



TD SYNnex

Dear Fellow Shareholders:

Fiscal 2021 was a remarkable year for many reasons and one that radically changed the course of our company forever. Early in the year, we announced our intention to merge SYNnex and Tech Data, two leading and successful companies in IT distribution. We completed our merger in September, creating TD SYNnex, a values-driven company of over 22,000 committed and passionate co-workers. Together, we are empowering our more than 150,000 customers and 1,500 vendor partners to achieve great outcomes with technology and grow their businesses across the global IT channel.

We have accomplished much already, including announcing our new organizational structure, and introducing a new purpose, vision, mission, and core values. As a values-driven enterprise, we are also moving quickly to establish combined Environmental, Social and Governance initiatives, which we will announce this spring along with plans to produce our first Corporate Social Responsibility report in 2022.

TD SYNnex' expanded offering of products and services positions us well to meet the increasing need and demand for this technology. We are encouraged by the growth potential of our offerings, particularly in next-generation technology areas like Cloud, Security, Data Analytics & IoT, and Everything-as-a-Service.

Fiscal 2021 in Review:

\$31.6 billion

Total Revenue, +58% y/y

16.0%

Adj. ROIC, +50 bps y/y

\$9.40

Diluted Non-GAAP EPS, +27% y/y

\$810 million

Cash Flow from Operations

\$50 million

Paid in dividends in FY 2021

+36%

Stock Appreciation during FY 2021
Vs. +25% for the S&P 500

For the third year in a row, the company achieved record revenue and operating income. We saw strong, broad-based growth across our business, something particularly noteworthy in a period marked by severe, industry-wide supply chain constraints, product shortages and impacts from the worldwide COVID-19 pandemic. Despite these challenges, we generated healthy cash flow and returned \$50 million to shareholders in the form of dividends for fiscal 2021. I would like to thank all TD SYNEX co-workers for their focus, dedication, and strong achievements in fiscal 2021.

2022 Objectives:

We enter 2022 committed to delivering on our strategic and business objectives. We are excited to take advantage of the growth in next-generation technologies and are making investments to prioritize these areas. We are dedicated to being a partner of choice in the IT industry and are focused on delivering a world-class experience for our customers and vendor partners. We are committed to continuing to balance investment in our organic business with shareholder returns and M&A activity, as well as being an employer of choice for our co-workers.

We have ambitious plans from here and look forward to sharing more about our multi-year strategic plan and financial outlook at our inaugural Investor Day, to be held virtually in spring 2022.

I am honored to lead TD SYNEX as we embark on this new chapter.

Thank you for your continued investment in TD SYNEX.

Sincerely,



Rich Hume
CEO

Forward-Looking Statements

Statements in this letter to shareholders that are forward-looking, such as those statements regarding growth opportunities and our positioning; product and service demand; ESG initiatives; and investments and M&A, involve known and unknown risks and uncertainties, which may cause our actual results in future periods to be materially different from any future performance that may be suggested in this letter. Additional information concerning potential factors that could cause actual results to differ materially from those in the forward-looking statements can be found in the risks and uncertainties detailed in our Form 10-K filed with the Securities and Exchange Commission. We assume no obligation to update any forward-looking statements contained in this letter.

Reconciliation of GAAP to Non-GAAP Financial Measures

A reconciliation of diluted non-GAAP EPS to its GAAP equivalent, and a discussion as to why management uses this measure, is set forth on pages 33 through 35 of our Form 10-K for the fiscal year ended November 30, 2021, accompanying this letter. A reconciliation of adjusted ROIC to its GAAP equivalent, and a discussion as to why management uses this measure, is set forth on the penultimate page of our earnings release furnished with our Form 8-K filed with the Securities and Exchange Commission on January 11, 2022 and posted on the Investor Relations page of our website, ir.synnex.com.

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended November 30, 2021

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-31892



TD SYNEX CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

94-2703333
(IRS Employer
Identification No.)

44201 Nobel Drive
Fremont, California
(Address of principal executive offices)

94538
(Zip Code)

(510) 656-3333

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.001 per share	SNX	The New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of Common Stock held by non-affiliates of the registrant (based upon the closing sale price on the New York Stock Exchange as of May 31, 2021, the last business day of the registrant's most recently completed second fiscal quarter) was \$5,274,578,084. Shares held by each executive officer, director and by each person who owns 10% or more of the outstanding Common Stock have been excluded in that such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of January 21, 2022, there were 96,394,143 shares of Common Stock, \$0.001 per share par value, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Items 10 (as to directors and Delinquent Section 16(a) Reports (if any)), 11, 12 (as to Beneficial Ownership), 13 and 14 of Part III incorporate by reference information from the registrant's proxy statement to be filed with the Securities and Exchange Commission in connection with the solicitation of proxies for the registrant's 2022 Annual Meeting of Stockholders to be held on March 15, 2022.

TD SYNnex CORPORATION
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PART I

When used in this Annual Report on Form 10-K (this “Report”), the words “anticipates,” “believes,” “estimates,” “expects,” “intends,” “allows,” “can,” “may,” “could,” “designed,” “will,” and similar expressions are intended to identify forward-looking statements. These are statements that relate to future periods and include statements about market trends, our business model and our services, our business and market strategy, future growth, including expansion of our product and service lines, our infrastructure, our investment in our information technology, or IT, systems, our employee hiring and retention, the ownership interest of MiTAC Holdings Corporation, or MiTAC Holdings, in us and its impact, the ownership interest of Apollo Global Management, Inc., or Apollo, in us and its impact, the impact of the Merger, our integration plans, our revenue, sources of revenue, our gross margins, our operating costs and results, timing of payment, the value of our inventory, our competition, including with Synnex Technology International Corp., our future needs for additional financing, the likely sources for such funding and the impact of such funding, concentration of customers and suppliers, customer and supplier contract terms, customer forecasts and its impact on us, relationships with our suppliers, adequacy of our facilities, ability to obtain comparable leases, ability to manage and communicate with international resources, ability to meet demand, managing inventory and our shipping costs, our legal proceedings, our operations and trends related thereto, our international operations, foreign currency exchange rates and hedging activities, expansion of our operations and related effects, our strategic acquisitions including anticipated cost savings and other benefits, divestitures of businesses and assets, revenue, cost of revenue and gross margin, our goodwill, seasonality of sales, changes in share price, adequacy of our cash resources to meet our capital needs, our debt and financing arrangements, including the impact of any change to our credit rating, interest rate risk and impact thereof, cash held by our international subsidiaries and repatriation, changes in fair value of derivative instruments, our tax liabilities, adequacy of our disclosure controls and procedures, dependency on personnel, pricing pressures, cybersecurity and compliance with related rules and regulations, impact of rules and regulations affecting public companies, the replacement of LIBOR, impact of our pricing policies, impact of economic and industry trends, changes to the markets in which we compete, impact of our accounting policies and recently issued accounting pronouncements, our estimates and assumptions, impact of inventory repurchase obligations and commitments and contingencies, our effective tax rates, impact of any impairment of our goodwill and intangible assets, our share repurchase and dividend program, our securitization programs, term loans and revolving credit lines, our investments in working capital, personnel, our succession planning and various environmental, social and governance initiatives and attention. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These risks and uncertainties include, but are not limited to, those risks discussed herein and risks related to the risk that the legacy SYNnex and legacy Tech Data businesses will not be integrated successfully or realize the anticipated benefits of the combined company, the COVID-19 global pandemic, the ability to retain key personnel, the seasonality of the buying patterns of our customers, concentration of sales to large customers, the loss or consolidation of one or more of our significant original equipment manufacturer, or OEM, suppliers or customers, market acceptance and product life of the products we assemble and distribute, competitive conditions in our industry and their impact on our margins, pricing and other terms with our OEM suppliers, our ability to gain market share, variations in supplier-sponsored programs, changes in our costs and operating expenses, dependence upon and trends in capital spending budgets in the IT industry, fluctuations in general economic conditions, change in market for our customers' products, employee turnover, changes in tax laws, risks associated with our international operations, uncertainties and variability in demand by our reseller and integration customers, supply shortages or delays, any termination or reduction in our floor plan financing arrangements, changes in value of foreign currencies and interest rates and other risk factors contained below under Part I, Item 1A, “Risk Factors.” These forward-looking statements speak only as of the date hereof. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

In the sections of this Report entitled “Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” all references to “TD SYNnex,” “we,” “us,” “our” or the “Company” mean TD SYNnex Corporation and its subsidiaries for periods after the acquisition of Tech Data, except where it is made clear that the term means only the parent company or one of its segments while all references to “SYNnex,” “we,” “us,” “our” or the “Company” mean SYNnex Corporation and its subsidiaries for periods prior to the acquisition of Tech Data, except where it is made clear that the term means only the parent company or one of its segments.

TD SYNnex, the TD SYNnex Logo, and all other TD SYNnex company, product and services names and slogans are trademarks or registered trademarks of TD SYNnex Corporation. Other names and marks are the property of their respective owners.

Item 1. *Business*

We are a Fortune 200 corporation and a leading global provider of a comprehensive range of distribution, systems design and integration solutions for the technology industry.

On December 1, 2020, we completed the previously announced separation of our customer experience services business (the “Separation”), which was accomplished by the distribution of one hundred percent of the outstanding common stock of Concentrix Corporation (“Concentrix”). Our stockholders received one share of Concentrix common stock for every share of our common stock held at the close of business on the record date. Concentrix is now an independent public company trading under the symbol “CNXC” on the Nasdaq Stock Market. After the Separation, we do not beneficially own any shares of Concentrix’ common stock and beginning December 1, 2020, we no longer consolidate Concentrix within our financial results or reflect the financial results of Concentrix within our continuing results of operations. We distributed a total of approximately 51.6 million shares of Concentrix common stock to our stockholders. In connection with the Separation, we entered into a separation and distribution agreement, as well as various other agreements with Concentrix that provide a framework for the relationships between the parties going forward, including among others an employee matters agreement, a tax matters agreement, and a commercial agreement, pursuant to which Concentrix has continued to provide services to us following the Separation. The historical results of operations and financial positions of Concentrix are reported as discontinued operations in our Consolidated Financial Statements. For further information on discontinued operations, see [Note 5](#) - Discontinued Operations, to the Consolidated Financial Statements in Item 8.

On March 22, 2021, we entered into an agreement and plan of merger (the “Merger Agreement”) which provided that legacy SYNnex Corporation would acquire legacy Tech Data Corporation, a Florida corporation (“Tech Data”) through a series of mergers, which would result in Tech Data becoming an indirect subsidiary of TD SYNnex Corporation (collectively, the “Merger”). On September 1, 2021, pursuant to the terms of the Merger Agreement, we acquired all the outstanding shares of common stock of Tiger Parent (AP) Corporation, the parent corporation of Tech Data, for consideration of \$1.61 billion in cash (\$1.11 billion in cash after giving effect to a \$500 million equity contribution by Tiger Parent Holdings, L.P., Tiger Parent (AP) Corporation’s sole stockholder and an affiliate of Apollo Global Management, Inc., to Tiger Parent (AP) Corporation prior to the effective time of the Merger) and 44 million shares of common stock of SYNnex valued at approximately \$5.61 billion.

We previously had two reportable segments as of November 30, 2020: Technology Solutions and Concentrix. After giving effect to the Separation on December 1, 2020, we operated in a single reportable segment. After completion of the Merger, we reviewed our reportable segments as there was a change in our chief executive officer, who is also our chief operating decision maker. Our chief operating decision maker has a leadership structure aligned with the geographic locations of the Americas, Europe and Asia-Pacific and Japan (“APJ”) and reviews and allocates resources based on these geographic locations. As a result, as of September 1, 2021 we began operating in three reportable segments based on our geographic locations: the Americas, Europe and APJ. Segment results for all prior periods have been restated for comparability to the Company’s current reportable segments. For financial information by segment, refer to [Note 13](#) – Segment Information, to the Consolidated Financial Statements in Item 8.

We distribute PC systems, mobile phones and accessories, printers, peripherals, information technology (“IT”) systems including data center server and storage solutions, system components, software, networking, communications and security equipment, consumer electronics and complementary products. We also provide systems design and integration solutions.

We distribute more than 200,000 technology products (as measured by active SKUs) from more than 1,500 original equipment manufacturers (“OEM”), as well as suppliers of next-generation technologies and delivery models such as converged and hyper-converged infrastructure, the cloud, security, big data/analytics/Internet of things (“IoT”) and services. Our products are marketed globally to an active reseller base of more than 150,000 resellers, system integrators, and retailers. We purchase peripherals, IT systems, system components, software, networking, communications and security equipment, consumer electronics and complementary products from our suppliers and sell them to our reseller and retail customers. We perform a similar function for our distribution of licensed software products. Our reseller customers include value-added resellers (“VARs”), corporate resellers, government resellers, system integrators, direct marketers, retailers and managed service providers (“MSPs”). We provide our vendors with access to large and highly fragmented markets such as small- and medium-sized businesses (“SMB”) and serve as a variable, cost effective route to market for our vendors by providing them with access to resellers and end-users. We combine our core strengths in distribution with demand generation, supply chain management and design and integration solutions to help our customers achieve greater efficiencies in time to market, cost minimization, real-time linkages in the supply chain and aftermarket product support. We also provide comprehensive IT solutions in key vertical markets such as government and healthcare and we provide specialized service offerings that increase efficiencies in the areas of global computing components, logistics services and supply chain management. Additionally, we provide our customers with systems design and integration solutions for data center servers and networking solutions built specific to our customers’ workloads and data center environments.

Our business is characterized by low gross profit as a percentage of revenue, or gross margin, and low income from operations as a percentage of revenue, or operating margin. The market for IT products is generally characterized by declining unit prices and short product life cycles. We set our sales price based on the market supply and demand characteristics for each particular product or bundle of products we distribute and services we provide.

We are highly dependent on the end-market demand for IT products, and on our partners' strategic initiatives and business models. This end-market demand is influenced by many factors including the introduction of new IT products and software by OEMs, replacement cycles for existing IT products, trends toward cloud computing, overall economic growth and general business activity. A difficult and challenging economic environment may also lead to consolidation or decline in the IT industries and increased price-based competition.

We have been in business since 1980 and have headquarters in both Clearwater, Florida and Fremont, California. We were originally incorporated in the State of California as COMPAC Microelectronics, Inc. in November 1980, and we changed our name to SYNEX Information Technologies, Inc. in February 1994. We later reincorporated in the State of Delaware under the name of SYNEX Corporation in October 2003. As a result of the Merger, on October 22, 2021, we filed with the Secretary of State of the State of Delaware a Certificate of Amendment to the Company's Restated Certificate of Incorporation to change our corporate name from SYNEX Corporation to TD SYNEX Corporation, effective November 3, 2021. As of November 30, 2021, we had approximately 22,000 full-time co-workers worldwide.

Our Products and Suppliers

We distribute a comprehensive catalog of IT products from more than 1,500 OEM suppliers, enabling us to offer comprehensive solutions to our reseller and retail customers. We group the majority of our offerings into two primary solutions portfolios, Endpoint Solutions and Advanced Solutions which are comprised of the following:

Endpoint Solutions Portfolio:

- Our Endpoint Solutions portfolio primarily includes PC systems, mobile phones and accessories, printers, peripherals, supplies, endpoint technology software and consumer electronics.

Advanced Solutions Portfolio:

- Our Advanced Solutions portfolio primarily includes data center technologies such as storage, networking, servers, advanced technology software and converged and hyper-converged infrastructure. Our Advanced Solutions portfolio also includes our specialized solution businesses.

Our next-generation technology solutions, along with our services offerings, span our Endpoint and Advanced Solutions portfolios.

Our suppliers include leading peripherals, IT systems, system components, software, security, networking equipment, UCC and consumer electronics manufacturers. Our primary OEM suppliers are Alphabet Inc. (Google), Apple, Inc., ASUSTeK Computer Inc., Cisco Systems, Inc., HP Inc., Hewlett-Packard Enterprise Company, Intel Corporation, Lenovo Group Ltd, Microsoft Corporation, and Samsung Electronics Co., Ltd. Our largest OEM supplier is HP Inc. Revenue from the sale of products and services provided by HP Inc. represented approximately 12%, 15% and 14% of our total revenue for fiscal years 2021, 2020 and 2019, respectively.

We have distribution agreements with most of our suppliers, including HP Inc. These agreements usually provide for nonexclusive distribution rights and pertain to specific geographic territories. The agreements are also generally short-term, subject to periodic renewal, and often contain provisions permitting termination by either our supplier or us without cause upon relatively short notice. Conversely, our vendor agreements generally do not restrict us from selling similar products manufactured by competitors, nor do they require us to sell a specified quantity of product. As a result, we have the flexibility to terminate or curtail sales of one product line in favor of another due to technological change, pricing considerations, product availability, and customer demand or vendor distribution policies. An OEM supplier that elects to terminate a distribution agreement will generally repurchase its products carried in our inventory.

Our business subjects us to the risk that the value of our inventory will be affected adversely by suppliers' price reductions or by technological changes affecting the usefulness or desirability of the products comprising our inventory. Many of our OEM suppliers offer us limited protection from the loss in value of our inventory due to technological change or a supplier's price reduction. Under many of these agreements, we have a limited period of time to return or exchange products or claim price protection credits. Historically, price protection and stock rotation privileges, as well as our inventory management procedures, have helped reduce the risk of loss of inventory value. We monitor our inventory levels and attempt to time our purchases to maximize our protection under supplier programs.

Our Customers

We distribute IT products to more than 150,000 resellers, system integrators and retailers. Resellers are classified primarily by their end-user customers. End-users include large corporations or enterprises, federal, state and local governments, small/medium sized businesses, or SMBs, and individual consumers. In addition, resellers vary greatly in size and geographic reach. Our reseller customers buy from us and other distributors. Our larger reseller customers also buy certain products directly from OEM suppliers. System integrators offer services in addition to product resale, primarily in systems customization, integration, and deployment.

Retailers serve mostly individual end-users and to a small degree, small office/home office customers. We also provide systems design and integration solutions for data center servers built for our customers' data center environments.

One customer accounted for 17%, 23% and 24% of our total revenue in fiscal years 2021, 2020 and 2019, respectively. We do not believe that the loss of any single customer would have a material adverse effect on us.

Our Services and Solutions

We offer a variety of business process services to our customers. These services can be purchased individually or they can be purchased in combination with others in the form of supply chain solutions and aftermarket product support.

We have sophisticated pick, pack and ship operations, which allows us to efficiently receive shipments from our OEM suppliers and quickly fill orders for our reseller and retail customers. We generally stock or otherwise have access to the inventory of our OEM suppliers to satisfy the demands of our reseller and retail customers. In addition, we design and integrate energy efficient and cost-effective data center servers which are built specific to the data center environments and actual workloads of our large-scale data center customers.

The above services are complemented by the following:

Systems Design and Integration Solutions. We provide our customers with systems design and full rack integration solutions, build-to-order, and configure-to-order assembly capabilities. In both of these cases, we offer design, integration, test and other production value-added solutions such as thermal testing, power-draw efficiency testing, burn-in, quality and logistics support.

Logistics Services. We provide logistics support to our reseller customers such as outsourced fulfillment, virtual distribution and direct ship to end-users. Other logistics support activities we provide include generation of customized shipping documents, multi-level serial number tracking for customized, configured products and online order and shipment tracking. We also offer full turn-key logistics solutions designed to address the needs of large volume or specialty logistics services. Our full turn-key service offering is modular in nature and is designed to cover all aspects of the logistics life cycle including, transportation management, inventory optimization, complementary product matching, reverse logistics, asset refurbishment and disposal and strategic procurement.

Cloud Services. We provide cloud-based solutions and services to our reseller customers to enable sales of and migration to technologies in a hosted environment to small and medium businesses. Our proprietary cloud platform offers a complete package of cloud-based solutions on a user-friendly platform and allows our reseller customers and OEM vendors to own the complete customer lifecycle through direct billing, provisioning, management, and support. Our solutions cover all end-user customer needs, including, pure public cloud solutions in productivity and collaboration, IaaS, or Infrastructure as a Service, PaaS, or Platform as a Service, SaaS, or Software as a Service, Security, Mobility, IoT and other hybrid solutions. Our dedicated cloud team comprising developers, sales engineers and solutions specialists, supports our reseller customers in the sales of these solutions.

Online Services. We maintain electronic data interchange ("EDI"), extensible markup language ("XML"), web-based communication links and mobile applications with many of our reseller and retail customers. These links improve the speed and efficiency of our transactions with our customers by enabling them to search for products, check inventory availability and prices, configure systems, place and track orders, receive invoices, review account status and process returns. We also have web-based application software that allows our customers or their end-user customers to order software and take delivery online.

Financial Services. We offer our reseller customers various financing options, including net terms, third party leasing, floor plan financing and letters-of-credit backed financing and arrangements where we collect payments directly from the end-user. We also lease products to our reseller customers and their end-users and provide device-as-a-service to end-users. The availability and terms of our financing services are subject to our credit policies or those of third-party financing providers to our customers.

Marketing Services. We offer our OEM suppliers a full range of marketing activities targeting resellers, system integrators and retailers including direct mail, external media advertising, reseller product training, targeted telemarketing campaigns, national and regional trade shows, trade groups, database analysis, print on demand services and web-based marketing.

