including leadership, engagement, teamwork, retention, recognition, compensation and benefits, development, and well-being. The overall goal of these surveys is to listen, and then build an environment in which our employees thrive. **More than 70 percent of our North America employees participate in our engagement survey.** We will continue to solicit employee insights and are committed to continually improving the employee experience.

Our 2023 survey results prompted us to form cross-functional teams to address organizational needs faster, while also providing opportunities for participants to work collaboratively to further develop their skills. As we continue to listen to our employees, we seek ways to create actionable plans. Looking ahead, we plan to launch an Employee Engagement Task Force comprised of a cross-functional group of individual contributors to provide Company-wide insights and champion our employee engagement efforts.

In 2023, we introduced a global digital workplace, **The Bridge**, as our new corporate intranet. We have greatly enhanced global communication, employee recognition, and milestone celebrations. The Bridge serves as an integral tool to promote cross-functional collaboration, share timely news and events, and provide a space for global employees to connect and find helpful resources. With close to 2,000 active members across geographies, this is a proven tool to support a globally distributed workforce.
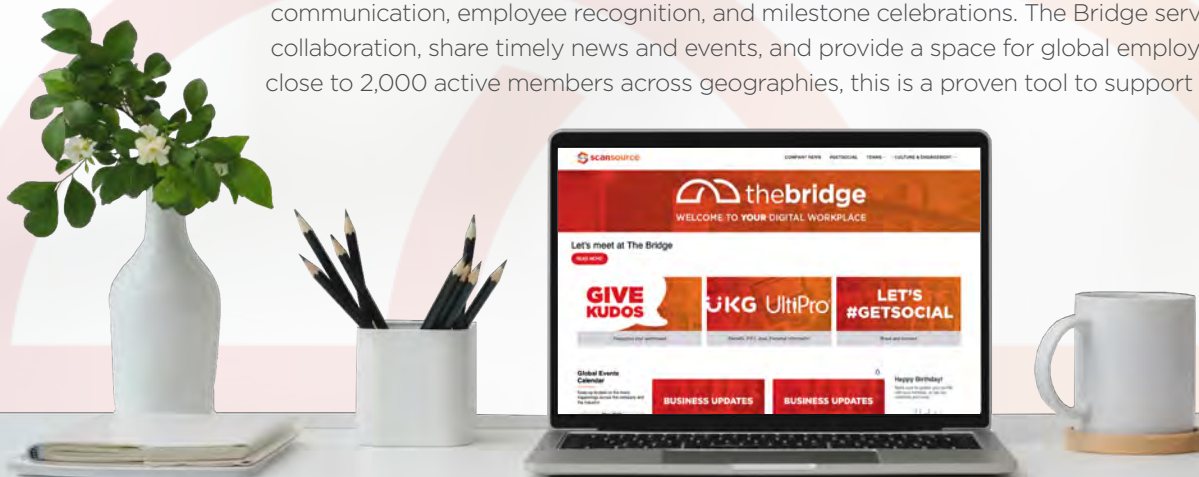
Employee outreach and engagement remain critical to the continued success and growth of ScanSource. Inclusion, participation, and appreciation are key components in retaining talent, maintaining our culture, and keeping employees engaged. We created a global engagement team focused on developing strategies and sharing ideas to support and enrich our Company culture across all regions. We have embraced the "productivity-anywhere" environment by planning monthly/quarterly virtual and in-person events and engagement opportunities for employees.

A few successful corporate events were:

- Global and regional Company meetings held monthly to highlight business results, success stories, and strategic insights from ScanSource's leadership.

- Monthly in-person and virtual networking opportunities with Brazil's leadership where employees can ask questions and share stories.

- Virtual monthly and quarterly Employee Resource Group events focused on networking, education, and development.

- Greenville Triumph soccer event included inspirational panel, family-friendly activities with players, and discounted ticket/merchandise offerings for employees.

- Regional holiday parties and family-friendly summer events fostered in-person connection and celebration of successes.

- Halloween festivities included an office-decorating competition for employees' families, judged by Dunbar Child Development Center teachers, and global virtual contest that showcased Company culture and creativity.

- 5K/10K race opportunities for employees to represent the Company and promote overall well-being.
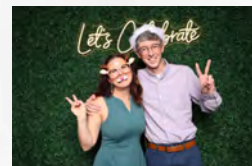
WELLNESS

We prioritize our employees' overall well-being and encourage them to live a healthy lifestyle, both physically and mentally. That's why ScanSource offers dedicated resources to help foster a work/life balance. With a flexible remote workforce, it is critical that we continue to focus on our employees' health. We continue to enhance our **360you program**, which provides employees with extensive education and training/coaching opportunities, wellness and fitness challenges, screenings, and other valuable resources.

We care about the health and safety of our employees and business partners. We continue to improve and support a "productivity-anywhere" environment that fuses remote work and in-person engagement opportunities. We also take measures to ensure our teams feel secure in their jobs with the flexibility and resources they need to stay safe and healthy.

Employees across the US have access to a registered dietitian, personal health coaching, and virtual fitness classes. In Greenville, SC, a private walking trail promotes the benefits of exercising outside in nature.

Employees in Brazil can participate in the **Boosting My Dreams Program** that aims to develop and define life goals with balance. There is also an onboarding offering for employees returning from parental leave to address change and offer support for a smooth and healthy transition back to work.

ScanSource's enhanced **Wellness Portal** allows employees to quickly connect and engage with each other while competing in various fitness and wellness challenges. The portal also offers hundreds of on-demand courses relating to exercise, meditation, healthy eating/cooking, and more.

360 you
the power of total well-being
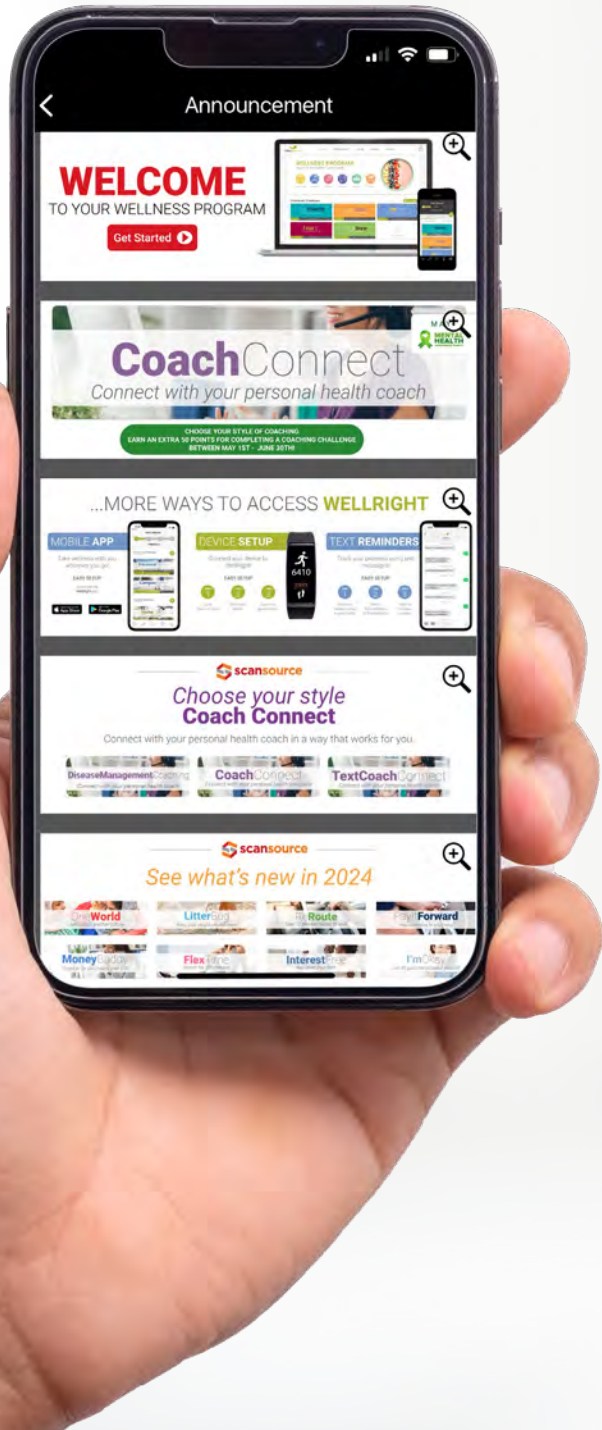
Mental Health Matters
scansource

At ScanSource, our employees' mental health is of great importance. Providing helpful resources and creating safe spaces for employees to learn how to cope with and manage life's everyday challenges are critical to a happy and healthy workforce. This behavior is exemplified through our employee resource group, Mental Health Matters.