Sales and Marketing

We serve our large commercial, government reseller, and retail customers through dedicated sales professionals. We market to smaller resellers and OEMs through dedicated regional sales teams. In addition, we have dedicated product management and business development specialists that focus on the sale and promotion of products and services of selected suppliers or for specific end-market verticals. These specialists are also directly involved in establishing new relationships with leading OEMs to create demand for their products and services and with resellers for their customers' needs. We also have a direct sales approach for our design and integration solutions business. Our sales and marketing professionals are complemented by members of our executive management team who are integral in identifying potential new customer opportunities, promoting sales growth and ensuring customer satisfaction. We have sales and marketing professionals in close geographic proximity to our reseller, retail and OEM customers.

Our Operations

We operate 181 distribution and administrative facilities globally. Our distribution processes are highly automated to reduce errors, ensure timely order fulfillment and enhance the efficiency of our warehouse operations and back office administration. Our distribution facilities are geographically dispersed to be near reseller customers and their end-users. This decentralized, regional strategy enables us to benefit from lower shipping costs and shorter delivery lead times to our customers. Furthermore, we track several performance measurements to continuously improve the efficiency and accuracy of our distribution operations. Our regional locations also enable us to make local deliveries and provide will-call fulfillment to more customers than if our distribution operations were more centralized, resulting in better service to our customers. Our workforce is comprised of permanent and temporary employees, enabling us to respond to short-term changes in order activity.

Our proprietary IT systems and processes enable us to automate many of our distribution operations. We use radio frequency and bar code scanning technologies in our warehouse operations to maintain real-time inventory records, facilitate frequent cycle counts and improve the accuracy of order fulfillment.

To enhance the accuracy of our distribution order fulfillment and protect our inventory from shrinkage, our distribution systems also incorporate numerous controls. These controls include order weight checks, bar code scanning, and serial number profile verification. We also use digital video imaging to record our small package shipping activities by order. These images and other warehouse and shipping data are available online to our customer service representatives, enabling us to quickly respond to order inquiries by our customers.

We operate our principal systems design and integration solutions facilities in the United States with additional locations in the United Kingdom and China. We generally design and integrate IT systems, data center servers and networking solutions and IT appliances, by incorporating system components purchased directly from vendors or obtained from our distribution inventory. Additionally, we perform other production value-added services, including thermal testing, power-draw efficiency testing, burn-in, quality and logistics support. Some of our design and integration solutions facilities are ISO 9001:2015 and ISO 14001:2015 certified.

International Operations

Approximately 37% of our consolidated revenue for fiscal year 2021 was generated by our international operations. As a result of the Merger, we have expanded both our domestic and international operations. Our end market strategy is to continue expanding internationally on a selective basis in order to provide our distribution capabilities to OEMs in locations that meet their regional requirements.

Sales and cost concentrations in foreign jurisdictions subject us to various risks, including the impact of changes in the value of these foreign currencies relative to the United States Dollar, which in turn can impact reported sales.

See [Note 13](#) – Segment Information to the Consolidated Financial Statements included in Item 8 of this Report for additional financial information related to international and domestic operations.

Seasonality

Our operating results are affected by the seasonality of the IT products industry. We have historically experienced higher sales in our fourth fiscal quarter due to patterns in capital budgeting, federal government spending and purchasing cycles of our customers and end-users. These historical patterns may not be repeated in subsequent periods and may be impacted by the Merger.

Purchasing

Product cost represents our single largest expense and IT product inventory is one of our largest working capital investments. Furthermore, product procurement from our OEM suppliers is a highly complex process that involves incentive programs, rebate programs, price protection, volume and early payment discounts and other arrangements. Consequently, efficient and effective purchasing operations are critical to our success.

Our purchasing group works closely with many areas of our organization, especially our product managers who work closely with our OEM suppliers and our sales force, to understand the volume and mix of IT products that should be purchased. In addition, in certain locations the purchasing group utilizes an internally developed, proprietary information systems application that further aids in forecasting future product demand based on several factors, including historical sales levels, expected product life cycle and current and projected economic conditions. We may also rely on our receipt of good-faith, non-binding, customer forecasts. We maintain EDI connections with our OEM suppliers to send purchase orders, receive purchase order status and receive notification once the product has shipped from our supplier. Our information system also tracks warehouse and channel inventory levels and open purchase orders on a real-time basis enabling us to stock inventory at a regional level closer to the customer as well as to actively manage our working capital resources. This level of automation promotes greater efficiencies of inventory management by replenishing and turning inventory, as well as placing purchase orders on a more frequent basis. Furthermore, our system tool also allows for automated checks and controls to prevent the generation of inaccurate orders.

Managing our OEM supplier incentive programs is another critical function of our purchasing and product management teams. We also attempt to maximize the benefits of incentives, rebates and volume and early payment discounts that our OEM suppliers offer us. We carefully evaluate these supplier incentive benefits relative to our product handling and carrying costs so that we do not over-invest in our inventory. We also closely monitor inventory levels on a product-by-product basis and plan purchases to take advantage of OEM supplier provided price protection. By managing inventory levels and monitoring customer purchase patterns at each of our regional distribution facilities, we believe we can minimize our shipping costs by stocking products near our resellers and retailers, and their end-user customers.

Financial Services

We offer various financing options to our customers as well as prepayment, credit card and cash on delivery terms. In providing credit terms to our reseller and retail customers, we closely and regularly monitor their creditworthiness through our information systems, their credit ratings information and periodic detailed credit file reviews by our financial services staff. We have also purchased credit insurance in most geographies to further control customer credit risks. Finally, we establish reserves for estimated credit losses in the normal course of business based on the overall quality and aging of our accounts receivable portfolio, the existence of credit insurance and specifically identified customer risks.

We also sell to certain reseller customers pursuant to third party floor plan financing. The expenses charged by these financing companies are subsidized either by our OEM suppliers or paid by us. We generally receive payment from these financing companies within 15 to 30 days from the date of sale, depending on the specific arrangement.

Information Technology

Our IT systems manage the entire order cycle, including processing customer orders, customer billing and payment tracking. These IT systems make our operations more efficient and provide visibility into our operations. We believe our IT infrastructure is scalable to support further growth. We continue to enhance and invest in our IT systems to improve product and inventory management, streamline order and fulfillment processes, and increase operational flexibility, including as part of the integration process related to the Merger.

To allow our customers and suppliers to communicate and transact business with us in an efficient and consistent manner, we have implemented a mix of proprietary and off-the-shelf software programs that integrate our IT systems with those of our customers and suppliers. In particular, we maintain EDI, XML, web-based communication links and mobile platform applications with many of our reseller and retail customers to enable them to search for products, check real-time pricing, inventory availability and specifications, place and track orders, receive invoices and process returns.

Competition

We operate in a highly competitive global environment. The IT product industry is characterized by intense competition, based primarily on product availability, credit terms and availability, price, speed and accuracy of delivery, effectiveness of sales and marketing programs, ability to tailor specific solutions to customer needs, quality and depth of product lines and training, pre- and post-sale technical support, flexibility and timely response to design changes, technological capabilities and product quality, service and support. We compete with a variety of regional, national and international IT product distributors and manufacturers.

We compete against several distributors in the Americas market, including Arrow Electronics, Inc. ("Arrow"), Ingram Micro, Inc. and ScanSource, Inc. and, to a lesser extent, regional distributors. The competitive environment in Europe is more fragmented with market share spread among several regional and local competitors such as ALSO Holding and Esprinet, as well as international distributors such as Ingram Micro, Inc., Westcon-Comstor and Arrow. We also face competition from our OEM suppliers that sell directly to resellers, retailers and end-users. The distribution industry has historically undergone, and continues to undergo, consolidation. Over the years, a number of providers within the IT distribution industry exited or merged with other providers. For example, during fiscal year 2017, we acquired the Westcon-Comstor Americas distribution business and Tech Data acquired the Technology Solutions operating group of Avnet Inc. ("Avnet"), and in fiscal year 2021 we acquired Tech Data. We have participated in this consolidation and expect to continue to assess opportunities.

As we enter new business areas, we may encounter increased competition from our current competitors and/or new competitors. Some of our competitors may have greater financial, operating, manufacturing and marketing resources than us. Some of our competitors may have broader geographic breadth and range of services than us. Some may have more developed relationships with their existing customers.

We constantly seek to expand our business into areas primarily related to our core distribution as well as other support, logistics and related value-added services, both organically and through strategic acquisitions.

Human Capital Resources

As of November 30, 2021, we had approximately 22,000 full-time co-workers. Given the variability in our business and the quick response time required by customers, it is critical that we are able to rapidly ramp-up and ramp-down our operational capabilities to maximize efficiency. As a result, we use temporary or contract workers, who totaled approximately 5,000 as of November 30, 2021, on a full-time equivalent basis. Certain of our employees in various countries outside of the United States are subject to laws providing representation rights to employees through workers' councils.

We are committed to fostering a diverse and inclusive workplace that attracts and retains exceptional talent. Through ongoing employee development, comprehensive compensation and benefits, and a focus on health, safety and employee wellbeing, we strive to help our employees in all aspects of their lives so they can do their best work.

Diversity, Equity and Inclusion

We are committed to being unconditionally inclusive to capture the ideas and perspectives that fuel innovation and enable our workforce, customers, and communities to succeed in the digital age. We strive to create an inclusive workplace where people can bring their authentic selves to work. Our commitment to diversity and inclusion starts at the top with a highly skilled and diverse board of directors. Women represent 27% of our board of directors and 42% of our co-worker base, and 55% of our board of directors is ethnically diverse and/or gender diverse. We strive to remain a diverse company. Both Robert Huang, founder of our company, and Steve Raymund, founder of Tech Data, wanted to ensure we had the best co-workers regardless of their age, ethnicity, or gender. Their legacy and our primary focus is to work hard, do well, and treat others with respect.

Pay Equity or Total Rewards

We believe people should be paid for what they do and how they do it, regardless of their gender, race, or other personal characteristics. To deliver on that commitment, we benchmark and set pay ranges based on market data and consider factors such as an employee's role and experience, the location of their job, and their performance. We also review our compensation practices, both in terms of our overall workforce and individual employees, to ensure our pay is fair and equitable. Our practice of reviewing the compensation of employees to ensure consistent pay practices by conducting a pay equity analysis annually comparing employees in the same role within a country or location will extend to include employees added from the Merger, during the integration phase.

We require a talented workforce and are committed to providing total rewards that are market-competitive and performance-based, driving innovation and operational excellence. Our compensation programs, practices, and policies reflect our commitment to reward short- and long-term performance that aligns with, and drives, stockholder value. Total direct compensation is generally positioned within a competitive range of the market median, with differentiation based on tenure, skills, proficiency, and performance to attract and retain key talent.

Employee Engagement

We regularly collect feedback to better understand and improve the co-worker experience and identify opportunities to continually strengthen our culture. We want to know what is working well, what we can do better and how well our co-workers understand and are practicing our cultural values.

Training and Development

Human capital development underpins our efforts to execute our strategy and continue to distribute, design, integrate and market innovative products and services. We continually invest in our employees' career growth and provide employees with a wide range of development opportunities, including face-to-face, virtual, social and self-directed learning, mentoring, coaching, and external development.

Health, Safety and Wellness

The physical health, financial wellbeing, life balance and mental health of our employees is vital to our success. Our environmental, health, and safety leadership team uses our global injury and illness reporting system to assess trends regionally and worldwide as a part of quarterly reviews. Our warehouse and integration facilities continue to represent our most significant health and safety risks. Managing and reducing risks at these facilities remains a focus, and injury rates continue to be low. We also sponsor a wellness program designed to enhance physical, financial, and mental wellbeing for all our employees. Throughout the year, we encourage healthy behaviors through regular communications, educational sessions, voluntary progress tracking, wellness challenges, and other incentives. Since the onset of the COVID-19 pandemic, we have taken an integrated approach to helping our co-workers manage their work and personal responsibilities, with a strong focus on employee wellbeing, health and safety. We have successfully transitioned most of our workforce to a remote working environment and implemented a number of safety and social distancing measures within our premises to protect the health and safety of co-workers who are required to be on-premise to support our business.

Environmental

We remain focused on protecting our planet and reducing our global carbon footprint. In support of this, TD SYNnex has committed to the Science Based Targets Initiative (SBTi) Business Ambition Pledge. We are committed to embedding a culture of sustainability across our organization and increasing our sustainability initiatives and supporting our customers and vendors. We engage in and continue to explore a range of sustainability projects such as renewable energy, use of light emitting diode (LED) technologies, waste minimization projects and ISO 14001 at several of our facilities. We also offer trade-in, recycling and refurbishment services on a range of IT equipment to end-users through agreements with our resellers and retail partners.

Available Information

Our website is <http://www.tdsynnex.com>. We make available free of charge, on or through our website, our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports, if any, or other filings filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after electronically filing or furnishing these reports with the Securities and Exchange Commission, or SEC. Information contained on our website is not a part of this Report. We have adopted a code of ethics applicable to our employees including our principal executive, financial and accounting officers, and it is available free of charge, on our website's investor relations page.

The SEC maintains an Internet site at <http://www.sec.gov> that contains our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports, if any, or other filings filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, and our proxy and information statements.

Item 1A. Risk Factors

The following discussion is divided into several sections. The first section, which begins immediately following this paragraph, discusses some of the risks that may affect our business, results of operations and financial condition. The second section, captioned "Risks Related to Our Indebtedness" discusses our debt-related risks. The third section, captioned "Risks Related to Our Relationships with Apollo Global Management Inc. and MiTAC Holdings Corporation," discusses risks relating to Apollo Global Management's influence over us and our relationship with MiTAC Holdings Corporation. The fourth section, captioned "Risks Related to our Industry," discusses risks impacting businesses operating in our industry. The fifth section, captioned "Risks Related to the Acquisition of Tech Data" relates to risks associated with the Merger. The sixth section, captioned "Risks Related to the Macro-Economic and Regulatory Environment," relates to risks which broadly affect companies operating in regions in which we operate. You should carefully review all of these sections, as well as our consolidated financial statements and notes thereto and the other information appearing in this report, for important information regarding risks that affect us. These risk factors should be considered in connection with evaluating the forward-looking statements contained in this Report because these factors could cause the actual results and conditions to differ materially from those projected in the forward-looking statements. Before you invest in our Company, you should know that making such an investment involves some risks, including the risks described below. The risks that have been highlighted here are not the only ones that we face. If any of the risks actually occur, our business, financial condition and results of operations could be negatively affected. In that case, the trading price of our common stock could decline, and you may lose all or part of your investment.

Risks Related to Our Business and Operations

We anticipate that our revenue and operating results will fluctuate, which could adversely affect the enterprise value of our Company and our securities.

Our operating results have fluctuated and will fluctuate in the future as a result of many factors, including:

- the impact of the business acquisitions and dispositions we make;

- general economic conditions and level of IT spending;
- the loss or consolidation of one or more of our significant OEM suppliers or customers;
- market acceptance, quality, pricing, availability and useful life of our products and services, as well as the mix of our products and services sold;
- competitive conditions in our industry;
- trends towards cloud based infrastructure and “as-a-Service” type product offerings;
- pricing, margin and other terms with our OEM suppliers;
- decline in inventory value as a result of product obsolescence and market acceptance;
- variations in our levels of excess inventory, vendor reserves and doubtful accounts;
- fluctuations in rates in the currencies in which we transact;
- changes in the terms of OEM supplier-inventory protections, such as price protection and return rights; and
- the expansion of our design and integration solutions sales and operations, globally.

Although we attempt to control our expense levels, these levels are based, in part, on anticipated revenue. Therefore, we may not be able to control spending in a timely manner to compensate for any unexpected revenue shortfall.

Our operating results are affected by the seasonality of the IT products and services industry. We have historically experienced higher sales in our fourth fiscal quarter due to patterns in the capital budgeting, federal government spending and purchasing cycles of end-users. These historical patterns may not be repeated in subsequent periods and may be impacted by the Merger. You should not rely on period-to-period comparisons of our operating results as an indication of future performance. In future years, our operating results may be below our expectations or those of our public market analysts or investors, which would likely cause our share price to decline.

We are subject to uncertainties and variability in demand by our customers, which could decrease revenue and adversely affect our operating results, and we have customer contracts with provisions that could cause fluctuations in our revenue.

We sell to our customers on a purchase order basis, rather than pursuant to long-term contracts or contracts with minimum purchase requirements. Consequently, our sales are subject to demand variability by our customers. The level and timing of orders placed by our customers vary for a variety of reasons, including seasonal buying by end-users, the introduction of new hardware and software technologies and general economic conditions. Customers submitting a purchase order may cancel, reduce or delay their orders. If we are unable to anticipate and respond to the demands of our reseller, retail and design and integration solutions customers, we may lose customers because we have an inadequate supply of products, or we may have excess inventory, either of which could harm our business, financial position and operating results.

With regard to our design and integration solutions customers, unique parts are purchased based both on customer purchase orders and forecasted demand. We have limited protection against excess inventory should anticipated demand not materialize.

We depend on a limited number of OEMs to supply the IT products and services that we sell and the loss of, or a material change in, our business relationship with a major OEM supplier could adversely affect our business, financial position and operating results.

Our future success is highly dependent on our relationships with a small number of OEM suppliers. For example, sales of HP Inc. products and services comprised approximately 12%, 15% and 14% of our total revenue for fiscal years 2021, 2020 and 2019, respectively. Our OEM supplier agreements typically are short-term and may be terminated without cause upon short notice. OEM supplier agreements are often established at a regional or country level and these relationships may change in some countries or regions and not others. The loss or deterioration of our relationship with HP Inc. or any other major OEM supplier, the authorization by OEM suppliers of additional distributors, the sale of products by OEM suppliers directly to our reseller and retail customers and end-users, or our failure to establish relationships with new OEM suppliers or to expand the distribution and supply chain services that we provide OEM suppliers could adversely affect our business, financial position and operating results. In addition, OEM suppliers may face liquidity or solvency issues that in turn could negatively affect our business and operating results.

Our business is also highly dependent on the terms provided by our OEM suppliers. Generally, each OEM supplier has the ability to change the terms and conditions of its distribution agreements, such as reducing the amount of price protection and return rights or reducing the level of purchase discounts, incentive rebates, scope of the geographic area in which we can sell and marketing programs available to us.

From time to time we may conduct business with a supplier without a formal agreement because the agreement has expired or was otherwise terminated. In such case, we are subject to additional risk with respect to products, warranties and returns, and other terms and conditions. If we are unable to pass the impact of these changes through to our reseller and retail customers, our business, financial position and operating results could be adversely affected.

Our gross margins are low, which magnifies the impact of variations in gross margin, operating costs and our operating results.

As a result of significant price competition in the IT products and services industry, our gross margins are low, and we expect them to continue to be low in the future. Increased competition arising from industry consolidation and low demand for certain IT products and services may hinder our ability to maintain or improve our gross margins. These low gross margins magnify the impact of variations in revenue and operating costs on our operating results. A portion of our operating expense is relatively fixed, and planned expenditures are based in part on anticipated orders that are forecasted with limited visibility of future demand. As a result, we may not be able to reduce our operating expense to sufficiently mitigate any further reductions in gross profit or margin in the future. If we cannot proportionately decrease our cost structure in response to competitive price pressures, our business and operating results could suffer.

We also receive purchase discounts and rebates from OEM suppliers based on various factors, including sales or purchase volume and breadth of customers. A decrease in net sales could negatively affect the level of volume rebates received from our OEM suppliers and thus, our gross margin. Because some rebates from OEM suppliers are based on percentage increases in sales of products, it may become more difficult for us to achieve the percentage growth in sales required for larger discounts due to the current size of our revenue base. A decrease or elimination of purchase discounts and rebates from our OEM suppliers would adversely affect our business and operating results.

We are subject to the risk that our inventory value may decline, and protective terms under our OEM supplier agreements may not adequately cover the decline in value, which in turn may harm our business, financial position and operating results.

The IT products industry is subject to rapid technological change, new and enhanced product specification requirements, and evolving industry standards. These changes may cause inventory on hand to decline substantially in value or to rapidly become obsolete. Most of our OEM suppliers offer limited protection from the loss in value of inventory. For example, we can receive a credit from many OEM suppliers for products held in inventory in the event of a supplier price reduction. In addition, we have a limited right to return a certain percentage of purchases to most OEM suppliers. These policies are often subject to time restrictions and do not protect us in all cases from declines in inventory value. In addition, our OEM suppliers may become unable or unwilling to fulfill their protection obligations to us. The decrease or elimination of price protection, or the inability of our OEM suppliers to fulfill their protection obligations, could lower our gross margins and cause us to record inventory write-downs. If we are unable to manage our inventory with our OEM suppliers with a high degree of precision, we may have insufficient product supplies or we may have excess inventory, resulting in inventory write-downs, either of which could harm our business, financial position and operating results.

We depend on OEM suppliers to maintain an adequate supply of products to fulfill customer orders on a timely basis, and any supply shortages or delays could cause us to be unable to timely fulfill orders, which in turn could harm our business, financial position and operating results.