24/7
Employee Assistance Program

We offer virtual guidance with trained professionals through **First Stop Health**, where employees can create personalized plans to assist with mental health. In addition, we provide employees access to a virtual, on-demand library through **Youturn Health**, which is full of resources to help cope with anxiety, depression, stress, and other mental health challenges. ScanSource also offers an **Employee Assistance Program** which provides unlimited, 24/7 assistance and in-person guidance.

In support of our DEI efforts and strong, secure family health, we have partnered with **Ovia Health**. The app-based platform offers employees at various stages of life the support they need to make better-informed decisions. Whether starting a family, becoming a parent, dealing with pregnancy, or making another life change, Ovia Health offers daily support based on the unique needs of employees.

Lastly, we want to help our employees succeed—both professionally and personally—and we understand that financial decisions play a big role in everyone's lives. We partner with **Fidelity** to provide employees access to knowledge and tools to help with 401(k) management, planning for retirement, or managing student-loan debt. To expand our financial wellness offerings, we offer workshops and webinars focused on student debt and general financial wellness.

Based on our robust portfolio of wellness and benefit offerings, we sponsor a health fair that brings our vendor partners together, allowing employees to learn more about the wellness programs available, get their questions answered, and enjoy a day of community.

WORKPLACE SAFETY

0.58
Total Recordable Incident Rate (TRIR)
ScanSource US Safety Performance, 2023

Our goal is to provide a safe and healthy work environment for every employee and all visitors. ScanSource has stringent workplace safety standards in place. Employees are expected to adhere to these standards and all applicable safety, health, and environmental rules and regulations. ScanSource has a communications management system for safety and emergency preparedness. The system keeps employees up to date on important, time-sensitive situations, such as severe weather or emergency alarms, with notifications via phone, email, and text. We train employees on health and safety procedures on a regular basis and have voluntary employee representatives on-site for safety and emergency preparedness.

> **Our innovative distribution center ensures optimal performance and productivity while emphasizing the importance of safety. Through security investments, we are dedicated to creating a safe and secure environment for everyone we serve.**
>
> *SCOTT TALLEY,*
> *Vice President,*
> *Distribution Operations*

Our primary US distribution center offers a clean, safe, and climate-controlled environment with 24/7 security. We take proactive measures regarding safety protocols and employee training to ensure a safe working environment for all. We aim to continuously improve by receiving safety recommendations and feedback to take corrective and preventative action.

In 2023, we made a commitment to invest in and strengthen our safety protocols. The security devices we have implemented are a direct result of this effort. Our security technologies offer a comprehensive security solution, providing peace of mind to our employees and security personnel.
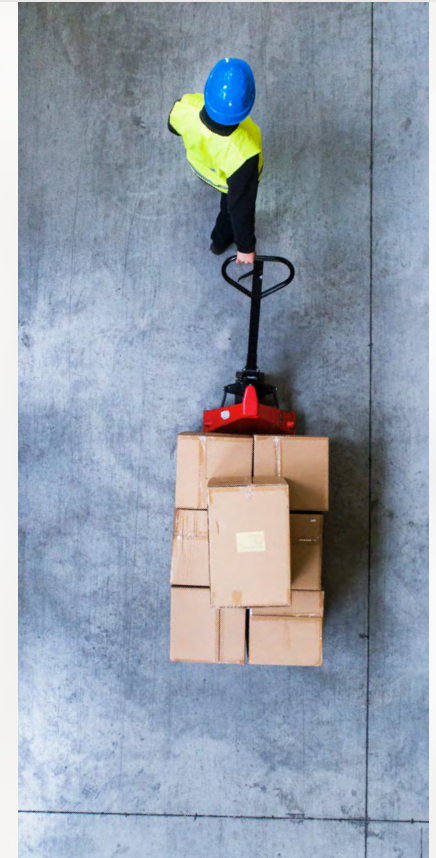
Security enhancements include:

- Access controls with floor-to-ceiling turnstiles
- Weapon detection with X-ray scanners
- CCTV surveillance
- Security checkpoint with metal detection

We have implemented a forklift fleet management and telematics system with an ISO/IEC 27001:2013 certification to manage and track our growing fleet of equipment. What was once a manual process is now fully automated, allowing access to manufacturer field support, richer performance and diagnostic information, preventative and scheduled maintenance, and specialized access to forklift operation. This comprehensive solution enhances both safety and productivity in our day-to-day operations.

In accordance with OSHA regulations, we require certification, verify work experience, and conduct hands-on training and testing for all forklift operators.

Employees complete annual safety training that focuses on equipment operation, lithium batteries, and overall best practices in a warehouse environment.

An employee-led safety committee with cross-functional representation meets monthly to discuss safety hazards and ways to improve the working environment. This ground-up involvement provides an opportunity for employees at all levels to contribute.

EMPLOYEE TRAINING AND DEVELOPMENT

ScanSource nurtures the intellectual and professional development of our employees, and we strive to offer an immersive working environment. We employ our learning management system, **The Hub**, to deliver a modernized and engaging user experience for our global employees at all levels of the organization. While this provides a tool for an individual's education and growth, it also promotes cross-functional collaboration with colleagues through a unique social capability. Our employees took part in **444 unique training offerings**, the average individual contributor spent over **4.25 hours** in training courses per year, and the average manager spent **10.5 hours**.

SOCIAL LEARNING. POWERED BY YOU.
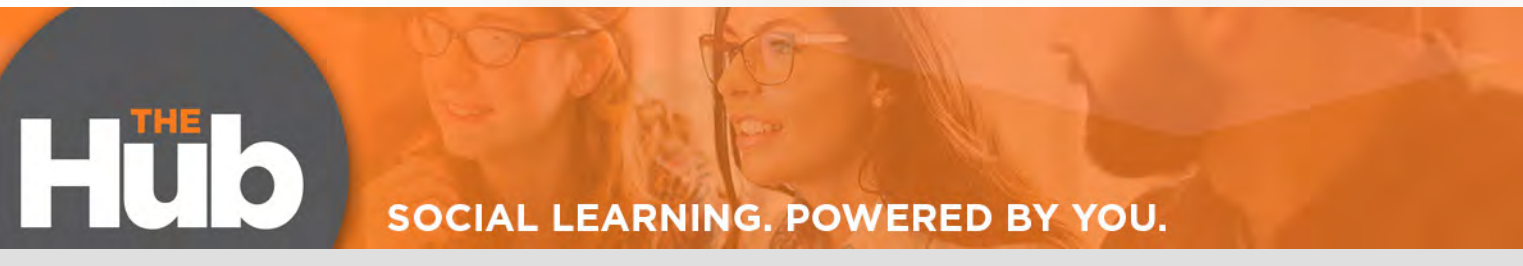
We introduced an enhanced **New Employee Onboarding program** that gives our new hires an engaging learning experience from the day they start with ScanSource. This scalable and interactive online experience allows new hires across our North America workforce to connect and learn about ScanSource in a collaborative virtual environment, regardless of their work location.

Department-based onboarding and skills-development programs prepare employees to be successful in their roles. Additionally, employees are given the opportunity to participate in an individual assessment and coaching program designed to produce a personalized, professional-development plan to guide their careers in years to come.

444
UNIQUE TRAINING OFFERINGS

4.25
HOURS SPENT BY THE AVERAGE INDIVIDUAL CONTRIBUTOR EACH YEAR

10.5
HOURS SPENT BY THE AVERAGE MANAGER EACH YEAR

SCANSOURCE INSPIRE

ScanSource Inspire is a program offered to select, high-potential, individual contributors to prepare them to serve as future leaders. Each year, 25 individual contributors from across North America are hand-selected by Company leaders to take part in this program. Participants spend four days learning about key aspects of the business, as well as valuable core competencies of leadership.
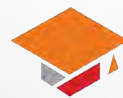
SCANSOURCE MANAGEMENT ACADEMY

As employees advance into management, their developmental needs change. **ScanSource Management Academy (SMA)** provides an opportunity for new managers to build strong foundations of management and leadership skills. Every six months, a new cohort of recently hired or promoted ScanSource managers from across North America embarks on this rigorous, nine-month development journey. Participants can expect a mixture of on-demand online learning, live virtual experiences, and one-on-one projects with other learners.

SCANSOURCE LEADERSHIP INSTITUTE

The **ScanSource Leadership Institute (SLI)** is another important program that focuses on identifying and helping to develop the next wave of senior leaders for the Company. The SLI program brings together twelve hand-selected leaders from ScanSource's global offices for a two-week program of intensive training and development—with many sessions led by current senior executives. An integral part of the program is working on team projects, culminating in team presentations to the senior leadership team.

Remaining legally compliant is of utmost importance at ScanSource. Our employees take part in compliance training, such as anti-harassment and code of conduct courses, annually to help ensure they are in a safe and comfortable environment. We also have regular training on PCI compliance and ISO certification to guarantee our customers remain protected, as well.

The Company also offers employees continuing-education opportunities, such as partial tuition reimbursement or monetary support toward degree and certification programs and professional accreditations.

Succession-planning activities take place each year to ensure our organization is planning for its future leadership needs. High-potential employees are identified so that appropriate development opportunities can be planned.

activate your future

To prepare the next generation of young professionals, our recruiting team works closely with several universities on a highly selective, development-focused, summer internship program. Many participants return to ScanSource for full-time opportunities following graduation.

GIVING BACK TO THE COMMUNITY

> **CORE VALUE**
>
> *We are committed to helping those less fortunate in our communities by giving our time, talents, and resources.*

One of ScanSource's core values, this statement clearly reflects the Company's dedication to finding ways to give back to the communities in which we conduct business. To help accomplish that goal, the ScanSource Charitable Foundation was created by Company founders in 1997. Since then—through both corporate and/or Foundation support—ScanSource has globally invested nearly **$21 million** in community enrichment, education, the environment, leadership and workforce development, recruiting, and the welfare of children. Every day, we strive to improve the lives of those who will benefit from additional outreach and services, and we show our commitment by matching employees' monetary donations to our Foundation 100 percent.

Through the efforts of the ScanSource Charitable Foundation, we will continue locating and assisting global and local nonprofits that need volunteers and funding. Our Foundation's mission is to help support under-resourced communities by giving annual grants to responsible and effective nonprofit organizations. The Foundation also prioritizes finding impactful volunteer opportunities for ScanSource employees.

Through both corporate and/or Foundation support, ScanSource has globally invested nearly

$21 MILLION

in community enrichment, education, the environment, leadership and workforce development, recruiting, and the welfare of children.

In an example of how our Foundation contributes to the community, in 2023, it continued its three-year, strategic partnership with the Greenville, South Carolina-based nonprofit, Mill Village Ministries (MVM). Coordinated by the Foundation board and our Company's People and Culture team, ScanSource executives and employees continued volunteering side by side at MVM initiatives and others. Additional nonprofits supported through funding or volunteer hours included: AAMSI (African American Male Scholar Initiative at Greenville Technical College); Cops and Coats; Dunbar Child Development Center; GirlUP GVL; Greenville Literacy Association; Habitat for Humanity; Make-a-Wish; Maui Strong; Public Education Partners; SC School for the Deaf and the Blind; Yam Jam; and many more. During the 2023 grant cycle alone, the Foundation donated approximately $400,000, supporting more than 70 nonprofits financially or by volunteering.

ScanSource encourages generous giving, strongly believing that giving improves the lives of those who benefit from our gifts—and our employees' lives as well.

scansource® COMMUNITY IMPACT

**COMMUNITY • EDUCATION • ENVIRONMENT
WELFARE OF CHILDREN • WORKFORCE DEVELOPMENT**

~$400K donated to our communities / 70+ nonprofits supported
(financially or by volunteering)

African American Male Scholar Initiative
Greenville Tech
Supported **30+ members**

Cops and Coats
500+ coats for children

Habitat for Humanity
80+ hours of time

Yam Jam
9 employee volunteers
Packaged 50,000 pounds of sweet potatoes for families in need

Make-a-Wish
Supported **2 wishes**

Greenville Literacy Association
6 large boxes of books

Public Education Partners
Read to, and supplied free books/academic materials to **50+ families**

Mill Village Ministries
$100,000 donated to promote individual life change and transform under-resourced communities

GirlUp GVL
Sponsored **9 internships** for at-risk girls

A NIGHT AT THE NORTH POLE
275 gifts donated
88 families and **238 children** served
70+ employee volunteers
460 meals provided

PRISMA HEALTH℠
6 seasonal "party in the hallway" events
335+ children served
350 gifts and treats donated
500+ snacks provided to NICU parents
20 hospital staff adopted for Child Life Month

Dunbar Child Development Center
Repaired and repainted **150+ ft of murals**

Maui Strong
~$5,000 raised

CALIFORNIA
50 participated
in **Run to Feed the Hungry**

Food pantry restocking
for **Salvation Army**

Food distribution and bagging for
South Sacramento Christian Center
and **Sacramento Food Bank**

Kosair for Kids
Delivered financial resources

**Single Mom Strong
Adoft-a-Family Program**
Supported 100 families

Funded filed trips for youth at the
Children's Receiving Home

Toy drives benefiting homeless children

BRAZIL

"Mais1Code"
Sponsored 10 students to learn programming/tech for career growth

Art-Robotics Station
Sponsored students to learn robotics concepts and artistic skills

Joinville Parasports Association for Intellectual Disabilities
Developed people with intellectual disabilities and autism in paralympic athletics activities

Mind Sports
Promoted mind sport classes in public schools to develop analytical skills

Educating for Life
Brought education, culture, and employability opportunities to 400 students

ETHICS AND GOVERNANCE

> *We believe in honesty and integrity in everything that we do.*
> **There is no alternative.**

CORE VALUE

As ScanSource's foundational core value, we hold ourselves to this value by abiding by ScanSource's code of conduct and other governance policies. The policies are focused on dealing fairly and honestly with all stakeholders, setting high governance and control standards, and protecting the data and security of all employees, customers, and suppliers. ScanSource has an expectation that its customers and suppliers will adhere to its **Business Partner Code of Conduct**.

> **Trust is the cornerstone of how we conduct business, build relationships, and support our stakeholders. We set high standards for ourselves and the businesses with which we partner.**
>
> *SHANA SMITH,*
> *Senior Executive Vice President and Chief Legal Officer*

BUSINESS ETHICS

BOARD GOVERNANCE

The ScanSource Board of Directors provides oversight to the CEO and other senior leadership in their business conduct, with the goal of building long-term shareholder value. The Board also provides periodic review of management's performance and the Company's organizational structure, as well as guidance and oversight of corporate strategy and ESG efforts. The Board and management team are prioritizing our ESG strategy to ensure it touches every aspect of our business and our stakeholders. The Nominating and Corporate Governance Committee meets quarterly to evaluate the emergent, ESG-related risks, including climate-related risks and opportunities, and the Company's social and environmental goals, policies, and programs. Our Board provides continued support and oversight of our ESG journey and policies.

ScanSource's **Governance Guidelines** are available on the "Investors" page of our website, **scansource.com**, under the "Corporate Governance" tab.

ESG Steering Committee: ScanSource has an ESG Steering Committee consisting of cross-functional team members from Legal, People and Culture, Operations, IT Security, Finance, Investor Relations, and Corporate Communications. This group is tasked with providing guidance, evaluating important ESG initiatives for the Company, and driving progress toward the attainment of our goals.