Our ability to obtain particular products in the required quantities and to fulfill reseller and retail customer orders on a timely basis is critical to our success. In most cases, we have no guaranteed price or delivery agreements with our OEM suppliers. We have experienced a supply shortage of certain products as a result of strong demand or problems experienced by our OEM suppliers, including during fiscal year 2020 and 2021 due to global supply chain constraints resulting from the impacts of the COVID-19 pandemic. If shortages or delays persist, the price of those products may increase, or the products may not be available at all. Such delays could also impact our ability to procure critical components required to complete customer orders. In addition, our OEM suppliers may decide to distribute, or to substantially increase their existing distribution business, through other distributors, their own dealer networks, or directly to resellers, retailers or end-users. Accordingly, if we are not able to secure and maintain an adequate supply of products to fulfill our customer orders on a timely basis, our business, financial position and operating results could be adversely affected.

We experience customer concentration and intense competition which could adversely impact our revenue.

Our business experiences customer concentration from time to time. One customer accounted for 17%, 23% and 24% of our total revenue in fiscal years 2021, 2020 and 2019. While we do not believe that the loss of any single customer would have a material adverse effect on us, such loss could result in an adverse impact on certain of our businesses. For example, our systems design and integration solutions product line has significant customer concentration, requires investments in working capital and infrastructure, and has customer contracts that often offer limited or no volume guarantees or protection for end-of-life investments. The loss of a customer or reduction in order volumes could adversely impact our revenue, provision for inventory losses, the absorption of fixed overhead costs and our future expansion plans. The systems design and integration solutions business operates in a competitive environment. Volumes can fluctuate based on customer demand, delivery quality and the competitive landscape. Our ability to deliver customized solutions on a timely basis is critical to our success. Any delay could impact our competitive position and result in loss of customer orders, which could impact our financial position and operating results.

We have pursued and intend to continue to pursue strategic acquisitions or investments in new markets and may encounter risks associated with these activities, which could harm our business and operating results.

We have in the past pursued, and in the future expect to pursue, acquisitions of, or investments in, businesses and assets in new markets, either within or outside the IT products and services industry, that complement or expand our existing business. For example, in September 2021, we completed the acquisition of Tech Data. Our acquisition strategy involves a number of risks, including:

- difficulty in successfully integrating acquired operations, IT systems, customers, OEM supplier relationships, products, services and businesses with our operations;
- risk that the acquired businesses will fail to maintain the quality of services that we have historically provided;
- loss of key employees of acquired operations or inability to hire key employees necessary for our expansion;
- diversion of our capital and management attention away from other business issues;
- increase in our expenses and working capital requirements;
- in the case of acquisitions that we may make outside of the United States, difficulty in operating in foreign countries and over significant geographical distances;
- other financial risks, such as potential liabilities of the businesses we acquire; and
- our due diligence process may fail to identify significant issues with the acquired company's product and service quality, financial disclosures, accounting practices or internal control deficiencies.

We may incur additional costs and certain redundant expenses in connection with our acquisitions and investments, which may have an adverse impact on our operating margins. Future acquisitions may result in dilutive issuances of equity securities, the incurrence of additional debt, large write-offs, a decrease in future profitability, or future losses. The incurrence of debt in connection with any future acquisitions could restrict our ability to obtain working capital or other financing necessary to operate our business. Our recent and future acquisitions or investments may not be successful, and if we fail to realize the anticipated benefits of these acquisitions or investments, our business and operating results could be harmed.

Our goodwill and identifiable intangible assets could become impaired, which could have a material non-cash adverse effect on our results of operations.

We recorded substantial goodwill and both definite and indefinite-lived intangible assets as a result of our previous acquisitions, including the Merger. We review our goodwill and intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. We assess whether there has been an impairment in the value of goodwill and indefinite-lived intangible assets at least annually. Factors that may be considered a change in circumstances indicating that the carrying value of our goodwill or intangible assets may not be recoverable include declines in stock price, market capitalization or cash flows and slower growth rates in our industry. We could be required to record a significant charge to earnings in our financial statements during the period in which any impairment of our goodwill or intangible assets is determined, negatively impacting our results of operations.

Because of the capital-intensive nature of our business, we need continued access to capital, which if not available to us or if not available on favorable terms, could harm our ability to operate or expand our business.

Our business requires significant levels of capital to finance accounts receivable and product inventory that is not financed by trade creditors. If cash from available sources is insufficient, proceeds from our accounts receivable securitization and revolving credit programs are limited or cash is used for unanticipated needs, we may require additional capital sooner than anticipated.

In the event we are required, or elect, to raise additional funds, we may be unable to do so on favorable terms, or at all, and may incur expenses in raising the additional funds. Our current and future indebtedness could adversely affect our operating results and severely limit our ability to plan for, or react to, changes in our business or industry. We could also be limited by financial and other restrictive covenants in our securitization or credit arrangements, including limitations on our borrowing of additional funds and issuing dividends. Furthermore, the cost of securitization or debt financing could significantly increase in the future, making it cost prohibitive to securitize our accounts receivable or borrow, which could force us to issue new equity securities. If we issue new equity securities, existing stockholders may experience dilution, or the new equity securities may have rights, preferences or privileges senior to those of existing holders of common stock. If we cannot raise funds on acceptable terms, we may not be able to take advantage of future opportunities or respond to competitive pressures or unanticipated requirements. Any inability to raise additional capital when required could have an adverse effect on our business and operating results.

We have significant credit exposure to our customers, and negative trends in their businesses could cause us significant credit loss and negatively impact our cash flow and liquidity position.

We extend credit to our customers for a significant portion of our sales to them and they have a period of time, generally 30 days after the date of invoice, to make payment. However, in certain cases, for some of our larger customers, we offer longer terms of payment. As a result, we are subject to the risk that our customers will not pay on time or at all. Our credit exposure risk may increase due to financial difficulties or liquidity or solvency issues experienced by our customers, resulting in their inability to repay us. The liquidity or solvency issues may increase as a result of an economic downturn or a decrease in IT spending by end-users. If we are unable to collect payments in a timely manner from our customers due to changes in financial or economic conditions, or for other reasons, and we are unable to collect under our credit insurance policies, we may write-off the amount due from the customers. These write-offs may result in credit insurance being more expensive and on terms that are less favorable to us and may negatively impact our ability to utilize accounts receivable-based financing. In addition, the failure of customers to pay within a specified time period after the date of an invoice could result in defaults under our accounts receivable securitization program. These circumstances could negatively impact our cash flow and liquidity position, or result in the cross-default to our other indebtedness and acceleration of the repayment of our indebtedness. Further, we are exposed to higher collection risk as we continue to expand internationally, where the payment cycles are generally longer and the credit rating process may not be as robust as in the United States, and where our access to accounts receivable financing is more limited.

We are dependent on a variety of IT and telecommunications systems and the Internet, and any failure of these systems could adversely impact our business and operating results.

We depend on IT and telecommunications systems and the Internet for our operations. These systems support a variety of functions including inventory management, order processing, shipping, shipment tracking, and billing.

Failures or significant downtime of our IT or telecommunications systems has, in the past, and could, in the future, prevent us from taking customer orders, printing product pick-lists, shipping products, billing customers and handling call volume. Sales also may be affected if our reseller and retail customers are unable to access our pricing and product availability information. We also rely on the Internet, and in particular EDI and XML, for a large portion of our orders and information exchanges with our OEM suppliers and reseller and retail customers. The Internet and individual websites have experienced a number of disruptions, slowdowns and security breakdowns, some of which were caused by organized attacks. If we were to experience a future security breakdown, disruption or breach that compromised sensitive information, it could harm our relationship with our OEM suppliers and reseller and retail customers. Disruption of our website or the Internet in general could impair our order processing or more generally prevent our OEM suppliers and reseller and retail customers from accessing information. A significant increase in our IT costs or a temporary or permanent loss of our IT systems could harm our relationships with our customers. The occurrence of any of these events could have an adverse effect on our operations and financial results.

Because of the experience of our key personnel in the IT industry and their technological and industry expertise, if we were to lose any of our key personnel, it could inhibit our ability to operate and grow our business successfully.

We are dependent in large part on our ability to retain the services of our key senior executives and other technological and industry experts and personnel. Except for certain of our key executives, we generally do not have employment agreements with our employees. We also do not carry “key person” insurance coverage for any of our key executives. We compete for qualified senior management and technical personnel. The loss of, or inability to hire, key executives or qualified employees could inhibit our ability to operate and grow our business successfully.

We may experience theft of product from our warehouses, water damage to our properties and other casualty events which could harm our operating results.

From time to time, we have experienced incidents of theft at various facilities, water damages to our properties and other casualty events. These types of incidents may make it more difficult or expensive for us to obtain insurance coverage in the future. Also, the same or similar incidents may occur in the future for which we may not have sufficient insurance coverage or policy limits to be fully compensated for the loss, which may have an adverse effect on our business and financial results.

We may become involved in intellectual property or other disputes that could cause us to incur substantial costs, divert the efforts of our management, and require us to pay substantial damages or require us to obtain a license, which may not be available on commercially reasonable terms, if at all.

From time to time, we receive notifications alleging infringements of intellectual property rights allegedly held by others relating to our business or the products we sell or integrate for our OEM suppliers and others. Litigation with respect to patents or other intellectual property matters could result in substantial costs and diversion of management and other resources and could have an adverse effect on our business. Although we generally have various levels of indemnification protection from our OEM suppliers and design and integration solutions customers, in many cases any indemnification to which we may be entitled is subject to maximum limits or other restrictions.

In addition, we have developed proprietary IT systems, mobile applications, and cloud-based technology and acquired technologies that play an important role in our business. If any infringement claim is successful against us and if indemnification is not available or sufficient, we may be required to pay substantial damages or we may need to seek and obtain a license of the other party's intellectual property rights. We may be unable to obtain such a license on commercially reasonable terms, if at all.

We are from time to time involved in other litigation in the ordinary course of business which have and may include claims with respect to antitrust, mergers and acquisitions and other matters. For example, four lawsuits were brought against the Company and its Board in connection with the Merger, each of which was later voluntarily dismissed. In the ordinary course of business, we also receive inquiries from and have discussions with government entities regarding the compliance of our contracting and sales practices with laws and regulations. We may not be successful in defending these or other claims. Regardless of the outcome, litigation could result in substantial expense and could divert the efforts of our management. Allegations made in the course of regulatory or legal proceedings may also harm our reputation, regardless of whether there is merit to such claims. Furthermore, because litigation and the outcome of regulatory proceedings are inherently unpredictable, our business, financial condition or operating results could be materially affected by an unfavorable resolution of one or more of these proceedings, claims, demands or investigations. We do not expect that the ultimate resolution of these matters will have a material adverse effect on our consolidated financial position. However, the resolution of certain of these matters could be material to our operating results for any particular period. For further information regarding our current litigation matters, refer to [Note 18](#) – Commitments and Contingencies, to the Consolidated Financial Statements in Item 8.

We have significant operations globally and any disruption in the operations of our facilities could harm our business and operating results.

Our worldwide operations could be subject to natural disasters, adverse weather conditions, global pandemics and other business disruptions, which could seriously harm our revenue and financial condition and increase our costs and expenses. We have significant operations in our facilities located in the Americas, Europe and APJ. Certain of our facilities, including one of our corporate headquarters locations in Clearwater, Florida, are located in geographic areas that heighten our exposure to hurricanes, tropical storms and other severe weather events. Any prolonged disruption in the operations of our facilities, whether due to technical difficulties, power failures, break-ins, destruction, damage to, or prolonged closure of, the facilities as a result of a natural disaster, fire, pandemic or any other reason, could harm our operating results. If there are related disruptions in local or international supply chains, we may experience supply shortages or delays in receiving products from our OEM suppliers or experience other delays in shipping to our customers. If we are unable to fulfill customer requirements in a timely manner, this could harm our operating results. We currently have a disaster recovery plan and carry property damage and business interruption insurance; however, they may not be sufficient to compensate for losses that may occur.

A portion of our revenue is financed by floor plan financing companies and any termination or reduction in these financing arrangements could increase our financing costs and harm our business and operating results.

A portion of our product distribution revenue is financed by floor plan financing companies. Floor plan financing companies are engaged by our customers to finance, or floor, the purchase of products from us. In exchange for a fee, we transfer the risk of loss on the sale of our products to the floor plan companies. We currently receive payment from these financing companies within approximately 15 to 30 days from the date of the sale, which allows our business to operate at much lower relative working capital levels than if such programs were not available. If these floor plan arrangements are terminated or substantially reduced, the need for more working capital and the increased financing cost could harm our business and operating results.

Risks Related to our Indebtedness

The terms of our debt arrangements impose restrictions on our ability to operate which in turn could negatively affect our ability to respond to business and market conditions and therefore could have an adverse effect on our business and operating results.

As of November 30, 2021, we had \$4.1 billion in outstanding short and long-term borrowings under term loans, our Senior Notes (as defined below), lines of credit, accounts receivable securitization programs and capital leases, excluding trade payables. The terms of one or more of the agreements under which this indebtedness was incurred may limit or restrict, among other things, our ability to:

- incur additional indebtedness;
- enter into certain transactions with affiliates; and
- merge, consolidate or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of our assets.

We are also required to maintain specified financial ratios and satisfy certain financial condition tests under certain of our debt facilities. Our inability to meet these ratios and tests could result in the acceleration of the repayment of the related debt, termination of the applicable facility, an increase in our effective cost of funds or the cross-default of other debt facilities and securitization

arrangements. As a result, our ability to operate may be restricted and our ability to respond to business and market conditions may be limited, which could have an adverse effect on our business and operating results.

We may not be able to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations, which could adversely affect our business.

Our ability to make scheduled debt payments or to refinance our debt obligations depends on our financial and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We cannot be certain that we will maintain a level of cash flows from operating activities sufficient to permit us to pay the principal and interest on our indebtedness.

If our cash flows and capital resources are insufficient to fund our debt service obligations we may be forced to reduce or delay capital expenditures, sell assets or operations, seek additional capital or restructure or refinance our indebtedness. We cannot be certain that we would be able to take any of these actions, that these actions would be successful and permit us to meet our scheduled debt service obligations or that these actions would be permitted under the terms of our existing or future debt agreements. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. Some of our indebtedness restricts our ability to dispose of certain assets. As such, we may not be able to consummate those dispositions or use any resulting proceeds and, in addition, such proceeds may not be adequate to meet any debt service obligations then due.

If we cannot make scheduled payments on our debt, we will be in default and, as a result:

- our lenders could declare all outstanding principal and interest to be due and payable;
- the lenders under our credit agreements could terminate their commitments to loan us money and, in the case of any secured credit arrangements, foreclose against the assets securing their borrowings;
- we could be forced to raise additional capital through the issuance of additional, potentially dilutive securities; and
- we could be forced into bankruptcy or liquidation, which is likely to result in delays in the payment of our indebtedness and in the exercise of enforcement remedies related to our indebtedness.

Despite our current level of indebtedness, we and our subsidiaries may still be able to incur substantially more debt. This could further exacerbate the risks to our financial condition.

We and our subsidiaries may be able to incur significant additional indebtedness in the future. For example, as of November 30, 2021, we had access to \$3.5 billion in unused commitments under the TD SYNEX revolving credit facility (as defined below). If new debt is added to our current debt levels, the related risks that we now face could intensify. Although the TD SYNEX credit facilities (as defined below) contain restrictions on the incurrence of additional indebtedness by our subsidiaries, these restrictions are subject to a number of qualifications and exceptions, and the additional indebtedness incurred in compliance with these restrictions could be substantial.

Changes in our credit rating may increase our interest expense or other costs of capital.

Certain of our financing instruments involve variable rate debt, thus exposing us to the risk of fluctuations in interest rates. In addition, the interest rate payable on our Senior Notes (as defined below), our revolving and term loan credit agreement and certain other debt instruments is subject to adjustment from time to time if our credit rating is downgraded.

The expected replacement of the LIBOR benchmark interest rate and other interbank offered rates with new benchmark rate indices may have an impact on our financing costs.

As of November 30, 2021, we had approximately \$1.5 billion of debt outstanding under facilities with interest rates based on LIBOR. Some of our credit facilities include fallback language that seeks to facilitate an agreement with our lenders on a replacement rate for LIBOR in the event of its discontinuance or that automatically replaces LIBOR with benchmark rates based on the Secured Overnight Financing Rate or other benchmark replacement rates upon certain triggering events. We cannot predict what the impact of any such replacement rate would be to our interest expense, however, the discontinuation, reform, or replacement of LIBOR or any other benchmark rates may result in fluctuating interest rates that may have a negative impact on our interest expense and our profitability. Potential changes to the underlying floating-rate indices and reference rates may have an adverse impact on our liabilities indexed to LIBOR and could have a negative impact on our profitability and cash flows. Furthermore, we cannot predict or quantify the time, effort and cost required to transition to the use of new benchmark rates, including with respect to negotiating and implementing any necessary changes to existing contractual agreements, and implementing changes to our systems and processes. We continue to evaluate the operational and other effects of such changes, including possible impacts on our accounting for interest rate hedging agreements.

Our variable rate indebtedness subjects us to interest rate risk, which could cause our indebtedness service obligations to increase significantly.

Interest rates may increase in the future. As a result, interest rates on the obligations under certain of our credit facilities, our and our subsidiaries' respective accounts receivable securitization programs and debt facilities, or other variable rate debt incurrences or offerings could be higher or lower than current levels. As of November 30, 2021, we had approximately \$1.5 billion of outstanding term loan debt subject to variable interest rates and our subsidiaries had approximately \$178.5 million in the aggregate outstanding under debt facilities subject to variable interest rates. If interest rates increase, debt service obligations and our interest expense will increase even though the amount borrowed remains the same. Our net income and cash flows, including cash available for servicing indebtedness, will correspondingly decrease.

Certain of our borrowings and securitization arrangements are variable-rate obligations and expose us to interest rate risks. If interest rates increase, debt service obligations and our interest expense will increase even though the amount borrowed remains the same. Our net income and cash flows, including cash available for servicing indebtedness, will correspondingly decrease.

An increase in interest rates may increase our future borrowing costs and restrict our access to capital. Additionally, current market conditions, the recovering global economy, and overall credit conditions could limit our availability of capital, which could cause increases in interest margin spreads over underlying indices, effectively increasing the cost of our borrowing. While some of our debt arrangements have contractually negotiated spreads, any changes to these spreads in connection with renegotiations of our credit facilities could adversely affect our results of operations.

We have entered into interest rate swaps with financial institutions to effectively convert a portion of our floating rate debt to a fixed interest rate to manage our exposure to fluctuations in interest rates. While we have entered into interest rate hedging agreements with respect to our borrowings under certain of our credit facilities, such agreements are not expected to fully mitigate against interest rate risk. In the event of the nonperformance by the counterparties, we are exposed to credit losses.

Risks Related to Our Relationships with Apollo Global Management, Inc. and MiTAC Holdings Corporation

The concentration of ownership of our common stock among our executive officers, directors and principal stockholders could allow them to influence all matters requiring stockholder approval and could delay or prevent a change in control of TD SYNEX.

As of November 30, 2021, our executive officers, directors and principal stockholders owned approximately 56% of our outstanding common stock. In particular, Apollo Global Management, Inc. ("Apollo") and its affiliates owned approximately 45.0% of our common stock.

Apollo is the private equity company that owned Tech Data prior to the Merger. As part of the Merger, 44 million shares of TD SYNEX common stock were issued to Apollo. Additionally, the Company entered into an Investor Rights Agreement at the closing of the Merger, which provides that the board of directors be comprised of eleven directors, and that affiliates of Apollo have the right to nominate (i) up to four directors, if Apollo and its affiliates own 30% or more of the outstanding shares of TD SYNEX common stock; (ii) up to three directors if Apollo and its affiliates own between 20% and 30% of the outstanding shares of TD SYNEX common stock; (iii) up to two directors, if Apollo and its affiliates own between 10% and 20% of the outstanding shares of TD SYNEX common stock; or (iv) up to one director, if Apollo and its affiliates own between 5% and 10% of the outstanding shares of TD SYNEX common stock. As a result, Apollo is in a position to influence (subject to organizational documents and Delaware law) the composition of the Company's board of directors and the outcome of corporate actions requiring stockholder approval, such as mergers, business combinations and dispositions of assets, among other corporate transactions. This concentration of investment and voting power could discourage others from initiating a potential merger, takeover or other change of control transaction that may otherwise be beneficial to TD SYNEX and its stockholders, which could adversely affect the market price of TD SYNEX common stock.

There could be potential conflicts of interest between us and MiTAC Holdings Corporation and its affiliates, which could affect our business and operating results.

As of November 30, 2021, MiTAC Holdings Corporation (“MiTAC Holdings”) and its affiliates owned approximately 9.5% of our common stock. MiTAC Holdings’ and its affiliates’ continuing beneficial ownership of our common stock could create conflicts of interest with respect to a variety of business matters. For example, we currently purchase inventories from MiTAC Holdings. Similar risks could exist as a result of Matthew Miao’s positions as our Chairman Emeritus, a member of our Board of Directors, the Chairman of MiTAC Holdings and as a director or officer of MiTAC Holdings’ affiliates. For fiscal year 2021, Mr. Miao received the same compensation as our independent directors. Mr. Miao’s compensation as one of our directors is based upon the approval of the Nominating and Corporate Governance Committee, which is solely composed of independent members of the Board of Directors. We also have adopted a policy requiring material transactions in which any of our directors has a potential conflict of interest to be approved by our Audit Committee, which is also composed of independent members of the Board of Directors.