BOARD DIVERSITY AND SKILLS

ScanSource is committed to having a diverse, well-rounded, and independent Board to oversee our business. The Nominating and Corporate Governance Committee seeks director nominees that will complement and enhance the effectiveness of the existing Board with respect to skills, knowledge, perspectives, experience, background, and other characteristics. Furthermore, we are committed to the value of inclusion, and the Board believes it is important to consider diversity of race, ethnicity, gender, age, education, cultural background, and professional experiences. Three of eight of our directors, 37.5 percent, are either gender or racially/ethnically diverse.

scansource
BOARD DIVERSITY

25%
FEMALE

12.5%
RACIALLY/ETHNICALLY DIVERSE

SHAREHOLDER ENGAGEMENT

Engagement with our shareholders is a key focus for ScanSource and an important part of our Board's governance commitment. Our recent engagement efforts focused on developing relationships, expanding dialogue to cover strategy and governance topics, and collecting shareholder feedback. We pursue multiple avenues for shareholder engagement, including:

- holding video, teleconference, and in-person meetings with our shareholders and prospective investors
- participating in investor conferences
- building relationships with sell-side analysts interested in the ScanSource ecosystem
- issuing periodic reports on our activities

Over the past year, we reached out to shareholders representing over 70 percent of shares outstanding. We held engagement calls with some of our largest shareholders, which represent nearly 27 percent of shares outstanding. During these conversations, we heard from shareholders regarding our Board composition, corporate governance policies, and executive compensation practices, as well as our policies on corporate environmental, social, and governance (ESG) responsibility. These engagements continue to provide us with valuable feedback that allows our Board to better understand our shareholders' priorities and perspectives and to incorporate them into our deliberations and decision making.

LOBBYING AND POLITICAL ADVOCACY

In calendar year 2023, the Company did not make any direct monetary contributions to lobbying activities.

CODE OF CONDUCT

ScanSource upholds the highest level of ethical conduct in all matters. Our continued success depends on our customers' and suppliers' trust, and our team is committed to preserving that trust. **ScanSource's Business Ethics and Code of Conduct Policy** sets clear expectations for our executive officers and employees to operate with integrity and make ethical decisions. ScanSource employees regularly confirm compliance with the Code. Our internal audit function actively monitors internal compliance with the Business Ethics and Code of Conduct Policy.

As a multinational company, ScanSource is committed to protecting and promoting human rights throughout our global operations. All employees are expected to treat coworkers, partners, and suppliers with dignity and respect. ScanSource cultivates a diverse and inclusive work environment with equal employment and advancement opportunities for all persons, regardless of race, age, gender, national origin, sexual orientation, or other factors.

In fall of 2023, our Business Ethics and Code of Conduct Policy was updated and reviewed by the Board as a broader refresh of the Employee Handbook. We continuously make updates for management and Board approval.

Message From Our Chair and CEO | About ScanSource | Stakeholder Engagement and ESG Strategy | People and Culture | **ETHICS AND GOVERNANCE** | Environment and Sustanability | Appendix
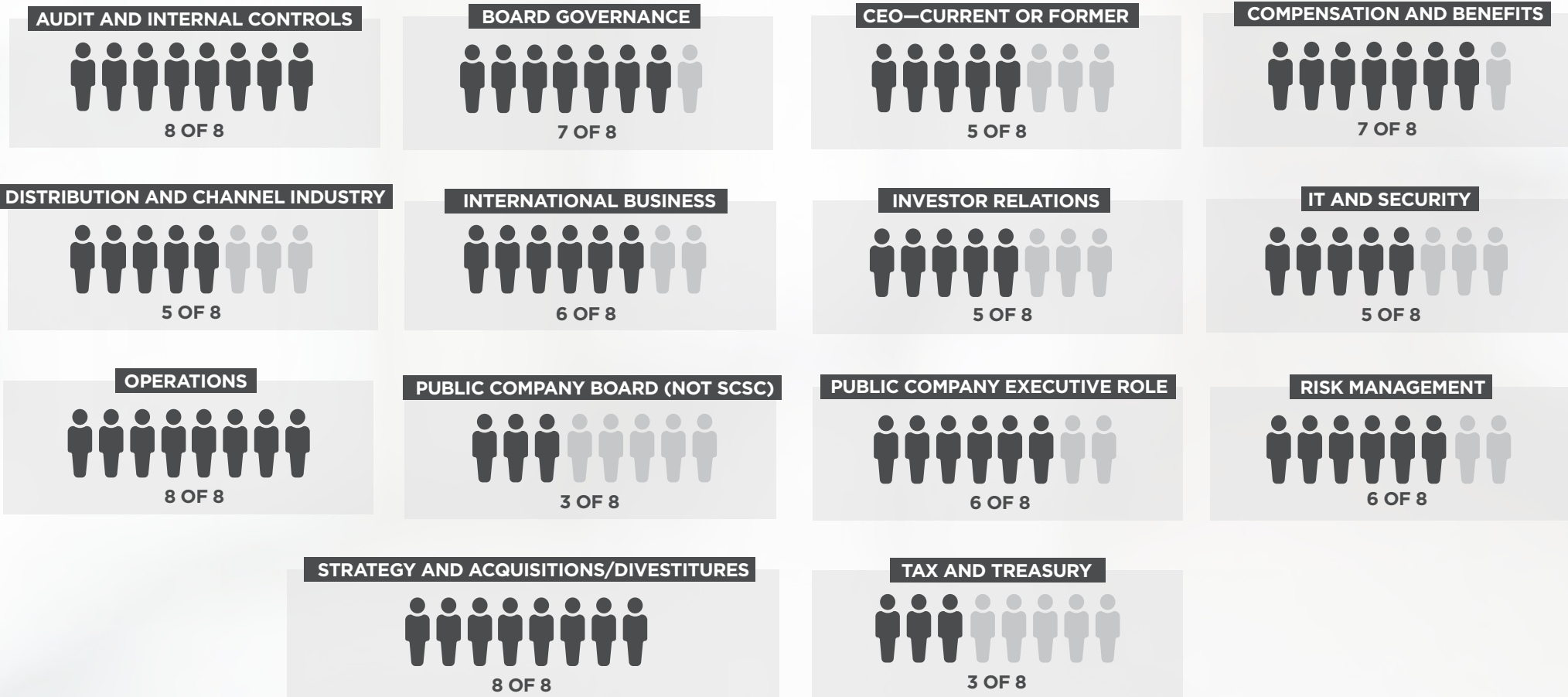
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RISK MANAGEMENT

The Board, as a whole, actively oversees the risk management of ScanSource. Risks—the specific financial, operational, business, and strategic risks that we face, whether internal or external—are identified by the Board and management together, and then each risk is assigned to either the full Board or a Board committee for oversight in accordance with its charter. Certain strategic and business risks, such as those relating to our products, markets, and capital investments, are overseen by the entire Board. The full Board oversees ScanSource's risk identification, risk assessment, and management practices for strategic enterprise risks facing ScanSource.

In addition, each of the other committees oversees risks relevant to its scope of review. Management regularly reports to the Board or appropriate committee on actions that we are taking to mitigate these risks. Our internal audit department conducts independent assessments of department- and enterprise-level processes and controls and is directly involved in reviewing reported or suspected unethical behavior. Our internal audit department reports directly to the Audit Committee, which oversees financial and operational risk.

BOARD KNOWLEDGE AND EXPERIENCE

AUDIT AND INTERNAL CONTROLS
8 OF 8

BOARD GOVERNANCE
7 OF 8

CEO—CURRENT OR FORMER
5 OF 8

COMPENSATION AND BENEFITS
7 OF 8

DISTRIBUTION AND CHANNEL INDUSTRY
5 OF 8

INTERNATIONAL BUSINESS
6 OF 8

INVESTOR RELATIONS
5 OF 8

IT AND SECURITY
5 OF 8

OPERATIONS
8 OF 8

PUBLIC COMPANY BOARD (NOT SCSC)
3 OF 8

PUBLIC COMPANY EXECUTIVE ROLE
6 OF 8

RISK MANAGEMENT
6 OF 8

STRATEGY AND ACQUISITIONS/DIVESTITURES
8 OF 8

TAX AND TREASURY
3 OF 8

*ScanSource Board members are members of the National Association of Corporate Directors (NACD)

At ScanSource, we continuously monitor the ever-changing landscape of cybersecurity and infrastructure, while empowering our people to uphold a strong security awareness culture. We are dedicated to safeguarding and protecting customer, supplier, employee, and Company data through our cybersecurity measures and controls listed in our **ScanSource Security Policy**. We have internal and public-facing policies that support our data security and customer privacy efforts.

When working with personal and private information, employees must comply with ScanSource's guidelines and procedures in addition to the applicable local privacy laws and regulations. As part of our cybersecurity program, ScanSource employees receive monthly, mandatory security training and awareness alerts to ensure responsibilities are understood and practices are followed. Training topics include phishing, ransomware, and current landscape threats. ScanSource's management engages in cybersecurity tabletop exercises to advance preparedness in cybersecurity threat scenarios.

> **Security awareness and preparedness across all levels of the organization are integral in building trust with our customers, suppliers, and employees. We have a comprehensive response plan and dedicated team in place to safeguard the data entrusted to us.**

COY HOLLINGSWORTH,
Vice President
Information Security

In addition to mandatory security training, our IT team hosted webinars focused on password safety, messaging app recommendations, internet safety for children, and fraud attacks. Supplemental resources were provided to educate employees on cybertravel, cyber incident steps, phishing, password protection, and top cybersecurity best practices for increased safety at work and home.

The Company understands the importance of security and makes every effort to ensure that partner information held in systems and other related areas is fully protected. We recognize that the confidentiality, integrity, and availability of information created, maintained, transmitted, and stored are vital. We constantly assess and improve our security practices in all relevant domains, including access control, remote access, personnel security, systems and communications protection, media protection, change management, data backup and recovery, audit logging, vulnerability and patch management, physical security, configuration management, and system and information integrity.

ScanSource follows the Payment Card Industry's Data Security Standard (PCI/DSS). We comply with applicable data privacy regulations, including European Union General Data Protection Regulation (GDPR), Brazilian Lei Geral de Proteção de Dados (LGPD), California's Consumer Privacy Act (CCPA), and California's Privacy Rights Act (CPRA). GDPR is the standard adopted across many countries and states, and our efforts allow us to oversee new regulations that are applicable in areas in which we conduct business.

The need for rapid response is integral in carrying out our information security initiatives. We have a **Cyber Incident Response Team (CIRT)** with established relationships with digital forensics and incident response (DFIR) service providers that are prepared for appropriate response to cybersecurity threats or incidents.

In May 2023, ScanSource discovered we were subject to a ransomware attack that impacted our IT systems. The Company immediately launched its incident response plan. Thanks to the hard work of ScanSource's employees, in conjunction with external cybersecurity and data-restoration experts, the Company's core systems were restored and operations resumed. We have taken actions to strengthen our existing IT security infrastructure and will continue to implement additional measures to prevent unauthorized access to, or manipulation of, our systems and data.

We continue to adopt a forward-thinking view of business decisions, including the continual review of relevant risks that may have an impact on information security. The Company's management views this as one of its primary responsibilities and fundamental to business best practices.

HUMAN RIGHTS AND LABOR PRACTICES

ScanSource is committed to the protection of human rights for all individuals. We recognize the inherent dignity and respect that every human should be guaranteed across the globe, and we intend to do business with those that share this mindset. Therefore, ScanSource expects employees, contract and temporary workers, suppliers, and customers throughout our supply chain and regardless of location to respect all rights and freedoms to which each individual is entitled and to follow our **Human Rights Policy**.

Under our Human Rights Policy, ScanSource prohibits human trafficking and the use of child, forced, or slave labor. As an equal opportunity employer, we protect the rights of vulnerable groups around the world, such as women and minority groups. We do not tolerate unlawful discrimination, including but not limited to, discrimination based on gender, gender identity, ethnicity, nationality, race, sexual orientation, disability, or other protected category.

ETHICS HOTLINE

ScanSource encourages employees to bring to management's attention any potential unethical or illegal activity or violations of Company policy. ScanSource engages an independent third party to provide a global ethics hotline—available 24 hours a day, seven days a week, in multiple countries and languages—that anyone may use to report such activity anonymously. Both the toll-free numbers and access to our third-party website are displayed on the Company's public website, Hotline Reporting, and in each physical location of the Company. ScanSource takes all reports seriously and does not tolerate retaliation against any employee for reporting a concern or potential violation of ScanSource policy or applicable law. The ScanSource Board of Directors reviews reports of hotline communications.

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ANTI-CORRUPTION

With a global base of more than 500 suppliers and approximately 25,000 customers, ScanSource is subject to international trade laws and sanctions. To ensure the Company operates in a legal and professional manner, we comply with all applicable legal requirements, both in the US and abroad, such as the Foreign Corrupt Practices Act (FCPA), export laws, antiboycott laws, and embargoes/sanctions. ScanSource prohibits all forms of bribery in all our business dealings in every country. Our anti-corruption and international business policies and training enable our employees worldwide to understand how to comply with local and international law.

ETHICAL SOURCING

ScanSource markets more than 65,000 products from approximately 500 hardware, software, and services suppliers. We expect our suppliers to operate responsibly in the areas of human rights, health and safety, the environment, and business ethics. ScanSource provides products manufactured by other companies and does not directly purchase any conflict minerals from any source. We support the objectives of the Dodd-Frank Act to identify, reduce, and eliminate the use of conflict minerals. This includes expecting our suppliers to make a commitment to promote conflict-free sourcing of metals and proactive elimination of conflict minerals from products.

SUPPLY-CHAIN RESILIENCE

We are committed to building a supply chain that is focused on shared values and sustainability. ScanSource's continued success is built on being a values-driven company, which is understood by all members of the ScanSource team. As a hybrid distributor of technology solutions and not a manufacturer, ScanSource is not an emissions-intensive business and has lower exposure to risks, such as product redesign costs and responsible mineral sourcing. Our opportunities in clean technology and supporting sustainable life-cycle products are attributed to our distribution portfolio, and we are supportive of our suppliers' efforts to bring to market more products of this type. Additionally, our Business Partner Code of Conduct requires that our suppliers and partners throughout the supply chain are dedicated to the values of corporate social responsibility, fairness, and ethics. Supplier diversity is a key topic for our business, and we continue to examine existing policies and procedures to better understand our risk areas and opportunities to choose suppliers making a positive environmental impact whenever possible.
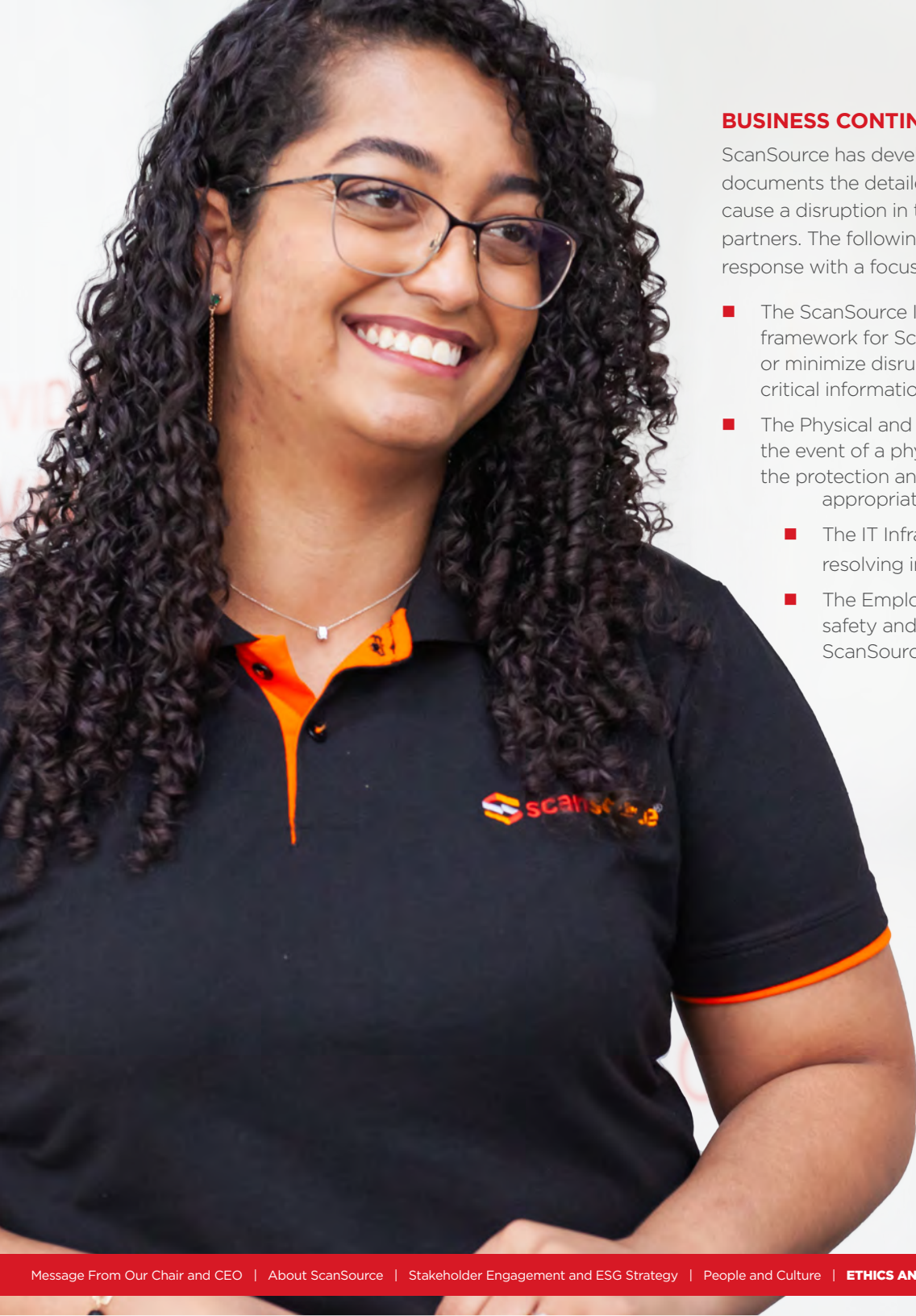
BUSINESS CONTINUITY PLAN