Synnex Technology International Corp., or Synnex Technology International, a publicly-traded company based in Taiwan and affiliated with MiTAC Holdings, currently provides distribution and fulfillment services to various markets in Asia and Australia, and is also a competitor of ours. As of November 30, 2021, MiTAC Incorporated, a privately-held company based in Taiwan and a separate entity from MiTAC Holdings, directly and indirectly owned approximately 15.7% of Synnex Technology International and approximately 9.0% of MiTAC Holdings. As of November 30, 2021, MiTAC Holdings directly and indirectly owned 1.0% of Synnex Technology International. In addition, MiTAC Holdings directly and indirectly owned approximately 14.1% of MiTAC Incorporated and Synnex Technology International directly and indirectly owned approximately 18.4% of MiTAC Incorporated as of November 30, 2021. Synnex Technology International indirectly through its ownership of Peer Developments Limited owned approximately 4.0% of our outstanding common stock as of November 30, 2021. Neither MiTAC Holdings, nor Synnex Technology International is restricted from competing with us. In the future, we may increasingly compete with Synnex Technology International, particularly if our business in Asia expands or Synnex Technology International expands its business into geographies or customers we serve.

The future sale of a large number of shares by Apollo or MiTAC Holdings, including as the result of the exercise of registration rights, may adversely affect the market price of the Company’s common stock.

We have granted registration rights to Apollo pursuant to an Investors Rights Agreement dated September 1, 2021, and to MiTAC Holdings pursuant to a Letter Agreement dated September 3, 2021, that require us to register their shares for resale in certain circumstances. Sales of a substantial number of shares of the Company’s common stock in the public market, or the perception that these sales may occur, could cause the market price of our common stock to decline. These sales, or the possibility of these sales, also may make it more difficult for us to sell equity securities in the future.

Risks Related to Our Industry

Volatility in the IT industry could have a material adverse effect on our business and operating results.

We have, in the past, experienced decreases in demand and we anticipate that the industries we operate in will be subject to a high degree of cyclicity in the future. Softening demand for our products and services caused by an ongoing economic downturn and over-capacity may impact our revenue, as well the salability of inventory and collection of reseller and retail customer accounts receivable. In addition, if we are not able to adequately adapt to the emergence of new technology or customer demand, such as cloud-based IT infrastructure and software-as-a-service, our future operating results could be adversely affected.

We are subject to intense competition, both in the United States and internationally, and if we fail to compete successfully, we will be unable to gain or retain market share.

We operate in a highly competitive environment, both in the United States and internationally. This competition is based primarily on product and service availability, credit availability, price, effectiveness of information systems and e-commerce tools, speed of delivery, ability to tailor specific solutions to customer needs, quality and depth of product and service lines, pre-sales and post-sales technical support, flexibility and timely response to design changes, and technological capabilities, service and support. We compete with a variety of regional, national and international IT product and service providers and contract manufacturers and assemblers. In some instances, we also compete with our own customers, our own OEM suppliers and MiTAC Holdings and its affiliates.

Some of our competitors may have a broader range of services than us and may have more developed relationships with their existing customers. We may lose market share in the United States or in international markets, or may be forced in the future to reduce our prices in response to the actions of our competitors and thereby experience a reduction in our gross margins.

We may initiate other business activities, including the broadening of our supply chain capabilities, and may face competition from companies with more experience in those new areas. In addition, as we enter new areas of business, we may also encounter increased competition from current competitors or from new competitors, including some that may once have been our OEM suppliers or reseller and retail customers. Increased competition and negative reaction from our OEM suppliers or reseller and retail customers resulting from our expansion into new business areas could harm our business and operating results.

Our business may be adversely affected by some OEM suppliers' strategies to consolidate business or increase their direct sales, which in turn could cause our business and operating results to suffer.

A determination by any of our primary OEMs to consolidate their business with other distributors or integration service providers could negatively affect our business and operating results. Consolidation of OEM suppliers has resulted in fewer sources for some of the products and services that we distribute. This consolidation has also resulted in larger OEM suppliers that have significant operating and financial resources. Other suppliers may reduce or eliminate promotional activities to reduce their expenses, which could, in turn, result in declined demand from our reseller or retailer customers and end-users.

Some OEM suppliers, including some of the leading OEM suppliers that we service, have been selling products and services directly to reseller and retail customers and end-users, thereby limiting our business opportunities. If large OEM suppliers increasingly sell directly to end-users or our resellers and retailers, or select a competitor rather than use us as the distributor of their products and services, our business and operating results will suffer.

The IT industry is subject to rapidly changing technologies and process developments, and we may not be able to adequately adjust our business to these changes, which in turn would harm our business and operating results.

Dynamic changes in the IT industry, including the consolidation of OEM suppliers and reductions in the number of authorized distributors used by OEM suppliers, have resulted in new and increased responsibilities for management personnel and have placed, and continue to place, a significant strain upon our management, operating and financial systems and other resources. We may be unable to successfully respond to and manage our business in light of industry developments and trends. As end-users migrate to cloud-based IT infrastructure and software-as-a-service, sales of hardware products may be reduced, thereby negatively impacting our operating results. Also crucial to our success in managing our operations is our ability to achieve additional economies of scale. Our failure to achieve these additional economies of scale or to respond to changes in the IT industry could adversely affect our business and operating results.

Risks Related to the Acquisition of Tech Data

We may fail to realize the anticipated benefits of the Merger, which could adversely affect the value of our common stock.

SYNNEX and Tech Data operated independently prior to the Merger, and there can be no assurances that the businesses will be integrated successfully. It is possible that the integration process could result in the loss of key employees, the disruption of ongoing business, higher than expected integration costs and an overall post-completion integration process that takes longer than originally anticipated. Specifically, issues that must be addressed to realize the anticipated benefits of the Merger so the combined business performs as expected include, among other things:

- integrating the companies' IT systems and other technologies, products and services;
- identifying and eliminating redundant and underperforming operations and assets;
- harmonizing the companies' operating practices, employee development and compensation programs, internal controls and other policies, procedures and processes;
- attracting, motivating and retaining executives and other key personnel;
- addressing possible differences in business backgrounds, corporate cultures and management philosophies;
- consolidating the companies' corporate, administrative and information technology infrastructure;
- managing the movement of certain businesses and positions to different locations;
- maintaining existing agreements with customers and vendors and avoiding delays in entering into new agreements with prospective customers and vendors; and
- consolidating offices that are currently in or near the same location.

In addition, at times, the attention of certain members of management and resources may be focused on the integration of the business and diverted from day-to-day business operations, which may disrupt the business of the combined company.

If we fail to properly mitigate these risks or address the issues set forth above, the anticipated cost savings and other benefits of the Merger may not be realized fully or at all, or may take longer to realize than expected, which in turn could adversely affect our business operations and value of our common stock.

We have incurred and will continue to incur significant transaction and integration-related costs in connection with the Merger.

We have incurred a number of non-recurring costs associated with the Merger and combining the operations of Tech Data and SYNEX and we expect to continue to incur significant transaction costs related to the Merger. We also will incur significant integration-related fees and costs related to formulating and implementing integration plans, including facilities and systems consolidation costs and employment-related costs. We continue to assess the magnitude of these costs, and additional unanticipated costs may be incurred related to the Merger and the integration of Tech Data and SYNEX. Although we expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, should allow us to offset integration-related costs over time, this net benefit may not be achieved in the near term, or at all.

Risks Related to the Macro-Economic and Regulatory Environment

The widespread outbreak of an illness or any other communicable disease, or any other public health crisis, could adversely affect our business, results of operations and financial condition.

We could be negatively impacted by the widespread outbreak of an illness or any other communicable disease, or any other public health crisis that results in economic and trade disruptions, including the disruption of global supply chains. In December 2019, there was an outbreak of a new strain of coronavirus, COVID-19. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and workforce participation due to “shelter-in-place” restrictions by various governments worldwide and created significant volatility and disruption of financial markets. More recently, the Delta and Omicron variants of the virus have contributed to a surge in COVID-19 cases globally and the full impact of the newly emerged Omicron variant has yet to be determined. The extent of the impact of the COVID-19 pandemic on our future operational and financial performance, including our ability to execute our business strategies and initiatives in the expected time frame, will depend on future developments, including the duration and spread of the pandemic and related restrictions on travel and transportation, the effect on our customers and demand for our products and services; our ability to sell and provide our products and services, including as a result of travel restrictions and people working remotely; the ability of our customers to pay for our solutions; any closures of our or our customers’ or partners’ offices and facilities; and the impact of governmental actions or mandates imposed in response to COVID-19, all of which are uncertain and cannot be predicted. An extended period of global supply chain and economic disruption could materially affect our business, our results of operations, our access to sources of liquidity, the carrying value of our goodwill and intangible assets, our financial condition and our stock price.

Changes in foreign currency exchange rates and limitations on the convertibility of foreign currencies could adversely affect our business and operating results.

Approximately 37%, 24% and 23% of our revenues in fiscal years 2021, 2020 and 2019, respectively, were generated outside the United States. Most of our international revenue, cost of revenue and operating expenses are denominated in foreign currencies. We presently have currency exposure arising from both sales and purchases denominated in foreign currencies. Changes in exchange rates between foreign currencies and the U.S. dollar may adversely affect our operating margins. For example, if these foreign currencies appreciate against the U.S. dollar, it will be more expensive in terms of U.S. dollars to purchase inventory or pay expenses with foreign currencies. This could have a negative impact on us if revenue related to these purchases is transacted in U.S. dollars. In addition, currency devaluation can result in products that we purchase in U.S. dollars being relatively more expensive to procure than products manufactured locally. Furthermore, our local competitors in certain markets may have different purchasing models that provide them reduced foreign currency exposure compared to us. This may result in market pricing that we cannot meet without significantly lower profit on sales.

We conduct hedging activities, which involve the use of currency forward or option contracts. Hedging foreign currencies can be risky. Certain of these hedge positions are undesignated hedges of balance sheet exposures, such as intercompany loans, and typically have maturities of less than one year. While we maintain policies to protect against fluctuations in currency exchange rates, extreme fluctuations may result in our incurring losses in some countries.

There is also additional risk if the currency is not freely or actively traded. Some currencies, such as the Chinese Renminbi are subject to limitations on conversion into other currencies, which can limit our ability to hedge or to otherwise react to rapid foreign currency devaluations. We cannot predict the impact of future exchange rate fluctuations on our business and operating results.

We do not use derivative financial instruments for speculative trading purposes, nor do we hedge our foreign currency exposure in a manner that entirely offsets the effects of changes in foreign exchange rates.

As a general rule, we do not use financial instruments to hedge local currency denominated operating expenses in countries where a natural hedge exists. For example, in many countries, revenue from the local currency services substantially offsets the local currency denominated operating expenses.

The translation of the financial statements of foreign operations into U.S. dollars is also impacted by fluctuations in foreign currency exchange rates, which may positively or negatively impact our results of operations. In addition, the value of our equity investment in foreign countries may fluctuate based upon changes in foreign currency exchange rates. These fluctuations, which are recorded in a cumulative translation adjustment account, may result in losses in the event a foreign subsidiary is sold or closed at a time when the foreign currency is weaker than when we made investments in the country. The realization of any or all of these risks could have a significant adverse effect on our financial results.

We rely on independent shipping companies for delivery of products, and price increases or service interruptions from these carriers could adversely affect our business and operating results.

We rely almost entirely on arrangements with independent shipping companies, such as FedEx and UPS, for the delivery of our products from OEM suppliers and delivery of products to reseller and retail customers. Freight and shipping charges can have a significant impact on our gross margin. As a result, an increase in freight surcharges due to rising fuel cost or general price increases will have an immediate adverse effect on our margins, unless we are able to pass the increased charges to our reseller and retail customers or renegotiate terms with our OEM suppliers. In addition, in the past, carriers have experienced work stoppages due to labor negotiations with management. An increase in freight or shipping charges, the termination of our arrangements with one or more of these independent shipping companies, the failure or inability of one or more of these independent shipping companies to deliver products, or the unavailability of their shipping services, even temporarily, could have an adverse effect on our business and operating results.

Because we conduct substantial operations in China, risks associated with economic, political and social events in China could negatively affect our business and operating results.

A substantial portion of our IT systems operations, including a substantial portion of our IT systems support and software development operations, are located in China. In addition, we also conduct general and administrative activities from our facilities in China. Our operations in China are subject to a number of risks relating to China's economic and political systems, including:

- a government controlled foreign exchange rate and limitations on the convertibility of the Chinese Renminbi;
- extensive government regulation;
- changing governmental policies relating to tax benefits available to foreign-owned businesses;
- the telecommunications infrastructure;
- a relatively uncertain legal system; and
- uncertainties related to continued economic and social reform.

Our IT systems are an important part of our global operations. Any significant interruption in service, whether resulting from any of the above uncertainties, natural disasters or otherwise, could result in delays in our inventory purchasing, errors in order fulfillment, reduced levels of customer service and other disruptions in operations, any of which could cause our business and operating results to suffer.

We may have higher than anticipated tax liabilities.

We conduct business globally and file income tax returns in various tax jurisdictions. Our effective tax rate could be adversely affected by several factors, many of which are outside of our control, including:

- changes in income before taxes in various jurisdictions in which we operate that have differing statutory tax rates;
- changing tax laws, regulations, and/or interpretations of such tax laws in multiple jurisdictions;
- effect of tax rate on accounting for acquisitions and dispositions;
- issues arising from tax audit or examinations and any related interest or penalties; and
- uncertainty in obtaining tax holiday extensions or expiration or loss of tax holidays in various jurisdictions.

The Organization for Economic Cooperation and Development has been working on the Base Erosion and Profit Sharing Project, and has issued and will continue to issue, guidelines and proposals that may change various aspects of the existing framework under which our tax obligations are determined in many of the countries in which we do business. Certain countries are evaluating their tax policies and regulations, which could affect international business and may have an adverse effect on our overall tax rate, along with increasing the complexity, burden and cost of tax compliance. For example, on December 22, 2017, the U.S. federal government enacted the U.S. Tax Cuts and Jobs Act ("U.S. Tax Reform") which significantly revised U.S. corporate income tax law by, among other things, reducing the U.S. federal corporate income tax rate from 35% to 21% and implementing a modified territorial tax system that included a one-time transition tax on deemed repatriated earnings of foreign subsidiaries. Additional changes in the

U.S. tax regime or in how U.S. multinational corporations are taxed on foreign earnings, including changes in how existing tax laws are interpreted or enforced, could adversely affect our business, financial condition or results of operations.

We report our results of operations based on our determination of the amount of taxes owed in various tax jurisdictions in which we operate. The determination of our worldwide provision for income taxes and other tax liabilities requires estimation, judgment and calculations where the ultimate tax determination may not be certain. Our determination of tax liability is always subject to review or examination by tax authorities in various tax jurisdictions. Any adverse outcome of such review or examination could have a negative impact on our operating results and financial condition. The results from various tax examinations and audits may differ from the liabilities recorded in our financial statements and could adversely affect our financial results and cash flows.

Cyberattacks or the improper disclosure or control of personal information could result in liability and harm our reputation, which could adversely affect our business.

Our business is heavily dependent upon information technology networks and systems. Internal or external attacks on those networks and systems could disrupt our normal operations centers and impede our ability to provide critical products and services to our customers, subjecting us to liability under our contracts and damaging our reputation. Additionally, such attacks could compromise our intellectual property or result in fraud if our business emails are improperly accessed. For example, in the third quarter of 2021, the Company became aware that certain outside actors gained access to a limited portion of the Company's networks and systems. After conducting a thorough review of the attack with a leading third-party cybersecurity firm, the Company determined that the attack did not access any material data.

Our business also involves the use, storage and transmission of information about our employees, and customers. If any person, including any of our employees, negligently disregards or intentionally breaches our established controls with respect to such data or otherwise mismanages or misappropriates that data, we could be subject to monetary damages, fines or criminal prosecution.

We have security controls for our systems and other security practices in place to protect the security of, and prevent unauthorized access to, our systems and personal and proprietary information, such as firewalls and anti-virus software, and we also provide information to our employees about the need to deploy security measures and the impact of doing so; however there can be no assurance that such security measures, will prevent improper access to our networks and systems, such as that which occurred earlier in 2021, or access to or disclosure of, personally identifiable or proprietary information.

We could also face legal, reputational and financial risks if we fail to protect customer and internal data from security breaches or cyberattacks.

Furthermore, data privacy is subject to frequently changing rules and regulations, which sometimes conflict among the various jurisdictions and countries in which we provide services. The General Data Protection Regulation ("GDPR") in Europe, the California Consumer Privacy Act and other similar laws have resulted, and will continue to result, in increased compliance costs. Our failure to adhere to or successfully implement processes in response to these and other changing regulatory requirements in this area could result in legal liability or impairment to our reputation in the marketplace, which could have a material adverse effect on our business, financial condition and results of operations.

Global health and economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Worldwide economic conditions remain uncertain due to adverse consequences concerning the United States and China trade negotiations, market volatility as a result of political leadership in certain countries and other disruptions to global and regional economies and markets, including increases in inflation. External factors, such as potential terrorist attacks, acts of war, geopolitical and social turmoil or epidemics and other similar outbreaks in many parts of the world, could prevent or hinder our ability to do business, increase our costs and negatively affect our stock price. More generally, these geopolitical, social and economic conditions could result in increased volatility in the United States and worldwide financial markets and economy. For example, increased instability may enhance volatility in currency exchange rates, cause our customers or potential customers to delay or reduce spending on our products or services, and limit our suppliers' access to credit. It could also adversely impact our ability to obtain adequate insurance at reasonable rates and may require us to incur increased costs for security measures for our domestic and international operations. We are predominantly uninsured for losses and interruptions caused by terrorism, acts of war and similar events. These uncertainties make it difficult for us and our suppliers and customers to accurately plan future business activities.

Part of our business is conducted outside of the United States, exposing us to additional risks that may not exist in the United States, which in turn could cause our business and operating results to suffer.

We have significant international operations and presence which subjects us to risks, including:

- political or economic instability;
- extensive governmental regulation;

- changes in import/export duties;
- fluctuation in foreign currency exchange rates;
- trade restrictions;
- compliance with the Foreign Corrupt Practices Act, U.K. bribery laws and similar laws;
- difficulties and costs of staffing and managing operations in certain foreign countries;
- work stoppages or other changes in labor conditions;
- minimum wage increases;
- difficulties in collecting accounts receivable on a timely basis or at all;
- taxes; and
- seasonal reductions in business activity in some parts of the world.

We may continue to expand internationally to respond to competitive pressure and customer and market requirements. Establishing operations in any foreign country or region presents risks such as those described above as well as risks specific to the particular country or region. In addition, until a payment history is established over time with customers in a new geography or region, the likelihood of collecting accounts receivable generated by such operations could be less than our expectations. As a result, there is a greater risk that reserves set with respect to the collection of such accounts receivable may be inadequate. Furthermore, if our international expansion efforts in any foreign country are unsuccessful, we may decide to cease operations, which would likely cause us to incur additional expense and loss.

In addition, changes in policies or laws of the United States or foreign governments resulting in, among other things, higher taxation, currency conversion limitations, restrictions on fund transfers or the expropriation of private enterprises, could reduce the anticipated benefits of our international expansion. Any actions by countries in which we conduct business to reverse policies that encourage foreign trade or investment could adversely affect our business. If we fail to realize the anticipated growth of our future international operations, our business and operating results could suffer.

Increasing attention on environmental, social and governance (ESG) matters may have a negative impact on our business, impose additional costs on us, and expose us to additional risks.

Companies are facing increasing attention from investors, customers, partners, consumers and other stakeholders relating to ESG matters, including environmental stewardship, social responsibility, diversity and inclusion, racial justice and workplace conduct. In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters. Such ratings are used by some investors to inform their investment and voting decisions. Unfavorable ESG ratings may lead to negative investor sentiment toward the Company, which could have a negative impact on our stock price and our access to and costs of capital.

We have established corporate social responsibility programs aligned with sound environmental, social and governance principles. These programs reflect our current initiatives and are not guarantees that we will be able to achieve them. Our ability to successfully execute these initiatives and accurately report our progress presents numerous operational, financial, legal, reputational and other risks, many of which are outside our control, and all of which could have a material negative impact on our business. Additionally, the implementation of these initiatives imposes additional costs on us. If our ESG initiatives fail to satisfy investors, customers, partners and our other stakeholders, our reputation, our ability to sell products and services to customers, our ability to attract or retain employees, and our attractiveness as an investment, business partner or acquirer could be negatively impacted. Similarly, our failure or perceived failure to pursue or fulfill our goals, targets and objectives or to satisfy various reporting standards within the timelines we announce, or at all, could also have similar negative impacts and expose us to government enforcement actions and private litigation.