ScanSource has developed a comprehensive Business Continuity of Operations (BCO) plan, which documents the detailed processes and procedures to be followed for specific incidents that may cause a disruption in the business or affect the safety and security of ScanSource's employees or partners. The following customized plans are included in the BCO plan to allow for a rapid, effective response with a focus on minimizing or preventing disruption:

- The ScanSource Information Security Incident Response Plan, which provides a consistent framework for ScanSource to respond to a security event. This plan is designed to (a) prevent or minimize disruption of critical information systems; (b) minimize loss or theft of sensitive or critical information; and (c) quickly and efficiently remediate and recover from security events.

- The Physical and Humanitarian Response Plan, which outlines the necessary steps to take in the event of a physical disaster at ScanSource headquarters. This plan is aimed at ensuring the protection and safety of employees, continuity of business, security of the buildings, and appropriate and timely communications to key stakeholders.

  - The IT Infrastructure Incident Plan, which provides a framework for responding to and resolving incidents impacting critical infrastructure at ScanSource headquarters.

  - The Employee Medical or Safety Emergency Plan, which outlines the appropriate safety and security protocols to follow should an emergency or safety issue arise at ScanSource headquarters.

QUALITY MANAGEMENT SYSTEM

ScanSource has a quality management system in place to continuously improve processes and maintain best-quality practices. Since 1998, ScanSource has been certified under quality management system ISO 9001:2015 for its primary US distribution center and for relevant departments at its headquarters.

ISO 9001 2015 CERTIFIED

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ENVIRONMENT AND SUSTAINABILITY

ScanSource is committed to being a good steward of the environment, conserving natural resources, and reducing, reusing, and recycling where possible. We calculated our Scope 1 and 2 greenhouse gas (GHG) emissions to help understand our environmental impact in order to set a baseline. Our goal is to preserve Earth and its resources for future generations. We strive for continued improvement in processes, programs, and communication to reach this objective. ScanSource adheres to an Environmental Stewardship Policy that is focused on reducing our footprint, promoting awareness and responsibility, and continually evaluating progress for positive change each year.

AWARENESS AND ACTION

Each year in April, ScanSource plans an Earth Week event that demonstrates our support for environmental protection, while also educating and engaging our employees. Activities center on environmental sustainability, community service projects, and giving our time and resources to local charitable partners. In 2023, we provided a week of opportunities including:

- **Go Green Day**—Employees took a break during their workday to walk or workout in nature while sporting green attire to raise awareness of Earth Day.
- **Take Action on Earth Day**—Through educational resources, employees were encouraged to learn about Earth Day and participate in a green activity, such as planting a garden or picking up trash.

In addition to our employee-awareness initiatives, we look for opportunities in our community to support sustainable efforts, such as downtown Greenville's Unity Park. The park consists of 60 acres of recreational land, including a half-mile streambank stabilization on the Reedy River. City engineers are using green infrastructure-management techniques to control stormwater and reduce flooding in the area.

ScanSource's contribution is dedicated to the **Lila Mae Brock Plaza**, which honors Brock's legacy of fighting poverty, crime, and neglect in Greenville, specifically Southernside. Brock advocated for a community center and affordable apartments for the area's senior citizens. We are privileged to contribute to the remembrance and celebration of this influential woman in our community.

Fill it Forward.
Always Giving

Partnering with our supplier community is another great opportunity to join forces for a sustainable future. During an industry conference, Channel Connect 2023, ScanSource partnered with a supplier and Fill it Forward to provide reusable water bottles for all attendees to reduce single-use waste. As a result, ScanSource received the 2023 Changemaker Award by **Fill it Forward**. This award recognizes organizations that prioritize sustainability, aligning business practices with unwavering ethical and socially responsible values—setting a high standard for responsible business conduct. ScanSource continues to seek ways to leverage partnerships to give back to the community and protect our environment.

GHG EMISSIONS

We calculated our Scope 1 and Scope 2 GHG emissions and commit to calculating and reporting our emissions in subsequent years. As a distributor of technology and not a manufacturer, ScanSource is not an emissions-intensive business. However, we believe we must do our part to reduce global GHG emissions and have taken steps to understand our environmental impact with an eye towards creating our roadmap to reducing our emissions in the future. Given our operations, a majority of our emissions likely come from our supply chain, also called Scope 3 emissions. We are undertaking the process of understanding the most-likely sources of our GHG emissions in the supply chain and will report on our progress over time.

GHG Emissions

(Data in MTC02e)	2021	2022	2023
Scope 1	642	751	687
Scope 2 (location-based)	3,145	2,699	2,379
Total	3,787	3,450	3,066

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ENERGY MANAGEMENT

ScanSource is focused on reducing our energy consumption across our global footprint. In addition to recycling light bulbs, we have implemented an initiative to replace fluorescent lighting with longer-lasting LED lighting to conserve energy, reduce light-bulb waste, and improve the lighting within our facilities. Approximately 90 percent of the lighting in our corporate headquarters currently is comprised of LED lighting. To increase overall efficiency, we have replaced nearly 95 percent of our least-efficient lighting fixtures with more-efficient ones. In 2022, our Southaven, MS distribution facility converted all finished ceiling lighting from florescent and incandescent to LED. In 2023, Southaven began converting over 1,900 high bay light fixtures in its 740,000-square-foot warehouse to LED. This in-house project is on schedule to be completed in early 2026.

We utilize computerized, energy-efficient heating and air systems within our facilities. Our HVAC system in our Southaven, MS facility uses air-rotations/air-turnover units, which are a very efficient solution for evenly conditioning this large space. Air-rotation users see a 30 percent savings versus traditional HVAC options. Each year, we conduct an energy audit to ensure we are actively optimizing our energy consumption. ScanSource now uses occupancy sensors in many of its buildings to automatically turn off lights and adjust the heating and air systems when areas are not in use.
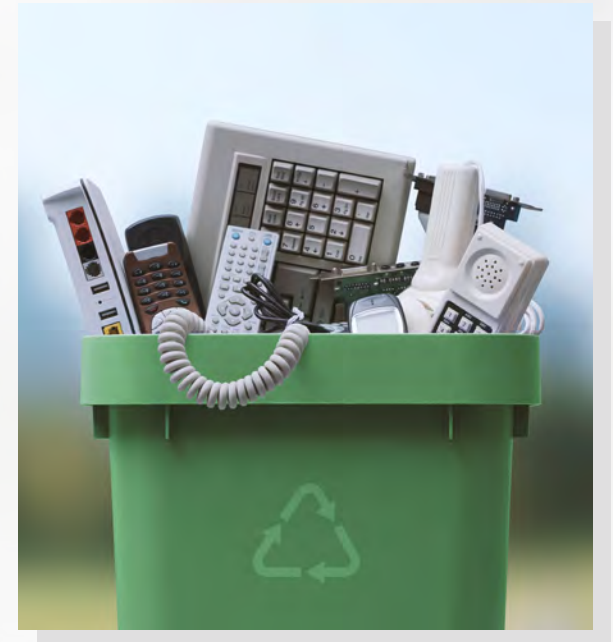
RECYCLING AND WASTE

ScanSource continues to educate and engage our employees and suppliers to help us determine the best ways to move toward zero waste.