If we are unable to maintain effective internal control over financial reporting, our ability to report our financial results on a timely and accurate basis may be adversely affected, which in turn could cause the market price of our common stock to decline.

Section 404 of the Sarbanes-Oxley Act of 2002 requires our management to report on, and our independent registered public accounting firm to attest to, the effectiveness of our internal control structure and procedures for financial reporting. We completed an evaluation of the effectiveness of our internal control over financial reporting for fiscal year 2021, and we have an ongoing program to perform the system and process evaluation and testing necessary to continue to comply with these requirements. However, internal control over financial reporting has inherent limitations, including human error, the possibility that controls could be circumvented or

become inadequate because of changed conditions, and fraud. Because of the inherent limitations, misstatements due to error or fraud may occur and may not always be prevented or timely detected. We expect to continue to incur significant expenses and to devote management resources to Section 404 compliance, including impacts resulting from the Merger. In the event that our management or independent registered public accounting firm determines that there is a material weakness in our internal control over financial reporting, investor perceptions and our reputation may be adversely affected, and the market price of our stock could decline.

Changes to financial accounting standards may affect our results of operations and cause us to change our business practices.

We prepare our financial statements to conform to generally accepted accounting principles in the United States (“GAAP”). These accounting principles are subject to interpretation by the Financial Accounting Standards Board, American Institute of Certified Public Accountants, the SEC and various bodies formed to interpret and create appropriate accounting policies. A change in those policies can have a significant effect on our reported results and may affect our reporting of transactions completed before a change is announced. Changes to those rules or the questioning of current practices may adversely affect our reported financial results or the way we conduct our business.

Item 1B. *Unresolved Staff Comments*

None.

Item 2. *Properties*

Our principal executive offices are located in Fremont, California and Clearwater, Florida. Our Fremont property is owned by us, while the Clearwater location is currently leased. We operate distribution, integration, contact center and administrative facilities in different countries.

We occupy 181 facilities covering approximately 14.7 million square feet, including warehouse, logistics and administrative facilities. We own approximately 2.7 million square feet of property and lease the remainder. Our facilities are located in the following principal markets: the Americas – 80, Europe – 68 and APJ – 33.

We have sublet unused portions of some of our facilities. We believe our facilities are well maintained and adequate for current and near future operating needs. Upon the expiration or termination of any of our leased facilities, we believe we could obtain comparable office space.

Item 3. *Legal Proceedings*

We are from time to time involved in legal proceedings in the ordinary course of business. We do not believe that these proceedings will have a material adverse effect on the results of our operations, our financial position or the cash flows of our business.

In addition, we have been involved in various bankruptcy preference actions where we were a supplier to the companies now in bankruptcy. These preference actions are filed by the bankruptcy trustee on behalf of the bankrupt estate and generally seek to have payments made by the debtor within 90 days prior to the bankruptcy returned to the bankruptcy estate for allocation among all of the bankruptcy estate’s creditors. We are not currently involved in any material preference proceedings.

The French Autorité de la Concurrence (“Competition Authority”) began in 2013 an investigation into the French market for certain products of Apple, Inc., (“Apple”) for which we are a distributor. In March 2020, the Competition Authority imposed fines on Tech Data, on another distributor, and on Apple, finding that Tech Data entered into an anticompetitive agreement with Apple regarding volume allocations of Apple products. The fine imposed on Tech Data was €76 million (approximately \$86 million as of November 30, 2021). We have vigorously contested the arguments of the Competition Authority, and we have appealed its determination to the French courts, seeking to set aside or reduce the fine. Although we believe we have strong arguments on appeal, we have determined that the best estimate of probable loss related to this matter as of November 30, 2021 is €36 million (approximately \$41 million as of November 30, 2021). Under French law, the pendency of our appeal does not suspend the obligation to pay the fine. Tech Data has agreed with French authorities to make eight equal installment payments in relation to the fine assessed for a total amount of €22.8 million on a quarterly basis from January 2021 through October 2022. As of November 30, 2021, we have an accrual established for this matter of €24.6 million (\$27.7 million as of November 30, 2021) that represents the total estimate of probable loss less installment payments made to date. If the appeal process is not completed prior to the end of December 2022, we may be required to pay further amounts towards the full fine assessed by the Competition Authority before our appeal is finally determined. However, any additional amounts that may need to be paid have not yet been determined. Additionally, we have provided a third-party surety bond to the Competition Authority to guarantee the payment of the amount of the fine and interest, if applicable. A civil lawsuit related to this matter, alleging anticompetitive actions in association with the established distribution networks for Apple, Tech Data and another distributor was filed by eBizcuss. We are currently evaluating this matter and cannot currently estimate the probability or amount of any potential loss.

Item 4. Mine Safety Disclosures

Not applicable.

Information About our Executive Officers

The following table sets forth information regarding our executive officers as of November 30, 2021:

Name	Age	Position
Richard Hume	62	Chief Executive Officer
Dennis Polk	55	Head of Global Businesses & Integration Lead
Michael Urban	57	President, Americas
Marshall Witt	56	Chief Financial Officer
Patrick Zammit	55	President, Europe & APJ
David Vetter	62	Chief Legal Officer
Simon Leung	56	Chief Business Officer

Richard Hume is our Chief Executive Officer. Mr. Hume joined Tech Data in March 2016 as Executive Vice President, Chief Operating Officer. In June 2018, Mr. Hume was appointed as Chief Executive Officer of Tech Data and in September 2021 in conjunction with the Merger he was appointed as Chief Executive Officer of TD SYNEX. Prior to joining Tech Data, Mr. Hume was employed for more than thirty years at IBM. Most recently, from January 2015 to February 2016, Mr. Hume served as General Manager and Chief Operating Officer of Infrastructure and Outsourcing. Prior to that position, from January 2012 to January 2015, Mr. Hume served as General Manager, Europe where he led IBM's multi-brand European organization. From 2008 to 2011, Mr. Hume served as General Manager, Global Business Partners, directing the growth and channel development initiatives for IBM's Business Partner Channel. Mr. Hume holds a Bachelor of Science degree in Accounting from Pennsylvania State University.

Dennis Polk is our Executive Chair of the Board of Directors, Integration Lead, and Head of Global Businesses. Mr. Polk joined TD SYNEX in 2002 and served as President and Chief Executive Officer of TD SYNEX from March 2018 to August 2021. Prior to that position, he served as Chief Operating Officer, Chief Financial Officer and Senior Vice President of Corporate Finance of TD SYNEX. In conjunction with the Merger in September 2021, Mr. Polk was appointed as Executive Chair of the Board of Directors.

Michael Urban is our President of the Americas. Mr. Urban joined TD SYNEX in February 2019 and served as President, Worldwide Technology Solutions Distribution until the Merger. Prior to joining TD SYNEX, Mr. Urban was Corporate Vice President of Strategy, Transformation, and Global Vendor Management of Tech Data from September 2012 until January 2019. Prior to Tech Data, Mr. Urban served in progressive leadership roles including Chairman and Chief Executive Officer at Actebis. Mr. Urban received a Bachelor of Science degree in Engineering from Paderborn University in Germany.

Marshall Witt is our Chief Financial Officer and has served in this capacity since April 2013. Prior to joining TD SYNEX, Mr. Witt was Senior Vice President of Finance and Controller with FedEx Freight. During his fifteen year tenure with FedEx Corporation, Mr. Witt held progressive financial and operational roles. Prior to FedEx Corporation, he held accounting and finance leadership positions including five years with KPMG LLP as an audit manager for banking and transportation clients. Mr. Witt holds a Bachelor of Business Administration in Finance from Pacific Lutheran University and a Masters in Accounting from Seattle University and is a Certified Public Accountant.

Patrick Zammit is our President, Europe and APJ. Mr. Zammit joined Tech Data in February 2017 as President, Europe through Tech Data's acquisition of Avnet's Technology Solutions business and served in this capacity until the Merger in September 2021 when he also assumed the role of President, APJ. Prior to this role, Mr. Zammit was employed for more than twenty years at Avnet, Inc. From January 2015 to January 2017, Mr. Zammit served as Global President of Avnet Technology Solutions. Prior to that position, from October 2006 until January 2015, Mr. Zammit served as President of Avnet Electronics Marketing EMEA. From 1993 to 2006, Mr. Zammit served in management positions of increasing responsibilities. Prior to joining Avnet, Mr. Zammit was employed by Arthur Andersen from 1989 to 1993. Mr. Zammit holds a Masters in Business Administration equivalent from Paris Business School ESLSA.

David Vetter is our Chief Legal Officer. Mr. Vetter joined Tech Data in June 1993 as Vice President, General Counsel and was promoted to Corporate Vice President, General Counsel in April 2000. In March 2003, he was promoted to Senior Vice President, and effective July 2003, was appointed Secretary. In January 2017, Mr. Vetter was promoted to Executive Vice President, Chief Legal Officer and in conjunction with the Merger in September 2021 he assumed this role for TD SYNEX. Prior to joining Tech Data, Mr. Vetter was employed by the law firm of Robbins, Gaynor & Bronstein, P.A. from 1984 to 1993, most recently as a partner. Mr. Vetter is a member of the Florida Bar Association and holds Bachelor of Arts degrees in English and Economics from Bucknell University and a Juris Doctorate Degree from the University of Florida.

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Simon Leung is our Chief Business Officer. Prior to this role, Mr. Leung serviced as Senior Vice President, General Counsel and Corporate Secretary for TD SYNEX from May 2001 until the Merger in September 2021. Mr. Leung joined TD SYNEX in November 2000 as Corporate Counsel. Prior to TD SYNEX, Mr. Leung was an attorney at the law firm of Paul, Hastings, Janofsky & Walker LLP. Mr. Leung received a Bachelor of Arts degree from the University of California, Davis in International Relations and his Juris Doctor degree from the University of Minnesota Law School.

PART II

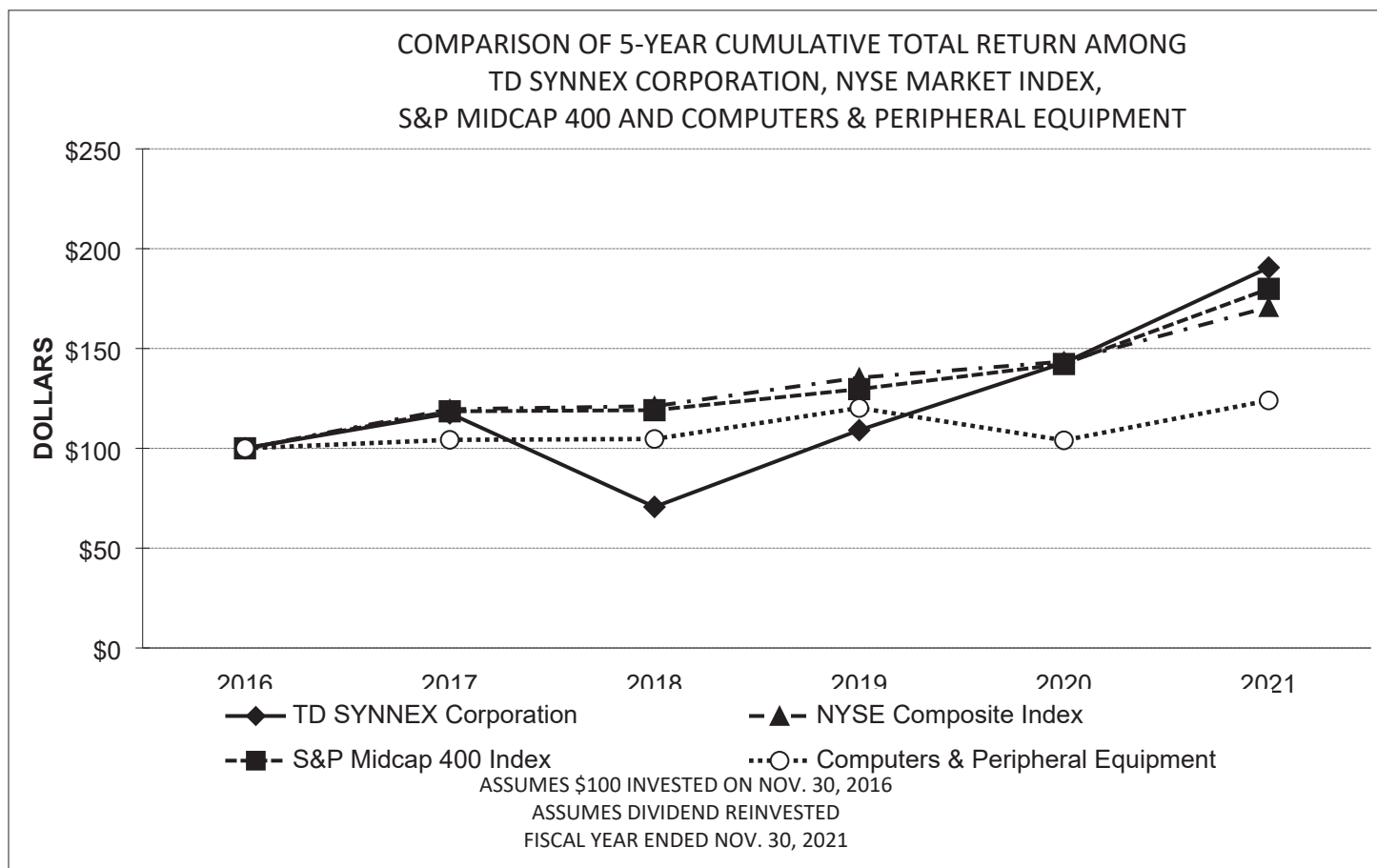
Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common stock, par value \$0.001, is traded on the New York Stock Exchange, or NYSE, under the symbol "SNX."

As of January 21, 2022, our common stock was held by approximately 4,500 stockholders of record. Because many of the shares of our common stock are held by brokers and other institutions on behalf of stockholders, we are unable to estimate the total number of beneficial owners represented by these stockholders of record.

Stock Price Performance Graph

The stock price performance graph below, which assumes a \$100 investment on November 30, 2016, compares our cumulative total stockholder return, the NYSE Composite Index, S&P Midcap 400 Index and Computer and Peripheral Equipment index for the period beginning November 30, 2016 through November 30, 2021. The Computer and Peripheral Equipment index is based on the Standard Industrial Classification Code 5045—Wholesale Computer and Computer Peripheral Equipment and Software. The closing price per share of our common stock was \$103.46 on November 30, 2021. The comparisons in the table are required by the SEC and are not intended to forecast or be indicative of possible future performance of our common stock.



	Fiscal Years Ended					
	11/30/2016	11/30/2017	11/30/2018	11/30/2019	11/30/2020	11/30/2021
TD SYNnex Corporation	\$ 100.00	\$ 117.52	\$ 70.65	\$ 109.08	\$ 142.79	\$ 190.54
NYSE Composite Index	\$ 100.00	\$ 119.59	\$ 121.11	\$ 135.38	\$ 143.45	\$ 170.70
S&P Midcap 400 Index	\$ 100.00	\$ 118.53	\$ 119.10	\$ 129.65	\$ 142.23	\$ 179.88
Computers and Peripheral Equipment	\$ 100.00	\$ 104.24	\$ 104.67	\$ 120.20	\$ 103.99	\$ 123.98

Securities Authorized for Issuance under Equity Compensation Plans

Information regarding the Securities Authorized for Issuance under Equity Compensation Plans can be found under [Item 12](#) of this Report.

Dividends

On September 29, 2014, we announced the initiation of a quarterly cash dividend. Since then, dividends have been declared in January, March, June and September and paid at the end of January, April, July and October. On March 24, 2020, as a result of the unpredictable economic environment due to the impact of the COVID-19 pandemic, we announced the suspension of our quarterly dividend; however, on January 11, 2021, we announced the reinstatement of a quarterly cash dividend of \$0.20 per share to stockholders of record as of January 22, 2021. Dividends declared per share by fiscal quarter in 2021 and 2020 were as follows:

	Fiscal Years Ended November 30,	
	2021	2020
First Quarter	\$ 0.200	\$ 0.400
Second Quarter	\$ 0.200	\$ —
Third Quarter	\$ 0.200	\$ —
Fourth Quarter	\$ 0.200	\$ —

On January 11, 2022, the Company announced a cash dividend of \$0.30 per share to stockholders of record as of January 21, 2022, payable on January 28, 2022. Dividends are subject to continued capital availability and the declaration by our Board of Directors in the best interest of our stockholders.

Repurchases of Equity Securities

In June 2020, our Board of Directors authorized a three-year \$400 million share repurchase program, effective July 1, 2020, pursuant to which we may repurchase our outstanding common stock from time to time in the open market or through privately negotiated transactions. As of November 30, 2021, we had not repurchased any shares under this program.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

For an understanding of TD SYNEX and the significant factors that influenced our performance during the past three fiscal years, the following discussion and analysis of our financial condition and results of operations should be read in conjunction with the description of the business appearing in Item 1 of this Report and Item 8 Financial Statements and Supplementary Data included elsewhere in this Report. Amounts in certain tables appearing in this Report may not add or compute due to rounding.

In addition to historical information, the MD&A contains forward-looking statements that involve risks and uncertainties. These forward-looking statements include, but are not limited to, those matters discussed under the heading "Note Regarding Forward-looking Statements." Our actual results could differ materially from those anticipated by these forward-looking statements due to various factors, including, but not limited to, those set forth under Item 1A. Risk Factors of this Form 10-K and elsewhere in this document.

Overview

On December 1, 2020, we completed the previously announced separation of our customer experience services business (the "Separation"), which was accomplished by the distribution of one hundred percent of the outstanding common stock of Concentrix Corporation ("Concentrix"). Our stockholders received one share of Concentrix common stock for every share of our common stock held at the close of business on the record date. Concentrix is now an independent public company trading under the symbol "CNXC" on the Nasdaq Stock Market. After the Separation, we do not beneficially own any shares of Concentrix' common stock and beginning December 1, 2020, we no longer consolidate Concentrix within our financial results or reflect the financial results of Concentrix within our continuing results of operations. We distributed a total of approximately 51.6 million shares of Concentrix common stock to our stockholders. In connection with the Separation, we entered into a separation and distribution agreement, as well as various other agreements with Concentrix that provide a framework for the relationships between the parties going forward, including among others an employee matters agreement, a tax matters agreement, and a commercial agreement, pursuant to which Concentrix has continued to provide services to us following the Separation.

The historical results of operations and financial position of Concentrix are reported as discontinued operations in our Consolidated Financial Statements. For further information on discontinued operations, see [Note 5](#) - Discontinued Operations, to the Consolidated Financial Statements in Item 8.

On March 22, 2021, SYNEX entered into an agreement and plan of merger (the "Merger Agreement") which provided that legacy SYNEX Corporation would acquire legacy Tech Data Corporation, a Florida corporation ("Tech Data") through a series of mergers, which would result in Tech Data becoming an indirect subsidiary of TD SYNEX Corporation. (collectively, the "Merger"). On September 1, 2021, pursuant to the terms of the Merger Agreement, we acquired all the outstanding shares of common stock of Tiger Parent (AP) Corporation, the parent corporation of Tech Data, for consideration of \$1.61 billion in cash (\$1.11 billion in cash after giving effect to a \$500 million equity contribution by Tiger Parent Holdings, L.P., Tiger Parent (AP) Corporation's sole stockholder and an affiliate of Apollo Global Management, Inc., to Tiger Parent (AP) Corporation prior to the effective time of the Merger) and 44 million shares of common stock of SYNEX, valued at approximately \$5.61 billion. See [Note 3](#) - Acquisitions to the Consolidated Financial Statements for further information.

We previously had two reportable segments as of November 30, 2020: Technology Solutions and Concentrix. After giving effect to the Separation on December 1, 2020, we operated in a single reportable segment. After completion of the Merger, we reviewed our reportable segments as there was a change in our chief executive officer, who is also our chief operating decision maker. Our chief operating decision maker has a leadership structure aligned with the geographic locations of the Americas, Europe and Asia-Pacific and Japan ("APJ") and reviews and allocates resources based on these geographic locations. As a result, as of September 1, 2021 we began operating in three reportable segments based on our geographic locations: the Americas, Europe and APJ. Our three reportable segments each generate revenues from products and services across our Endpoint Solutions and Advanced Solutions portfolios. Segment results for all prior periods have been restated for comparability to our current reportable segments. For financial information by segment, refer to [Note 13](#) - Segment Information, to the Consolidated Financial Statements in Item 8. We have not presented information by reportable segment within the Management's Discussion and Analysis of Financial Condition and Results of Operations due to the lack of comparability between periods resulting from the Merger on September 1, 2021.

Revenue and Cost of Revenue

We distribute peripherals, information technology ("IT") systems including data center server and storage solutions, system components, software, networking, communications and security equipment, consumer electronics and complementary products. We also provide systems design and integration solutions.

In fiscal years 2021, 2020 and 2019 approximately 37%, 24% and 23% of our revenue, respectively, was generated from our international operations. As a result, our revenue growth has been impacted by fluctuations in foreign currency exchange rates.