For example, at our Greenville, SC headquarters, our waste partner helped us implement a recycling program. Our flexible work environment has significantly reduced our on-site waste from averaging 40 cubic yards of waste per week to 16 cubic yards per week. The waste that we cannot recycle is sent to a local landfill where the methane is captured and converted into renewable energy sources that supply the local power grid. This process powers more than 1,800 Upstate SC homes and significantly reduces greenhouse gas emissions in the community.

In 2023, we recycled
17,000 POUNDS
of e-waste and specialized materials.

These are items that cannot go into the municipal recycling program, such as circuit boards, batteries, steel/copper, and electrical components. We also recycled 800 fluorescent bulbs. As we convert more fixtures to LED, the need to recycle bulbs will decrease every year.

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Our Southaven, MS facility continues to focus on an environmental sustainability plan based on the principle of highest and best use and by following the waste-reduction hierarchy:

REDUCE // REUSE // RECYCLE // RECOVER // DISPOSE

This team works with a local waste partner on its recycling efforts. According to that partner, approximately 81 percent of the facility's waste goes to recyclers and approximately 19 percent goes to a landfill.

Our business waste-management practices include recycling the following items at our primary US distribution center:

- Cardboard
- Stretch film
- Metal scrap
- Lamps and ballasts
- Wood pallets
- Electronic waste

Other recycled items and materials throughout ScanSource's global offices include:

- Desk-side recycle bins that accept paper, cardboard, plastic, and aluminum
- Battery-recycling and cellphone donation bins located on our Greenville, SC campus
- Light bulbs
- E-waste
- Printer cartridges/toners
- Replacement of plastic cups with biodegradable cups made from natural sources
- Replacement of plastic water bottles with metal water cans to offer to visitors
- Donations of unused promotional items, furniture, and office equipment to nonprofit organizations, such as Goodwill, Habitat for Humanity, The Humane Society, Miracle Hill, and The Salvation Army

WATER STEWARDSHIP

As a distributor of technology and not a manufacturer, ScanSource is not a major consumer of water. Even so, ScanSource has put measures in place to help conserve or reduce water usage. For example, at our Greenville facilities, 90 percent of our faucets, toilets, sinks, etc., have motion-sensitive hardware to auto flush or turn the sinks on and off, which helps reduce the amount of water waste. We also perform regular maintenance on our backflow systems, building sprinklers, and grounds sprinklers to help eliminate surprise bursts or phantom leaks.

SUSTAINABLE PACKAGING

As part of ScanSource's commitment to minimize its environmental impact, we partner with our suppliers to identify opportunities to use more eco-friendly materials and eliminate all unnecessary packaging. Recyclable boxes and packaging materials are used at our distribution centers. We continually explore new ways to improve our packaging materials to eliminate unnecessary packaging, while reducing the risk of damage to the contents. At our primary US distribution center, we have implemented a dimensional, weight-reduction process focused on reducing package fill content, which also helps lower freight expenses.

APPENDIX

![scansource logo]

GLOBAL REPORTING INITIATIVE (GRI) STANDARDS

The following index provides insights into the key initiatives driving our Company's continued growth and commitment to our valued stakeholders. The index was developed to assist stakeholders in finding key information related to our material ESG topics. This index makes reference to the Global Reporting Initiative's (GRI) Standards. Although we reference the GRI Standards to provide context to our report, our report has not been prepared in accordance with the GRI standards.

GRI STANDARD	DISCLOSURE	REQUIREMENTS	DATA OR LOCATION OF DATA
	GENERAL DISCLOSURES		
GRI 2: GENERAL DISCLOSURES	2-1 Organizational details	2-1a: Legal name of the organization 2-1b: Ownership and legal form 2-1c: Location of headquarters 2-1d: Countries of operation	ScanSource, Inc. Legal corporation (Inc.) Greenville, South Carolina The United States, Brazil, the United Kingdom, and Canada
	2-2 Entities included in the organization's sustainability reporting	2-2a: Entities included in the consolidated financial statements 2-2b: Difference between entities listed in financial reporting and sustainability reporting 2-2c: Approach used for consolidating entity information	FY24 Annual Report on Form 10-K, Schedule of Subsidiaries, Exhibit 21.1 Same list All entities included are 100% owned by the parent company, and no adjustments are made to the information.
	2-3 Reporting period, frequency and contact point	2-3a: Reporting cycle 2-3b: Reporting period 2-3c: Date of most recent report 2-3d: Contact point for questions regarding the report	Annual Calendar year ended December 31, 2023 July 14, 2023 investor@scansource.com
	2-4 Restatements of information	2-4a: Report restatements of information from previous reporting periods	Not applicable
	2-5 External assurance	2-5a: External assurance 2-5b: Link to external assurance	Advisor statement: no disclosure currently present Not applicable
	2-6 Activities, value chain and other business relationships	2-6a: Sector in which organization is active 2-6b: Activities, products, services, markets served, supply chain, and downstream entities 2-6c: Other relevant business relationships 2-6d: Significant changes to 2-6a-c from previous reporting period	About ScanSource, FY24 Corporate Citizenship Report, page 4 FY24 Annual Report on Form 10-K, Offerings and Markets, page 4 Not applicable Not applicable
	2-7 Employees	2-7a: Total number of employees 2-7b: Information on employees and other workers	About ScanSource, FY24 Corporate Citizenship Report, page 5 Workforce Diversity and Inclusion, FY24 Corporate Citizenship Report, pages 8-10

GRI 2: GENERAL DISCLOSURES	2-8 Workers who are not employees	2-8a: Total number of workers who are not employees	No disclosure currently present
	2-9 Governance structure and composition	2-9a: Governance structure	Ethics & Governance, FY24 Corporate Citizenship Report, page 21
		2-9b: Composition of the highest governance body and its committees	Board of Directors, 2024 Proxy Statement, page 4; Committees of the Board, 2024 Proxy Statement, page 6
	2-10 Nomination and selection of the highest governance body	2-10a: Nomination and selection of the highest governance body	Nominating & Corporate Governance Committee, 2024 Proxy Statement, page 8
	2-11 Chair of the highest governance body	2-11a: Chair of the highest governance body	Board of Directors, 2024 Proxy Statement, page 4
	2-12 Role of the highest governance body in overseeing the management of impacts	2-12a: Role of governance body and senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development	Stakeholder Engagement and ESG Strategy, FY24 Corporate Citizenship Report, page 6
		2-12b: Role of highest governance body in the organization's due diligence	Corporate Governance Guidelines, 2024 Proxy Statement, page 4
	2-13 Delegation of responsibility for managing impacts	2-13a: Delegating authority	Ethics & Governance, FY24 Corporate Citizenship Report, page 21
	2-14 Role of the highest governance body in sustainability reporting	2-14a: Report whether the highest governance body is responsible for reviewing and approving the reported information	Ethics & Governance, FY24 Corporate Citizenship Report, page 21
	2-15 Conflicts of interest	2-15a: Conflicts of interest	Code of Conduct, FY24 Corporate Citizenship Report, page 22
	2-16 Communication of critical concerns	2-16a: Describe whether and how critical concerns are communicated to the highest governance body	No disclosure currently present
		2-16b: Report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period	No disclosure currently present
	2-17 Collective knowledge of the highest governance body	2-17a: Collective knowledge of the highest governance body	Corporate Governance Guidelines, 2024 Proxy Statement, page 4
	2-18 Evaluation of the performance of the highest governance body	2-18a: Evaluating the highest governance body's performance	Corporate Governance Guidelines, 2024 Proxy Statement, page 4
	2-19 Remuneration policies	2-19a: Remuneration policy for members of the highest governance body and senior executives	2023 Director Compensation Table, 2024 Proxy Statement, page 18; Named Executive Officer Fiscal 2023, 2024 Proxy Statement, page 39
	2-20 Process to determine remuneration	2-20a: Describe the process for designing the remuneration policies	Process for Determining Named Executive Officer Compensation, 2024 Proxy Statement, page 28