The market for IT products is generally characterized by declining unit prices and short product life cycles. Our overall business is also highly competitive on the basis of price. We set our sales price based on the market supply and demand characteristics for each particular product or bundle of products we distribute and solutions we provide. We also participate in the incentive and rebate

programs of our OEM suppliers. These programs are important determinants of the final sales price we charge to our reseller customers. To mitigate the risk of declining prices and obsolescence of our distribution inventory, our OEM suppliers generally offer us limited price protection and return rights for products that are marked down or discontinued by them. We carefully manage our inventory to maximize the benefit to us of these supplier-provided protections.

A significant portion of our cost of revenue is the purchase price we pay our OEM suppliers for the products we sell, net of any incentives, rebates, price protection and purchase discounts received from our OEM suppliers. Cost of revenue also consists of provisions for inventory losses and write-downs, freight expenses associated with the receipt in and shipment out of our inventory, and royalties due to OEM vendors. In addition, cost of revenue includes the cost of material, labor and overhead for our systems design and integration solutions.

Margins

The IT distribution industry in which we operate is characterized by low gross profit as a percentage of revenue, or gross margin, and low income from operations as a percentage of revenue, or operating margin. Our gross margin has fluctuated annually due to changes in the mix of products we offer, customers we sell to, incentives and rebates received from our OEM suppliers, competition, seasonality, replacement of lower margin business, inventory obsolescence, and lower costs associated with increased efficiencies. Generally, when our revenue becomes more concentrated on limited products or customers, our gross margin tends to decrease due to increased pricing pressure from OEM suppliers or reseller customers. Our operating margin has also fluctuated in the past, based primarily on our ability to achieve economies of scale, the management of our operating expenses, changes in the relative mix of our revenue, and the timing of our acquisitions and investments.

Economic and Industry Trends

Our revenue is highly dependent on the end-market demand for IT products. This end-market demand is influenced by many factors including the introduction of new IT products and software by OEMs, replacement cycles for existing IT products, seasonality and overall economic growth and general business activity. A difficult and challenging economic environment may also lead to consolidation or decline in the IT distribution industry and increased price-based competition. Business in our system design and solutions is highly dependent on the demand for cloud infrastructure, and the number of key customers and suppliers in the market. Our business includes operations in the Americas, Europe and APJ, so we are affected by demand for our products in those regions and the strengthening or weakening of local currencies relative to the U.S. Dollar.

In December 2019, there was an outbreak of a new strain of coronavirus (“COVID-19”). In March 2020, the World Health Organization characterized COVID-19 as a pandemic. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and workforce participation, including our own, and created significant volatility and disruption of financial markets. The disruptions due to COVID-19 have impacted our business including logistics operations in our business particularly during the second quarter of fiscal year 2020. We have successfully transitioned a significant portion of our workforce to a remote working environment and implemented a number of safety and social distancing measures within our premises to protect the health and safety of co-workers who are required to be on-premise to support our business. During the fiscal year ended November 30, 2020, we incurred net incremental costs associated with COVID-19 of approximately \$45 million. Net incremental costs associated with COVID-19 were not material during the fiscal year ended November 30, 2021. We are unable to predict how long these conditions will persist, what additional measures may be introduced by governments, vendors or customers and the effect of any such additional measures on our business. As a result, many of the estimates and assumptions involved in the preparation of the financial statements included in this report on Form 10-K, required increased judgment and carry a higher degree of variability and volatility. As events continue to evolve with respect to the pandemic, our estimates may materially change in future periods.

Critical Accounting Policies and Estimates

The discussions and analysis of our consolidated financial condition and results of operations are based on our Consolidated Financial Statements, which have been prepared in conformity with GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the financial statement date and reported amounts of revenue and expenses during the reporting period. On an ongoing basis, we review and evaluate our estimates and assumptions. Our estimates are based on our historical experience and a variety of other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making our judgment about the carrying values of assets and liabilities that are not readily available from other sources. Actual results could differ from these estimates under different assumptions or conditions.

We believe the following critical accounting policies involve the more significant judgments, estimates and/or assumptions used in the preparation of our Consolidated Financial Statements.

Revenue Recognition.

We generate revenue primarily from the sale of various IT products.

We recognize revenues from the sale of IT hardware and software as control is transferred to customers, which is at the point in time when the product is shipped or delivered. We account for a contract with a customer when it has written approval, the contract is committed, the rights of the parties, including payment terms, are identified, the contract has commercial substance and consideration is probable of collection. Binding purchase orders from customers together with agreement to our terms and conditions of sale by way of an executed agreement or other signed documents are considered to be the contract with a customer. Products sold by us are delivered via shipment from our facilities, drop-shipment directly from the vendor, or by electronic delivery of software products. In situations where arrangements include customer acceptance provisions, revenue is recognized when we can objectively verify the products comply with specifications underlying acceptance and the customer has control of the products. Revenue is presented net of taxes collected from customers and remitted to government authorities. We generally invoice a customer upon shipment, or in accordance with specific contractual provisions. Payments are due as per contract terms and do not contain a significant financing component. Service revenues represents less than 10% of the total revenue for the periods presented.

Provisions for sales returns and allowances are estimated based on historical data and are recorded concurrently with the recognition of revenue. A liability is recorded at the time of sale for estimated product returns based upon historical experience and an asset is recognized for the amount expected to be recorded in inventory upon product return. These provisions are reviewed and adjusted periodically. Revenue is reduced for early payment discounts and volume incentive rebates offered to customers, which are considered variable consideration, at the time of sale based on an evaluation of the contract terms and historical experience.

We recognize revenue on a net basis on certain contracts, where our performance obligation is to arrange for the products or services to be provided by another party or the rendering of logistics services for the delivery of inventory for which we do not assume the risks and rewards of ownership, by recognizing the margins earned in revenue with no associated cost of revenue. Such arrangements include supplier service contracts, post-contract software support services and extended warranty contracts.

We consider shipping and handling activities as costs to fulfill the sale of products. Shipping revenue is included in revenue when control of the product is transferred to the customer, and the related shipping and handling costs are included in cost of revenue.

Business Combinations.

We allocate the fair value of purchase consideration to the assets acquired, liabilities assumed, and noncontrolling interests in the acquiree generally based on their fair values at the acquisition date. The excess of the fair value of purchase consideration over the fair value of these assets acquired, liabilities assumed and noncontrolling interests in the acquiree is recorded as goodwill and may involve engaging independent third-parties to perform an appraisal. When determining the fair values of assets acquired, liabilities assumed, and noncontrolling interests in the acquiree, we make significant estimates and assumptions, especially with respect to intangible assets. Critical estimates in valuing intangible assets include, but are not limited to, expected future cash flows, which includes consideration of future growth rates and margins, attrition rates, and discount rates. Fair value estimates are based on the assumptions we believe a market participant would use in pricing the asset or liability. Amounts recorded in a business combination may change during the measurement period, which is a period not to exceed one year from the date of acquisition, as additional information about conditions existing at the acquisition date becomes available.

Goodwill, intangible assets and long-lived assets

The values assigned to intangible assets include estimates and judgment regarding expectations for the length of customer relationships acquired in a business combination. Included within intangible assets is an indefinite lived trade names intangible asset. Indefinite lived intangible assets are tested for impairment annually and more frequently if events or changes in circumstances indicate that it is more likely than not that the asset is impaired. Other purchased intangible assets are amortized over the useful lives based on estimates of the use of the economic benefit of the asset or on the straight-line amortization method.

We allocate goodwill to reporting units based on the reporting unit expected to benefit from the business combination and test for impairment annually in the fourth quarter or more frequently if events or changes in circumstances indicate that it may be impaired. Goodwill is tested for impairment at the reporting unit level by first performing a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying value. The factors that are considered in the qualitative analysis include macroeconomic conditions, industry and market considerations, cost factors such as increases in product cost, labor, or other costs that would have a negative effect on earnings and cash flows; and other relevant entity-specific events and information.

If the reporting unit does not pass the qualitative assessment, then the reporting unit's carrying value is compared to its fair value. The fair values of the reporting units are estimated using market and discounted cash flow approaches. The assumptions used in the market approach are based on the value of a business through an analysis of sales and other multiples of guideline companies and recent sales or offerings of a comparable entity. The assumptions used in the discounted cash flow approach are based on historical and forecasted revenue, operating costs, future economic conditions, and other relevant factors. Goodwill is considered impaired if the carrying value of the reporting unit exceeds its fair value and the excess is recognized as an impairment loss. No goodwill impairment has been identified for any of the years presented.

We review the recoverability of our long-lived assets, such as definite-lived intangible assets, property and equipment and certain other assets, when events or changes in circumstances occur that indicate the carrying value of the asset or asset group may not be recoverable. The assessment of possible impairment is based on our ability to recover the carrying value of the asset or asset group from the expected future pre-tax cash flows, undiscounted and without interest charges, of the related operations. If these cash flows are less than the carrying value of such assets, an impairment loss is recognized for the difference between estimated fair value and carrying value.

Income taxes

The asset and liability method is used in accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the expected tax consequences of temporary differences between the tax bases of assets and liabilities and their reported amounts in the financial statements using enacted tax rates and laws that will be in effect when the difference is expected to reverse. Tax on global low-taxed intangible income is accounted for as a current expense in the period in which the income is includable in a tax return using the “period cost” method. Valuation allowances are provided against deferred tax assets that are not likely to be realized.

We recognize tax benefits from uncertain tax positions only if that tax position is more likely than not to be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement. We recognize interest and penalties related to unrecognized tax benefits in the provision for income taxes.

Acquisitions

We continually seek to augment organic growth in our business with strategic acquisitions of businesses and assets that complement and expand our existing capabilities. We also divest businesses that we deem no longer strategic to our ongoing operations. In our business we seek to acquire new OEM relationships, enhance our supply chain and integration capabilities, the services we provide to our customers and OEM suppliers, and expand our geographic footprint.

Results of Operations

The following table sets forth, for the indicated periods, Consolidated Statement of Operations data as a percentage of revenue:

Statements of Operations Data:	Fiscal Years Ended November 30,		
	2021	2020	2019
Revenue	100.00%	100.00%	100.00%
Cost of revenue	(94.02)%	(94.02)%	(93.93)%
Gross profit	5.98%	5.98%	6.07%
Acquisition, integration and restructuring costs	(0.35)%	(0.04)%	(0.01)%
Selling, general and administrative expenses	(3.65)%	(3.33)%	(3.34)%
Operating income	1.97%	2.61%	2.72%
Interest expense and finance charges, net	(0.50)%	(0.40)%	(0.39)%
Other income (expense), net	0.00%	(0.03)%	0.15%
Income from continuing operations before income taxes	1.48%	2.18%	2.48%
Provision for income taxes	(0.23)%	(0.51)%	(0.58)%
Income from continuing operations	1.25%	1.67%	1.90%
Income from discontinued operations, net of taxes	0.00%	0.97%	0.73%
Net income	1.25%	2.65%	2.63%

The financial results of the former Concentrix business are presented as income from discontinued operations, net of taxes in the Consolidated Statement of Operations data.

Due to the ongoing impact of the COVID-19 pandemic, current results and financial condition discussed herein may not be indicative of future operating results and trends.

Certain non-GAAP financial information

In addition to disclosing financial results that are determined in accordance with GAAP, we also disclose certain non-GAAP financial information, including:

- Non-GAAP operating income, which is operating income, adjusted to exclude acquisition, integration and restructuring costs, amortization of intangible assets, share-based compensation expense and purchase accounting adjustments.

- Non-GAAP operating margin, which is non-GAAP operating income, as defined above, divided by revenue.
- Adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”) which is net income before interest, taxes, depreciation and amortization, adjusted to exclude other income (expense), net, acquisition, integration and restructuring costs, share-based compensation expense, purchase accounting adjustments and income from discontinued operations, net of taxes.
- Non-GAAP income from continuing operations, which is income from continuing operations, adjusted to exclude acquisition, integration and restructuring costs, amortization of intangible assets, share-based compensation expense, purchase accounting adjustments, contingent consideration, an acquisition-related contingent gain, income taxes related to the aforementioned items, as well as a capital loss carryback benefit.
- Non-GAAP diluted earnings per common share (“EPS”) from continuing operations, which is diluted EPS from continuing operations excluding the per share impact of acquisition, integration and restructuring costs, amortization of intangible assets, share-based compensation expense, purchase accounting adjustments, contingent consideration, an acquisition-related contingent gain, income taxes related to the aforementioned items, as well as a capital loss carryback benefit.

Acquisition, integration and restructuring costs typically consist of acquisition, integration, restructuring and divestiture related costs and are expensed as incurred. These expenses primarily represent professional services costs for legal, banking, consulting and advisory services, severance and other personnel related costs and debt extinguishment fees. From time to time, this category may also include transaction-related gains/losses on divestitures/spin-off of businesses, as well as various other costs associated with the acquisition or divestiture.

Our acquisition activities have resulted in the recognition of definite-lived intangible assets which consist primarily of customer relationships and lists and vendor lists. Definite-lived intangible assets are amortized over their estimated useful lives and are tested for impairment when events indicate that the carrying value may not be recoverable. The amortization of intangible assets is reflected in our statements of operations. Although intangible assets contribute to our revenue generation, the amortization of intangible assets does not directly relate to the sale of our products. Additionally, intangible asset amortization expense typically fluctuates based on the size and timing of our acquisition activity. Accordingly, we believe excluding the amortization of intangible assets, along with the other non-GAAP adjustments which neither relate to the ordinary course of our business nor reflect our underlying business performance, enhances our and our investors’ ability to compare our past financial performance with its current performance and to analyze underlying business performance and trends. Intangible asset amortization excluded from the related non-GAAP financial measure represents the entire amount recorded within our GAAP financial statements, and the revenue generated by the associated intangible assets has not been excluded from the related non-GAAP financial measure. Intangible asset amortization is excluded from the related non-GAAP financial measure because the amortization, unlike the related revenue, is not affected by operations of any particular period unless an intangible asset becomes impaired or the estimated useful life of an intangible asset is revised.

Share-based compensation expense is a non-cash expense arising from the grant of equity awards to employees based on the estimated fair value of those awards. Although share-based compensation is an important aspect of the compensation of our employees, the fair value of the share-based awards may bear little resemblance to the actual value realized upon the vesting or future exercise of the related share-based awards and the expense can vary significantly between periods as a result of the timing of grants of new stock-based awards, including grants in connection with acquisitions. Given the variety and timing of awards and the subjective assumptions that are necessary when calculating share-based compensation expense, we believe this additional information allows investors to make additional comparisons between our operating results from period to period.

Purchase accounting adjustments are primarily related to the impact of purchase accounting on the recognition of certain consideration received from vendors related to the Merger.

We believe that providing this additional information is useful to the reader to better assess and understand our base operating performance, especially when comparing results with previous periods and for planning and forecasting in future periods, primarily because management typically monitors the business adjusted for these items in addition to GAAP results. Management also uses these non-GAAP measures to establish operational goals and, in some cases, for measuring performance for compensation purposes. As these non-GAAP financial measures are not calculated in accordance with GAAP, they may not necessarily be comparable to similarly titled measures employed by other companies. These non-GAAP financial measures should not be considered in isolation or as a substitute for the comparable GAAP measures and should be used as a complement to, and in conjunction with, data presented in accordance with GAAP.

Non-GAAP Financial Information:

	Fiscal Years Ended November 30,		
	2021	2020	2019
	(in thousands, except per share amounts)		
Consolidated			
Operating income	\$ 623,218	\$ 521,341	\$ 519,429
Acquisition, integration and restructuring costs	112,150	7,414	981
Amortization of intangibles	105,332	40,148	43,875
Share-based compensation	33,078	17,631	17,608
Purchase accounting adjustments	28,353	-	-
Non-GAAP operating income	\$ 902,131	\$ 586,534	\$ 581,893
Operating margin	1.97%	2.61%	2.72%
Non-GAAP operating margin	2.85%	2.94%	3.05%
Net income	\$ 395,069	\$ 529,160	\$ 500,712
Interest expense and finance charges, net	157,835	79,023	74,225
Provision for income taxes	71,416	101,609	111,113
Depreciation	44,232	24,923	22,454
Amortization of intangibles	105,332	40,148	43,875
EBITDA	\$ 773,884	\$ 774,863	\$ 752,379
Other (income) expense, net	(1,102)	6,172	(28,083)
Acquisition, integration and restructuring costs	112,150	9,667	981
Share-based compensation	33,078	17,631	17,608
Purchase accounting adjustments	28,353	-	-
Income from discontinued operations, net of taxes	-	(194,622)	(138,538)
Adjusted EBITDA	\$ 946,363	\$ 613,711	\$ 604,347
Income from continuing operations	\$ 395,069	\$ 334,538	\$ 362,174
Acquisition, integration and restructuring costs	159,194	9,667	981
Amortization of intangibles	105,332	40,148	43,875
Share-based compensation	33,078	17,631	17,608
Purchase accounting adjustments	28,353	-	-
Contingent consideration	-	-	(19,034)
Acquisition-related contingent gain	-	-	(11,112)
Income taxes related to the above	(80,375)	(19,557)	(11,284)
Income tax capital loss carryback benefit	(44,968)	-	-
Non-GAAP income from continuing operations	\$ 595,683	\$ 382,427	\$ 383,208
Diluted EPS from continuing operations	\$ 6.24	\$ 6.46	\$ 7.05
Acquisition, integration and restructuring costs	2.51	0.19	0.02
Amortization of intangibles	1.66	0.78	0.85
Share-based compensation	0.52	0.34	0.34
Purchase accounting adjustments	0.45	—	—
Contingent consideration	—	—	(0.37)
Acquisition-related contingent gain	—	—	(0.22)
Income taxes related to the above	(1.27)	(0.38)	(0.22)
Income tax capital loss carryback benefit	(0.71)	-	-
Non-GAAP diluted EPS from continuing operations	\$ 9.40	\$ 7.38	\$ 7.45

Fiscal Years Ended November 30, 2021, 2020 and 2019
Revenue

	Fiscal Years Ended November 30,			Percent Change	
	2021	2020	2019	2021 to 2020	2020 to 2019
	(in thousands)				
Revenue	\$ 31,614,169	\$ 19,977,150	\$ 19,069,970	58.3%	4.8%

We distribute a comprehensive range of products for the technology industry and design and integrate data center equipment. The prices of our products are highly dependent on the volumes purchased within a product category. The products we sell from one period to the next are often not comparable due to changes in product models, features and customer demand requirements.

Revenue increased in fiscal year 2021 compared to fiscal year 2020 primarily due to an increase in sales resulting from the Merger of approximately \$10 billion as well as broad-based demand for technology equipment.

Revenue increased in fiscal year 2020 compared to fiscal year 2019 primarily due to a demand for technology equipment as COVID-19 related government mandated shelter-in-place restrictions during the second, third and fourth quarters of fiscal year 2020 led to increased needs for remote work, learn and consume related solutions. On a constant currency basis, revenue in our business increased by 4.8% during fiscal year 2020, compared to fiscal year 2019.

Gross Profit

	Fiscal Years Ended November 30,			Percent Change	
	2021	2020	2019	2021 to 2020	2020 to 2019
	(in thousands)				
Gross profit	\$ 1,889,534	\$ 1,193,858	\$ 1,157,258	58.3%	3.2%
Gross margin	5.98%	5.98%	6.07%		

Our gross margin is affected by a variety of factors, including competition, selling prices, mix of products, product costs along with rebate and discount programs from our suppliers, reserves or settlement adjustments, freight costs, inventory losses and fluctuations in revenue.

Our gross profit increased in fiscal year 2021, as compared to the prior fiscal year, primarily driven by an increase in sales as a result of the Merger.

Our gross profit increased in fiscal year 2020, as compared to the prior fiscal year, primarily driven by strong demand for technology products as COVID-19 related government mandated shelter-in-place restrictions during the second, third and fourth quarters of fiscal year 2020 led to a greater need for remote work, learn and consume related solutions. This increase was partially offset by lower margins driven by product mix from our projects and integration-based server solutions.

Acquisition, Integration and Restructuring Costs

Acquisition, integration and restructuring costs are primarily comprised of costs related to the Merger, costs related to the Global Business Optimization 2 Program initiated by Tech Data prior to the Merger (the “GBO 2 Program”) and costs related to the Separation.

The Merger

We incurred acquisition, integration and restructuring costs related to the completion of the Merger, including professional services costs, personnel and other costs, an impairment of long-lived assets and stock-based compensation expense. Professional services costs are primarily comprised of legal expenses and tax and other consulting services. Personnel and other costs are primarily comprised of costs related to the settlement of certain outstanding long-term cash incentive awards for Tech Data upon closing of the Merger, retention and other bonuses, as well as severance costs. Impairment of long-lived assets relates to a charge of \$22.2 million recorded for the write-off of capitalized costs associated with Tech Data’s tdONE program in conjunction with the decision to consolidate certain IT systems. Stock-based compensation expense primarily relates to costs associated with the conversion of certain Tech Data performance-based equity awards issued prior to the Merger into restricted stock units of TD SYNEX (refer to [Note 6 – Share-Based Compensation](#) to the Consolidated Financial Statements for further information) and expenses for certain restricted stock awards issued in conjunction with the Merger.