GRI 2: GENERAL DISCLOSURES	2-21 Annual total compensation ratio	2-21a: Ratio of annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees	Pay Ratio Disclosure, 2024 Proxy Statement, page 49
	2-22 Statement on sustainable development strategy	2-22a: Statement from senior decision-maker	Message from Chair and CEO, FY24 Corporate Citizenship Report, page 3
	2-23 Policy commitments	2-23a: Policy commitments for responsible business conduct	ScanSource Core Values, FY24 Corporate Citizenship Report, page 4
	2-24 Embedding policy commitments	2-24a: Describe how each of the policy commitments is embedded	No disclosure currently present
	2-25 Process to remediate negative impacts	2-25a: Processes to remediate negative impacts	No disclosure currently present
	2-26 Mechanisms for seeking advice and raising concerns	2-26a: Mechanisms for advice and concerns about ethics	Business Ethics and Code of Conduct, FY24 Corporate Citizenship Report, page 21 and Ethics Hotline, FY24 Corporate Citizenship Report, page 25
	2-27 Compliance with laws and regulations	2-27a: Total number of significant instances of non-compliance with laws and regulations during the reporting period	No instances reported
	2-28 Membership associations	2-28a: Industry and other membership associations	No disclosure currently present
	2-29 Approach to stakeholder engagement	2-29a: Approach to stakeholder engagement	Stakeholder Engagement and ESG Strategy, FY24 Corporate Citizenship Report, page 6
	2-30 Collective bargaining agreements	2-30a: Percentage of total employees covered by collective bargaining agreements	FY24 Annual Report on Form 10-K, People and Culture, Page 5

	MATERIAL TOPICS		
GRI 3: MATERIAL TOPICS	3-1 Process to determine material topics	3-1a: Process to determine material topics	Stakeholder Engagement and ESG Strategy, FY24 Corporate Citizenship Report, page 6
	3-2 List of material topics	3-2a: List of material topics	ESG Materiality Matrix, FY24 Corporate Citizenship Report, page 6

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

Our report is aligned with the Sustainability Accounting Standards Board (SASB) framework and demonstrates our commitment to providing disclosure of priority environmental, social, and governance (ESG) topics for our business. Our disclosure maps to the "Multiline and Specialty Retailers & Distributors" SASB standards, which SASB identifies as our primary industry. The table includes references to where this information can be found in our ESG report or in other public documents. The information provided is as of December 2023 unless otherwise noted.

CODE	ACCOUNTING METRIC	SCANSOURCE DISCLOSURE/REFERENCE
ENERGY MANAGEMENT IN RETAIL & DISTRIBUTION		
SASB CG-MR-130a.1	Total energy consumed	For 2023, ScanSource consumed 41,185 gigajoules (GJ) of electricity. Approximately 44% of the energy consumed was at ScanSource's North American distribution operations located in Southaven, Mississippi.
SASB CG-MR-130a.1	Percentage of grid electricity	ScanSource does not disclose this information.
SASB CG-MR-130a.1	Percentage of renewables	ScanSource does not disclose this information.
DATA SECURITY		
SASB CG-MR- 230a.1	Description of approach to identifying and addressing data security risks	At ScanSource, we are committed to safeguarding and protecting partner, supplier, employee, and Company data through our cybersecurity measures and controls listed in our Security Policy. We have internal and public-facing policies, such as our external Privacy Policy, that support our data security and customer privacy efforts.
		Information security and cybersecurity are critical components of our risk management program and are vital to maintaining our proprietary information and the trust of our customers and employees. Our information security program includes policies and procedures, prevention and detection mechanisms, incident response, business continuity planning and employee compliance and security awareness training. We also engage with third-party information security experts to access our defense mechanisms and have a cyber risk insurance policy in place that provides coverage for security incident response expenses, certain losses due to network security failures, investigation expenses, privacy liability and certain third-party liability.
		The Company understands the importance of security and makes every effort to fully protect partner information held in systems and other related areas. We recognize that the confidentiality, integrity, and availability of information created, maintained, transmitted, and stored are vital. We constantly assess and improve our security practices that focus on access control, remote access, personnel security, systems and communications protection, media protection, change management, data backup and recovery, logging audit and accountability, vulnerability and patch management, physical security, configuration management, and system and information integrity.
SASB CG-MR- 230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	On May 14, 2023, ScanSource discovered a cybersecurity incident that impacted some of the Company's systems. Upon discovering the incident, ScanSource implemented its Incident Response Plan and took steps toward remediation. See Data Security and Customer Privacy on FY24 Corporate Citizenship Report, page 24.
LABOR PRACTICES		
SASB CG-MR-310a.1	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage by region	ScanSource provides competitive hourly wages at our distribution centers and related business operations in the United States. (1) ScanSource employed 234 distribution center employees and 119 corporate hourly employees, and the average hourly wage for such U.S. employees was $23.19. (2) 100% of all hourly employees in the U.S. earned above the minimum wage.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

LABOR PRACTICES

SASB CG-MR-310a.2	(1) voluntary and (2) involuntary turn-over rate for in-store employees	For ScanSource employees in the United States: (1) 9.3% for voluntary turnover and (2) 8.75% for involuntary turnover.
SASB CG-MR-310a.3	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	ScanSource does not disclose this information.

WORKFORCE DIVERSITY AND INCLUSION

SASB CG-MR-330a.1	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	

GENDER REPRESENTATION (U.S. only) (as of 12/31/23)

	FEMALE	MALE	N/A
MANAGEMENT	44%	56%	-
ALL OTHER EMPLOYEES	53%	47%	-

Note: Management is defined as any person who leads people.

SASB CG-MR- 230a.1 (Continued from previous page)

RACIAL/ETHNIC GROUP REPRESENTATION (U.S. only) (as of 12/31/23)

	ASIAN	BLACK OR AFRICAN AMERICAN	HISPANIC OR LATINO	WHITE	OTHER	N/A
MANAGEMENT	2%	9%	6%	81%	2%	-
ALL OTHER EMPLOYEES	4%	22%	8%	64%	2%	-

EMPLOYEES BY REGION (as of 12/31/23)

	EMPLOYEES
% LOCATED IN U.S.	65%
% LOCATED IN BRAZIL	33%
% LOCATED IN U.K.	1%
% LOCATED IN CANADA	1%
% LOCATED IN OTHER	-

SASB CG-MR-330a.2	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination.	ScanSource does not disclose this information.

PRODUCT DESIGN AND LIFECYCLE MANAGEMENT		
SASB CG-MR-410a.3	Discussion of strategies to reduce the environmental impact of packaging.	ScanSource minimizes waste by capitalizing on opportunities to reduce, reuse, and recycle. We seek opportunities to use packaging materials and products that contain recycled content and are also biodegradable. Where possible, we optimize our warehouse processes to minimize unnecessary packaging and ship products in suppliers' packaging. Examples of our warehouse policies and procedures at our primary U.S. distribution center include: • We have implemented a dimensional, weight-reduction process focused on reducing package void fill content. • Our operational systems utilize an algorithm to guide operators to select the optimal shipping box for a shipment. • We have implemented a paperless picking system which decreases single-use sheets of paper in our operations. • We maintain a 90% landfill waste diversion rate which is a critical component of our recycling program. • We have expanded reuse of the cardboard we receive from our vendors. In addition to cardboard, we have processes in place to recycle other materials, such as pallets, paper, glass, plastic, aluminum, and food waste. These initiatives have the collective effect of minimizing the amount of our packing and waste that eventually gets deposited into landfills. We are continually exploring new ways to improve our packaging materials to eliminate unnecessary packaging while reducing the risk of damage to the contents.