To date, acquisition and integration expenses related to the Merger were composed of the following:

	Year Ended November 30,	
	2021	
	(in thousands)	
Professional services costs	\$	22,288
Personnel and other costs		33,716
Impairment of long-lived assets		22,166
Stock-based compensation		20,113
Total	\$	98,283

GBO 2 Program

Prior to the Merger, Tech Data implemented its GBO 2 Program, that includes investments to optimize and standardize processes and apply data and analytics to be more agile in a rapidly evolving environment, increasing productivity, profitability and optimizing net-working capital. TD SYNEX plans to continue this program in conjunction with the Company's integration activities. Acquisition, integration and restructuring expenses related to the GBO 2 Program are primarily comprised of restructuring costs and other professional services costs. Restructuring costs are comprised of severance costs and other associated exit costs, including certain consulting costs. Other professional services costs are primarily comprised of professional services fees not related to restructuring activities, including costs related to improving profitability and optimizing net-working capital.

Acquisition, integration and restructuring costs under the GBO 2 Program for fiscal 2021 included the following:

	Year Ended November 30, 2021	
	(in thousands)	
Restructuring costs	\$	8,709
Other professional services costs		5,158
Total	\$	13,867

Restructuring costs under the GBO 2 Program for fiscal 2021 were composed of the following:

	Year Ended November 30, 2021	
	(in thousands)	
Severance	\$	2,893
Other exit costs		5,816
Total	\$	8,709

During fiscal 2021, we recorded restructuring costs related to GBO 2 of \$2.7 million, \$5.7 million and \$0.3 million, for the Americas, Europe and APJ regions, respectively.

The Separation

During the fiscal year ended November 30, 2020, we incurred \$7.4 million in transaction costs related to the Separation of Concentrix.

Selling, General and Administrative Expenses

	Fiscal Years Ended November 30,			Percent Change	
	2021	2020	2019	2021 to 2020	2020 to 2019
	(in thousands)				
Selling, general and administrative expenses	\$ 1,154,166	\$ 665,102	\$ 636,849	73.5%	4.4%
Percentage of revenue	3.65%	3.33%	3.34%		

Our selling, general and administrative expenses consist primarily of personnel costs such as salaries, commissions, bonuses, share-based compensation and temporary personnel costs. Selling, general and administrative expenses also include cost of warehouses, delivery centers and other non-integration facilities, utility expenses, legal and professional fees, depreciation on certain of our capital equipment, bad debt expense, amortization of our intangible assets, and marketing expenses, offset in part by reimbursements from our OEM suppliers.

Selling, general and administrative expenses increased in fiscal year 2021, compared to fiscal year 2020, primarily due to an increase in employee related expenses resulting from the Merger and an increase in amortization of intangible assets acquired in connection with the Merger. Selling, general and administrative expenses increased as a percentage of revenue, compared to the prior year period, primarily due to the impact of the Merger.

Selling, general and administrative expenses increased in fiscal year 2020, compared to fiscal year 2019, primarily due to an increase in allowance for doubtful accounts and higher salaries and employee related expenses due to COVID-19. Incremental costs related to COVID-19 were approximately \$33 million for fiscal year 2020. This increase was partially offset by a \$3.7 million decrease in amortization of intangible assets. Our selling, general and administrative expenses as a percentage of revenue in fiscal year 2020, was consistent with the prior fiscal year.

Operating Income

	Fiscal Years Ended November 30,			Percent Change	
	2021	2020	2019	2021 to 2020	2020 to 2019
	(in thousands)				
Operating income	\$ 623,218	\$ 521,341	\$ 519,429	19.5%	0.4%
Operating margin	1.97%	2.61%	2.72%		

Operating income increased during fiscal year 2021, compared to the prior year, primarily due to increased sales as a result of the Merger, partially offset by an increase in employee related expenses resulting from the Merger, an increase in acquisition, integration and restructuring costs and an increase in amortization of intangible assets acquired in connection with the Merger. Operating margin decreased due to an increase in employee related expenses resulting from the Merger, an increase in acquisition, integration and restructuring costs and an increase in amortization of intangible assets acquired in connection with the Merger.

Operating income increased during fiscal year 2020, compared to the prior year, primarily due to broad based growth, decreases in the amortization of intangible assets and transaction-related expenses. These increases were offset by the impact of COVID-19 related incremental costs associated with allowances for doubtful accounts and higher salary and employee related costs. Operating margin in our business decreased due to product mix.

Interest Expense and Finance Charges, Net

	Fiscal Years Ended November 30,			Percent Change	
	2021	2020	2019	2021 to 2020	2020 to 2019
	(in thousands)				
Interest expense and finance charges, net	\$ 157,835	\$ 79,023	\$ 74,225	99.7%	6.5%
Percentage of revenue	0.50%	0.40%	0.39%		

Amounts recorded in interest expense and finance charges, net, consist primarily of interest expense paid on our Senior Notes (as defined below), our lines of credit and term loans and fees associated with the sale or pledge of accounts receivable through our securitization facilities, offset by income earned on our cash investments.

The increase in our interest expense and finance charges net, during the fiscal year 2021, compared to the prior year, was due to approximately \$47 million of acquisition and integration related financing costs primarily related to a commitment for a bridge loan facility obtained in March 2021 which was terminated in conjunction with the Merger and an increase in interest expense related to the issuance of our Senior Notes and higher average outstanding borrowings.

The increase in our interest expense and finance charges net, during the fiscal year 2020, compared to the prior year, was primarily due to increased financing activities related to growth in the business and the planned Separation of Concentrix.

Other Income (Expense), Net

	Fiscal Years Ended November 30,			Percent Change	
	2021	2020	2019	2021 to 2020	2020 to 2019
	(in thousands)				
Other income (expense), net	\$ 1,102	\$ (6,172)	\$ 28,083	117.9%	-122.0%
Percentage of revenue	0.00%	(0.03)%	0.15%		

Amounts recorded as other income (expense), net include certain foreign currency transaction gains and losses, investment gains and losses, debt extinguishment gains and losses, and other non-operating gains and losses, such as settlements received from class actions lawsuits and realization of contingent assets.

Other income (expense), net increased during the fiscal year ended November 30, 2021, compared to the prior year, primarily due to a gain on sale of investment.

Other income (expense), net decreased during the fiscal year ended November 30, 2020, compared to the prior year, primarily due to a gain of \$19.0 million upon the settlement of contingent consideration related to our acquisition of Westcon-Comstor Americas in an earlier year and a gain of \$11.1 million recorded upon realization of contingent sales-tax assets related to the Westcon-Comstor Americas acquisition recorded in fiscal year 2019. In addition, other income (expense), net in fiscal year 2020 decreased compared to the prior year due to the write-off of \$2.2 million of deferred financing costs associated with the \$1.2 billion partial prepayment of our term loans on November 30, 2020 in preparation of the Separation on December 1, 2020.

Provision for Income Taxes

	Fiscal Years Ended November 30,			Percent Change	
	2021	2020	2019	2021 to 2020	2020 to 2019
	(in thousands)				
Provision for income taxes	\$ 71,416	\$ 101,609	\$ 111,113	-29.7%	-8.6%
Percentage of income before income taxes	15.31%	23.30%	23.48%		

Income taxes consist of our current and deferred tax expense resulting from our income earned in domestic and foreign jurisdictions.

In connection with the Merger, the Company restructured its foreign financing structure, as well as select legal entities in anticipation of legally integrating legacy Tech Data and SYNnex foreign operations. In addition to the treasury efficiencies, these restructurings resulted in a one-time domestic capital loss which would offset certain domestic capital gains when carried back under United States tax law to tax year 2020, resulting in a tax benefit of approximately \$45 million. Our income tax expense decreased during the fiscal year ended November 30, 2021, as compared to the prior year, due to the capital loss carryback benefit, partially offset by an increase in income from continuing operations before income taxes. The effective tax rate for fiscal year 2021 was lower when compared to the prior year due to the capital loss carryback benefit.

Our income tax expense decreased during the fiscal year ended November 30, 2020, as compared to the prior year, due to the decrease in our effective tax rate. The effective tax rate for fiscal year 2020 was lower compared to the prior year, due to the benefit from the exercise of employee stock options and the reversal of a reserve for uncertain tax positions. The comparative decrease in the effective tax rate for fiscal year 2020 was partially offset by the favorable impact of a nontaxable contingent consideration gain recorded in the prior year period related to the fiscal year 2017 Westcon-Comstor Americas acquisition.

Discontinued Operations

	Fiscal Years Ended November 30,			Percent Change	
	2021	2020	2019	2021 to 2020	2020 to 2019
	(in thousands)				
Income from discontinued operations, net of taxes	\$ -	\$ 194,622	\$ 138,538	-100.0%	40.5%
Percentage of revenue	0.00%	0.97%	0.73%		

Income from discontinued operations includes net income from Concentrix during the fiscal years ended November 30, 2020 and 2019, prior to the Separation on December 1, 2020.

See [Note 5](#) - Discontinued Operations of the Consolidated Financial Statements included in Part II, Item 8 of this Annual Report for further details.

Liquidity and Capital Resources

Cash Conversion Cycle

		Three Months Ended		
		November 30, 2021	November 30, 2020	November 30, 2019
		(Amounts in thousands)		
Days sales outstanding ("DSO")				
Revenue	(a)	\$ 15,611,266	\$ 6,118,836	\$ 5,374,241
Accounts receivable, net	(b)	8,310,032	2,791,703	2,995,610
	(c) = ((b)/(a))*the number of days during the period			
Days sales outstanding		48	42	51
Days inventory outstanding ("DIO")				
Cost of revenue	(d)	\$ 14,668,096	\$ 5,752,179	\$ 5,036,301
Inventories	(e)	6,642,915	2,684,076	2,546,115
	(f) = ((e)/(d))*the number of days during the period			
Days inventory outstanding		41	42	46
Days payable outstanding ("DPO")				
Cost of revenue	(g)	\$ 14,668,096	\$ 5,752,179	\$ 5,036,301
Accounts payable	(h)	12,034,946	3,751,240	3,104,886
	(i) = ((h)/(g))*the number of days during the period			
Days payable outstanding		75	59	56
Cash conversion cycle ("CCC")				
	(j) = (c)+(f)-(i)	14	25	41

Cash Flows

Our business is working capital intensive. Our working capital needs are primarily to finance accounts receivable and inventory. We rely heavily on term loans, accounts receivable arrangements, our securitization programs, our revolver programs and trade credit from vendors for our working capital needs. We have financed our growth and cash needs to date primarily through cash generated from operations and financing activities. As a general rule, when sales volumes are increasing, our net investment in working capital dollars typically increases, which generally results in decreased cash flow generated from operating activities. Conversely, when sales volumes decrease, our net investment in working capital dollars typically decreases, which generally results in increases in cash flows generated from operating activities. We calculate CCC as days of the last fiscal quarter's revenue outstanding in accounts receivable plus days of supply on hand in inventory, less days of the last fiscal quarter's cost of revenue outstanding in accounts payable. Our CCC was 14 days, 25 days and 41 days at the end of fiscal years 2021, 2020 and 2019, respectively. The decrease in fiscal year 2021, compared to fiscal year 2020, was primarily due to our DPO, which was impacted by the timing of payments of accounts payable in our business including the impact of the Merger. The decrease in fiscal year 2020, compared to fiscal year 2019, was primarily due to efficient collections of accounts receivable and faster turnover of our inventories in the Company and the timing of payments of accounts payable in our business.

To increase our market share and better serve our customers, we may further expand our operations through investments or acquisitions. We expect that such expansion would require an initial investment in working capital, personnel, facilities and operations. These investments or acquisitions would likely be funded primarily by our existing cash and cash equivalents, additional borrowings, or the issuance of securities.

Our Consolidated Statements of Cash Flows include both continuing and discontinued operations. See [Note 5](#) – Discontinued Operations of the Consolidated Financial Statements for further details.

Operating Activities

Net cash provided by operating activities was \$810 million during fiscal year 2021, primarily due to net income and an increase in accounts payable due to the timing of payments, including the impact of the Merger. These cash inflows were partially offset by an increase in inventory and accounts receivable driven by growth in our business, including the impact of the Merger.

Net cash provided by operating activities was \$1.834 billion during fiscal year 2020, primarily due to net income and cash inflows from an increase in accounts payable and changes in other operating assets and liabilities primarily reflecting efficient

working capital management in our business, and a decrease in DSO in our business of approximately 9 days from the end of fiscal year 2019 largely due to the impact of COVID-19. These items were partially offset by an increase in inventories driven by growth in our larger projects and integration-based server solutions.

Net cash provided by operating activities was \$550 million during fiscal year 2019, primarily due to net income, an increase in accounts payable and a net change in other operating assets and liabilities. These cash inflows were partially offset by an increase in accounts receivable and receivables from vendors, and an increase in inventories. The increase in accounts receivable, including receivables from vendors, inventories and accounts payable was driven by growth in our business.

The significant components of our investing and financing cash flow activities are listed below.

Investing Activities

2021

- \$907.1 million in net cash paid related to the Merger.
- \$54.9 million related to infrastructure investments.

2020

- \$198.0 million related to infrastructure investments.
- \$5.6 million of cash paid related to the settlement of employee stock-based awards assumed under the Convergys acquisition, being paid in accordance with the original vesting schedule.

2019

- \$137.4 million related to infrastructure investments.
- \$9.4 million of cash paid related to the settlement of employee stock-based awards assumed under the Convergys acquisition.

Financing Activities

2021

- Proceeds of \$2.5 billion for issuance of Senior Notes to finance the Merger.
- Repayment of approximately \$2.6 billion of debt of Tech Data paid off substantially concurrent with the closing of the Merger.
- \$149.9 million net transfer of cash and cash equivalents to Concentrix in connection with the Separation.
- Dividends of \$50.3 million paid.
- Debt issuance costs of \$42.3 million paid.

2020

- Net repayments of \$262.6 million under our borrowing arrangements.
- Dividends of \$20.8 million paid.

2019

- Net repayments of \$521.4 million under our borrowing arrangements.
- \$76.6 million of dividend payments.
- \$15.2 million of repurchases of our common stock.
- \$14.0 million in cash was used to pay contingent consideration related to our Westcon-Comstor Americas acquisition.

We believe our current cash balances, cash flows from operations and credit availability are sufficient to support our operating activities for at least the next twelve months.

Capital Resources

Our cash and cash equivalents totaled \$994.0 million and \$1.4 billion as of November 30, 2021 and 2020, respectively. Our cash and cash equivalents held by international subsidiaries are no longer subject to U.S. federal tax on repatriation into the United States. Repatriation of some foreign balances is restricted by local laws. Historically, we have fully utilized and reinvested all foreign cash to fund our foreign operations and expansion. If in the future our intentions change, and we repatriate the cash back to the United States, we will report in our consolidated financial statements the impact of state and withholding taxes depending upon the planned timing and manner of such repatriation. Presently, we believe we have sufficient resources, cash flow and liquidity within the United States to fund current and expected future working capital, investment and other general corporate funding requirements.

We believe that our available cash and cash equivalents balances, the cash flows expected to be generated from operations and our existing sources of liquidity, will be sufficient to satisfy our current and planned working capital and investment needs, for the next twelve months in all geographies. We also believe that our longer-term working capital, planned capital expenditures, anticipated stock repurchases, dividend payments and other general corporate funding requirements will be satisfied through cash flows from operations and, to the extent necessary, from our borrowing facilities and future financial market activities.

Historically, we have renewed our accounts receivable securitization program and our parent company credit facilities on, or prior to, their respective expiration dates. We have no reason to believe that these and other arrangements will not be renewed or replaced as we continue to be in good credit standing with the participating financial institutions. We have had similar borrowing arrangements with various financial institutions throughout our years as a public company.

On-Balance Sheet Arrangements

TD SYNEX United States accounts receivable securitization agreement

In the United States, we have an accounts receivable securitization program to provide additional capital for our operations (the “U.S. AR Arrangement”). Under the terms of the U.S. AR Arrangement, that, prior to the December 2021 amendment described below, was scheduled to expire in May 2022, our subsidiary that is the borrower under this facility could borrow up to a maximum of \$650 million based upon eligible trade accounts receivable. The effective borrowing cost under the U.S. AR Arrangement was a blended rate based upon the composition of the lenders, that included prevailing dealer commercial paper rates and a rate based upon LIBOR. In addition, a program fee payable on the used portion of the lenders’ commitment, accrued at 1.25% per annum in the case of lender groups who funded their advances based on prevailing commercial paper rates, and 1.30% per annum in the case of lender groups who funded their advances based on LIBOR (subject to a 0.50% per annum floor). A facility fee was payable on the adjusted commitment of the lenders, to accrue at different tiers ranging between 0.35% per annum and 0.45% per annum depending on the amount of outstanding advances from time to time.

Under the terms of the U.S. AR Arrangement, we and certain of our U.S. subsidiaries sell, on a revolving basis, our receivables to a wholly-owned, bankruptcy-remote subsidiary. The borrowings are funded by pledging all of the rights, title and interest in the receivables acquired by our bankruptcy-remote subsidiary as security. Any amounts received under the U.S. AR Arrangement are recorded as debt on our Consolidated Balance Sheets.

On December 22, 2021, we and our subsidiaries that are party to the U.S. AR Arrangement amended the U.S. AR Arrangement to extend the maturity date to December 2024 and increase the lending commitment to \$1.5 billion. Further, the effective borrowing cost under the U.S. AR Arrangement was also modified through adjustments to the (i) program fee payable on the used portion of the lenders’ commitment, which now accrues at 0.75% per annum and (ii) facility fee payable on the adjusted commitment of the lenders, which now accrues at different tiers ranging between 0.30% per annum and 0.40% per annum depending on the amount of outstanding advances from time to time.

SYNNEX United States credit agreement

Prior to the Merger, in the United States, we had a senior secured credit agreement (as amended, the "U.S. Credit Agreement") with a group of financial institutions. The U.S. Credit Agreement included a \$600 million commitment for a revolving credit facility and a term loan in the original principal amount of \$1.2 billion. Interest on borrowings under the U.S. Credit Agreement was based on LIBOR or a base rate at our option, plus a margin. The margin for LIBOR loans ranged from 1.25% to 2.00% and the margin for base rate loans ranged from 0.25% to 1.00%, provided that LIBOR was not less than zero. The base rate was a variable rate which was the highest of (a) the Federal Funds Rate, plus a margin of 0.5%, (b) the rate of interest announced, from time to time, by the agent, Bank of America, N.A., as its "prime rate," and (c) the Eurodollar Rate, plus 1.0%. The unused revolving credit facility commitment fee ranged from 0.175% to 0.30% per annum. The margins above the applicable interest rates and the revolving commitment fee for revolving loans were based on our consolidated leverage ratio, as calculated under the U.S. Credit Agreement. Our obligations under the U.S. Credit Agreement were secured by substantially all of the parent company's and our United States domestic subsidiaries' assets on a pari passu basis with the interests of the lenders under the U.S. Term Loan Credit Agreement (defined below) pursuant to an intercreditor agreement and were guaranteed by certain of our United States domestic subsidiaries. The U.S. Credit Agreement was originally scheduled to mature in September 2022, however the U.S. Credit Agreement was terminated on September 1, 2021 and all outstanding balances were repaid in full as part of the Merger (see [Note 3](#) – Acquisitions for further discussion).

SYNNEX United States term loan credit agreement

Prior to the Merger, in the United States we had a senior secured term loan credit agreement (the "U.S. Term Loan Credit Agreement") with a group of financial institutions in the original principal amount of \$1.8 billion. The remaining outstanding principal was payable on maturity. Interest on borrowings under the U.S. Term Loan Credit Agreement were based on LIBOR or a base rate at our option, plus a margin. The margin for LIBOR loans ranged from 1.25% to 1.75% and the margin for base rate loans ranged from 0.25% to 0.75%, provided that LIBOR was not less than zero. The base rate was a variable rate which was the highest of (a) 0.5% plus the greater of (x) the Federal Funds Rate in effect on such day and (y) the overnight bank funding rate in effect on such day, (b) the Eurodollar Rate plus 1.0% per annum, and (c) the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. During the period in which the term loans were available to be drawn, we paid term loan commitment fees. The margins above our applicable interest rates and the term loan commitment fee were based on our consolidated leverage ratio as calculated under the U.S. Term Loan Credit Agreement. Our obligations under the U.S. Term Loan Credit Agreement were secured by substantially all of our and certain of our domestic subsidiaries' assets on a pari passu basis with the interests of the lenders under the U.S. Credit Agreement pursuant to an intercreditor agreement, and were guaranteed by certain of our domestic subsidiaries. The U.S. Term Loan Credit Agreement was originally scheduled to mature in October 2023, however the U.S. Term Loan Credit Agreement was terminated on September 1, 2021 and all outstanding balances were repaid in full as part of the Merger (see [Note 3](#) – Acquisitions for further discussion).

TD SYNNEX credit agreement

In connection with the Merger Agreement, we entered into a credit agreement, dated as of April 16, 2021 (the "TD SYNNEX Credit Agreement") with the lenders party thereto and Citibank, N.A., as agent, pursuant to which we received commitments for the extension of a senior unsecured revolving credit facility not to exceed an aggregate principal amount of \$3.5 billion, which revolving credit facility (the "TD SYNNEX revolving credit facility") may, at our request but subject to the lenders' discretion, potentially be increased by up to an aggregate amount of \$500 million. The TD SYNNEX Credit Agreement also includes a senior unsecured term loan (the "TD SYNNEX term loan" and, together with the TD SYNNEX revolving credit facility, the "TD SYNNEX credit facilities") in an aggregate principal amount of \$1.5 billion, that was fully funded in connection with the closing of the Merger. The borrower under the TD SYNNEX credit facilities is the Company. There are no guarantors of the TD SYNNEX credit facilities. The maturity of the TD SYNNEX credit facilities is on the fifth anniversary of the September 2021 closing date, to occur in September 2026, subject in the case of the revolving credit facility, to two one-year extensions upon our prior notice to the lenders and the agreement of the lenders to extend such maturity date.

The outstanding principal amount of the TD SYNNEX term loan is payable in quarterly installments in an amount equal to 1.25% of the original \$1.5 billion principal balance commencing on the last day of the first full fiscal quarter after the closing date of the TD SYNNEX credit facilities, with the outstanding principal amount of the term loans due in full on the maturity date. Loans borrowed under the TD SYNNEX Credit Agreement bear interest, in the case of LIBOR (or successor) rate loans, at a per annum rate equal to the applicable LIBOR (or successor) rate, plus the applicable margin, which may range from 1.125% to 1.75%, based on our public debt rating (as defined in the TD SYNNEX Credit Agreement). The applicable margin on base rate loans is 1.00% less than the corresponding margin on LIBOR (or successor rate) based loans. In addition to these borrowing rates, there is a commitment fee that ranges from 0.125% to 0.300% on any unused commitment under the TD SYNNEX revolving credit facility based on our public debt rating. As of November 30, 2021, the effective interest rate for the term loan was 1.49%.

The TD SYNNEX Credit Agreement contains various loan covenants that are customary for similar facilities for similarly rated borrowers that restrict our ability to take certain actions. The TD SYNNEX Credit Agreement also contains financial covenants that require compliance with a maximum debt to EBITDA ratio and a minimum interest coverage ratio, in each case tested on the last day of each fiscal quarter commencing with the first full fiscal quarter to occur after the closing date of the TD SYNNEX credit facilities.

The TD SYNnex Credit Agreement also contains various customary events of default, including with respect to a change of control of the Company.

On March 22, 2021, we had entered into a debt commitment letter (the “Commitment Letter”), under which Citigroup Global Markets Inc. and certain other financing institutions joining thereto pursuant to the terms thereof committed to provide (i) a \$1.5 billion senior unsecured term bridge facility (the “Term Loan A Bridge Facility”), (ii) a \$2.5 billion senior unsecured term bridge facility (the “Bridge Facility”) and (iii) a \$3.5 billion senior unsecured revolving bridge facility (the “Bridge Revolving Facility”), subject to the satisfaction of certain customary closing conditions. On April 16, 2021, (i) the \$1.5 billion commitment with respect to the Term Loan A Bridge Facility under the Commitment Letter and (ii) the \$3.5 billion commitment with respect to the Bridge Revolving Facility under the Commitment Letter were reduced to zero, in each case, as a result of us entering into the TD SYNnex Credit Agreement; and on August 9, 2021 the Bridge Facility was reduced to zero as a result of the issuance of the TD SYNnex Senior Notes described below.

TD SYNnex Senior Notes

On August 9, 2021, we completed our offering of \$2.5 billion aggregate principal amount of senior unsecured notes, consisting of \$700.0 million of 1.25% senior notes due 2024, \$700.0 million of 1.75% senior notes due 2026, \$600.0 million of 2.375% senior notes due 2028, and \$500.0 million of 2.65% senior notes due 2031 (collectively, the “Senior Notes,” and such offering, the “Senior Notes Offering”). We incurred \$19.6 million towards issuance costs for the Senior Notes. We will pay interest semi-annually on the notes on each of February 9 and August 9, beginning February 9, 2022. The net proceeds from this offering were used to fund a portion of the aggregate cash consideration payable in connection with the Merger, refinance certain of our existing indebtedness and pay related fees and expenses and for general corporate purposes.

The interest rate payable on each series of the Senior Notes will be subject to adjustment from time to time if the credit rating assigned to such series of Senior Notes is downgraded (or downgraded and subsequently upgraded). We may redeem the Senior Notes, at any time in whole or from time to time in part, prior to (i) August 9, 2022 (the “2024 Par Call Date”) in the case of the 2024 Senior Notes, (ii) July 9, 2026 (the “2026 Par Call Date”) in the case of the 2026 Senior Notes, (iii) June 9, 2028 (the “2028 Par Call Date”) in the case of the 2028 Senior Notes, and (iv) May 9, 2031 in the case of the 2031 Senior Notes (the “2031 Par Call Date” and, together with the 2024 Par Call Date, the 2026 Par Call Date and the 2028 Par Call Date, each, a “Par Call Date” and together, the “Par Call Dates”), at a redemption price equal to the greater of (x) 100% of the aggregate principal amount of the applicable Senior Notes to be redeemed and (y) the sum of the present values of the remaining scheduled payments of the principal and interest on the Senior Notes, discounted to the date of redemption on a semi-annual basis at a rate equal to the sum of the applicable treasury rate plus 15 basis points for the 2024 Senior Notes, 20 basis points for the 2026 Senior Notes and 25 basis points for the 2028 Senior Notes and 2031 Senior Notes, plus in each case, accrued and unpaid interest thereon to, but excluding, the redemption date. We may also redeem the Senior Notes of any series at our option, at any time in whole or from time to time in part, on or after the applicable Par Call Date, at a redemption price equal to 100% of the principal amount of the Senior Notes to be redeemed.

Other borrowings and term debt

We have various other committed and uncommitted lines of credit with financial institutions at certain locations outside the United States, accounts receivable securitization arrangements, factoring of accounts receivable with recourse provisions, capital leases, a building mortgage, short-term loans, term loans, credit facilities, and book overdraft facilities, totaling approximately \$635.5 million in borrowing capacity as of November 30, 2021. Most of these facilities are provided on an unsecured, short-term basis and are reviewed periodically for renewal. Interest rates and other terms of borrowing under these lines of credit vary by country, depending on local market conditions. There was \$106.3 million outstanding on these facilities at November 30, 2021, at a weighted average interest rate of 4.59%, and there was \$57.9 million outstanding at November 30, 2020, at a weighted average interest rate of 1.03%. Borrowings under these lines of credit facilities are guaranteed by the Company or secured by eligible accounts receivable.

At November 30, 2021, we were also contingently liable for reimbursement obligations with respect to issued standby letters of credit in the aggregate outstanding amount of \$104.7 million. These letters of credit typically act as a guarantee of payment to certain third parties in accordance with specified terms and conditions.

The maximum commitment amounts for local currency credit facilities have been translated into United States Dollars at November 30, 2021 exchange rates.

Off-Balance Sheet Arrangements

We have financing programs under which trade accounts receivable owed by certain customers may be sold to financial institutions. Available capacity under these programs is dependent upon the level of our trade accounts receivable eligible to be sold into these programs and the financial institutions’ willingness to purchase such receivables. In addition, certain of these programs also require that we continue to service, administer and collect the sold accounts receivable. At November 30, 2021 and 2020, we had a total of \$759.9 million and \$21.4 million, respectively, of trade accounts receivable sold to and held by the financial institutions under

these programs. Discount fees for these programs in the years ended November 30, 2021, 2020 and 2019 totaled \$4.7 million, \$3.2 million and \$2.3 million, respectively.

Covenant Compliance

Our credit facilities have a number of covenants and restrictions that require us to maintain specified financial ratios. They also limit our ability to incur additional debt, create liens, enter into agreements with affiliates, modify the nature of our business, and merge or consolidate. As of November 30, 2021, we were in compliance with all current and material covenants for the above arrangements.

Contractual Obligations

We are contingently liable under agreements, without expiration dates, to repurchase repossessed inventory acquired by flooring companies as a result of default on floor plan financing arrangements by our customers. There have been no material repurchases through November 30, 2021 under these agreements and we are not aware of any pending customer defaults or repossession obligations. As we do not have access to information regarding the amount of inventory purchased from us still on hand with the customer at any point in time, our repurchase obligations relating to inventory cannot be reasonably estimated. For more information on our third-party revolving short-term financing arrangements, see [Note 2](#) – Summary of Significant Accounting Policies to the Consolidated Financial Statements included in Part II, Item 8 of this Report.

Related Party Transactions

We have a business relationship with MiTAC Holdings, a publicly-traded company in Taiwan, which began in 1992 when MiTAC Holdings became our primary investor through its affiliates. As of November 30, 2021 and 2020, MiTAC Holdings and its affiliates beneficially owned approximately 9.5% and 18% of our outstanding common stock, respectively. Mr. Matthew Miao, the Chairman Emeritus of our Board of Directors and a director, is the Chairman of MiTAC Holdings' and a director or officer of MiTAC Holdings' affiliates.

The shares owned by MiTAC Holdings are held by the following entities:

	<u>As of November 30, 2021</u> (shares in thousands)
MiTAC Holdings ⁽¹⁾	5,300
Synnex Technology International Corp. ⁽²⁾	3,860
Total	9,160

- (1) Shares are held via Silver Star Developments Ltd., a wholly-owned subsidiary of MiTAC Holdings. Excludes 192 shares held directly by Mr. Miao, 217 shares indirectly held by Mr. Miao through a charitable remainder trust, and 190 shares held by his spouse.
- (2) Synnex Technology International Corp. ("Synnex Technology International") is a separate entity from us and is a publicly-traded corporation in Taiwan. Shares are held via Peer Development Ltd., a wholly-owned subsidiary of Synnex Technology International. MiTAC Holdings owns a noncontrolling interest of 14.1% in MiTAC Incorporated, a privately-held Taiwanese company, which in turn holds a noncontrolling interest of 15.7% in Synnex Technology International. Neither MiTAC Holdings nor Mr. Miao is affiliated with any person(s), entity, or entities that hold a majority interest in MiTAC Incorporated.

We purchased inventories and services from MiTAC Holdings and its affiliates totaling \$199.7 million, \$211.9 million and \$173.4 million during fiscal years 2021, 2020 and 2019, respectively. Our sales to MiTAC Holdings and its affiliates during fiscal years 2021, 2020 and 2019 totaled \$0.6 million, \$0.8 million and \$0.8 million, respectively. In addition, we made payments of \$0.2 million, \$0.1 million and \$41 thousand to MiTAC Holdings and its affiliates for reimbursement of rent and overhead costs for facilities used by us during the fiscal years ended November 30, 2021, 2020 and 2019, respectively.

Our business relationship with MiTAC Holdings and its affiliates has been informal and is generally not governed by long-term commitments or arrangements with respect to pricing terms, revenue or capacity commitments. We negotiate pricing and other material terms on a case-by-case basis with MiTAC Holdings. We have adopted a policy requiring that material transactions with MiTAC Holdings or its related parties be approved by our Audit Committee, which is composed solely of independent directors. In addition, Mr. Miao's compensation is approved by the Nominating and Corporate Governance Committee, which is also composed solely of independent directors.

Synnex Technology International is a publicly-traded corporation in Taiwan that currently provides distribution and fulfillment services to various markets in Asia and Australia, and is also our competitor. MiTAC Holdings and its affiliates are not restricted from competing with us.

Recently Issued Accounting Pronouncements

For a summary of recent accounting pronouncements and the anticipated effects on our consolidated financial statements see [Note 2](#) - Summary of Significant Accounting Policies to the Consolidated Financial Statements, which can be found under Item 8 of this Report.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

Foreign Currency Risk

We are exposed to foreign currency risk in the ordinary course of business. We manage cash flow exposures for our major countries and the foreign currency impact of assets and liabilities denominated in non-functional currencies using a combination of forward contracts. Principal currencies hedged are the Australian dollar, Brazilian real, British pound, Canadian dollar, Chinese yuan, Czech koruna, Danish krone, Euro, Indian rupee, Indonesian rupiah, Japanese yen, Mexican peso, Norwegian krone, Philippine peso, Polish zloty, Singapore dollar, Swedish krona and Swiss franc. We do not hold or issue derivative financial instruments for trading purposes.

In order to provide an assessment of our foreign currency exchange rate risk, we performed an analysis using a value-at-risk (“VaR”) model. The VaR model uses a Monte Carlo simulation to generate 1,000 random market price paths. The VaR model determines the potential impact of the fluctuation in foreign exchange rates assuming a one-day holding period, normal market conditions and a 95% confidence level. The model is not intended to represent actual losses but is used as a risk estimation and management tool. Firm commitments, assets and liabilities denominated in foreign currencies were excluded from the model. The estimated maximum potential one-day loss in fair value, calculated using the VaR model, would be approximately \$3.8 million and \$1.9 million at November 30, 2021 and 2020, respectively. We believe that the hypothetical loss in fair value of our foreign exchange derivatives would be offset by the gains in the value of the underlying transactions being hedged. Actual future gains and losses associated with our derivative positions may differ materially from the analyses performed as of November 30, 2021, due to the inherent limitations associated with predicting the changes in foreign currency exchange rates and our actual exposures and positions.

Interest Rate Risk

Our exposure to changes in interest rates relates primarily to our outstanding debt obligations which have floated relative to major interest rate benchmarks. We are most sensitive to fluctuations in U.S. interest rates, changes which affect the costs associated with hedging and interest paid on our debt.

To manage interest rate risk on the U.S. dollar-denominated floating-rate debt, we have entered into interest rate swaps with aggregate notional amounts of \$1.5 billion and \$1.6 billion as of November 30, 2021 and 2020 respectively, which effectively converted a portion of the floating rate debt to a fixed interest rate. All of our interest rate swaps as of November 30, 2021 are accounted for as cash flow hedges. A 15% variation in our interest rates would not have a material impact on the fair value of our swaps.

The following tables present hypothetical interest expense (after considering the impact of the above mentioned swaps) for the years ended November 30, 2021 and 2020, arising from hypothetical parallel shifts in the respective countries’ yield curves, of plus or minus 5%, 10% and 15% related to our outstanding borrowings with variable interest rates.

(amounts in thousands)	Interest Expense Given an Interest Rate Decrease by X Percent			Actual Interest Expense Assuming No Change in Interest Rate	Interest Expense Given an Interest Rate Increase by X Percent		
	15%	10%	5%		5%	10%	15%
Total for the year ended November 30, 2021	145,71						
	\$ 1	\$146,064	\$146,415	\$ 146,768	\$147,121	\$147,472	\$147,825
	114,78						
Total for the year ended November 30, 2020	5	115,253	115,720	116,188	116,655	117,123	117,591

Equity Price Risk

The equity price risk associated with our marketable equity securities as of November 30, 2021 and 2020 is not material in relation to our consolidated financial position, results of operations or cash flows. Marketable equity securities include shares of common stock and are recorded at fair market value based on quoted market prices. Gains and losses on marketable equity securities are included in earnings.

Item 8. Financial Statements and Supplementary Data**INDEX**

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Financial statement schedules not listed above are either omitted because they are not applicable or the required information is shown in the Consolidated Financial Statements or in the Notes thereto.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of ours are being made only in accordance with authorizations of management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our evaluation did not include the internal control over financial reporting of Tiger Parent (AP) Corporation, the parent company of Tech Data Corporation ("Tech Data"), which was acquired on September 1, 2021. Total assets and total revenue related to Tech Data excluded from our evaluation represented approximately 40% and 32%, respectively, of the related consolidated financial statement amounts as of and for the fiscal year ended November 30, 2021.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework). Based on this assessment, our management concludes that, as of November 30, 2021, our internal control over financial reporting was effective at the reasonable assurance level based on those criteria.

The effectiveness of our internal control over financial reporting as of November 30, 2021 has been audited by KPMG LLP, an independent registered public accounting firm, as stated in their report which appears on page 49 of this Report.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
TD SYNEX Corporation:

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated balance sheets of TD SYNEX Corporation and subsidiaries (the Company) as of November 30, 2021 and 2020, the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for each of the years in the three-year period ended November 30, 2021, and the related notes and financial statement Schedule II - Valuation and Qualifying Accounts (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of November 30, 2021, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of November 30, 2021 and 2020, and the results of its operations and its cash flows for each of the years in the three-year period ended November 30, 2021, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of November 30, 2021 based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework).

The Company acquired Tiger Parent (AP) Corporation during 2021, and management excluded from its assessment of the effectiveness of the Company's internal control over financial reporting as of November 30, 2021, Tiger Parent (AP) Corporation's internal control over financial reporting associated with 40% of total assets and 32% of total revenue included in the consolidated financial statements of the Company as of and for the year ended November 30, 2021. Our audit of internal control over financial reporting of the Company also excluded an evaluation of the internal control over financial reporting of Tiger Parent (AP) Corporation.

Change in Accounting Principle

As discussed in Note 2 to the consolidated financial statements, the Company changed its method of accounting for leases as of December 1, 2019 due to the adoption of Financial Accounting Standards Board's Accounting Standards Codification Topic 842, *Leases*.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the

maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Sufficiency of audit evidence over revenue

As discussed in Note 13 to the consolidated financial statements, and presented in the consolidated statements of operations, the Company reported revenue of \$31,614,170 thousand for the fiscal year ended November 30, 2021.

We identified the evaluation of the sufficiency of audit evidence over revenue as a critical audit matter. The geographical dispersion of distribution and administrative facilities and employees providing revenue generating services required especially subjective auditor judgment in determining the nature and extent of procedures to perform and in evaluating those procedures.

The following are the primary procedures we performed to address this critical audit matter. We applied auditor judgment to determine the nature and extent of procedures to be performed over revenue, including the determination of the locations at which those procedures were to be performed. For certain locations we evaluated the design and tested the operating effectiveness of certain internal controls related to the recognition of revenue. For these locations, we then tested samples of revenue transactions during the year by comparing the amounts recognized by the Company to relevant underlying documentation such as contracts, shipping documents, or other third-party evidence. For other locations we performed a software-assisted analysis to test the relationships among revenues, trade receivables and cash. For these locations we also examined a sample of executed agreements, inspected cash receipts, and re-calculated revenue recognized. We investigated a selection of journal entries that were made by the Company to adjust revenue. We evaluated the sufficiency of the audit evidence obtained over revenue by assessing the results of the procedures performed, including the appropriateness of the determination of locations to perform procedures.

Fair value of acquired intangible assets

As discussed in Note 3 to the consolidated financial statements, on September 1, 2021, the Company acquired Tiger Parent (AP) Corporation (referenced herein as Tech Data) in a business combination. As a result of the transaction, the Company acquired a customer relationships intangible asset associated with the generation of future income from Tech Data's existing customers and a trade name intangible asset associated with the value of the Tech Data brand name. The acquisition-date fair value of the customer relationships intangible asset and the trade name intangible asset was \$3,860,200 thousand and \$1,073,700 thousand, respectively, which included amounts related to the Americas and Europe reportable segments.

We identified the evaluation of the acquisition-date fair value measurement of the aforementioned intangible assets, specifically within the Americas and Europe reportable segments, as a critical audit matter. A high degree of subjective auditor judgment was required to evaluate certain assumptions within the discounted cash flow models used to estimate the acquisition-date fair value of these customer relationships and trade name intangible assets. The discounted cash flow models included the following assumptions for which there was limited observable market information, and the estimated fair value of the related intangible assets was sensitive to possible changes to these assumptions:

- revenue growth rates
- customer attrition rates
- discount rates.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's acquisition-date valuation process, including a control related to the development of market participant assumptions. We evaluated the Company's forecasted revenue growth rates from existing Tech Data customers by comparing forecasted revenue growth assumptions to those of the Company's peers and industry reports. We compared the Company's estimates of forecasted revenue growth to Tech Data's actual results to assess the Company's ability to accurately forecast. We evaluated the relevance and reliability of the historical customer attrition rate through inquiries with Company management, reconciliation of revenue to audited financial statements and trend analysis. We compared the assumptions related to revenue growth rates and customer attrition rates to those of a market participant, including consideration of recent similar market transactions. In addition, we involved valuation professionals with specialized skills and knowledge, who assisted in:

- evaluating the customer attrition rates by comparing them to Tech Data's historical customer attrition data
- evaluating the discount rates by (i) comparing the inputs of the weighted average cost of capital to available market data for comparable entities and (ii) evaluating the reasonableness of the inputs and assumptions associated with the weighted average return on assets by assessing the methodology used by the Company and performing an independent analysis
- testing the acquisition-date fair value of the customer relationships and the trade name intangible assets using the Company's cash flow forecast and discount rate and comparing the results to the Company's fair value estimate.

/s/ KPMG LLP

We have served as the Company's auditor since 2012.

Santa Clara, California
January 28, 2022

TD SYNnex CORPORATION
CONSOLIDATED BALANCE SHEETS
(currency and share amounts in thousands, except par value)

	November 30, 2021	November 30, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 993,973	\$ 1,412,016
Accounts receivable, net	8,310,032	2,791,703
Receivables from vendors, net	1,118,963	286,327
Inventories	6,642,915	2,684,076
Other current assets	668,261	173,940
Current assets of discontinued operations	—	1,421,065
Total current assets	17,734,144	8,769,127
Property and equipment, net	483,443	157,645
Goodwill	3,917,276	423,885
Intangible assets, net	4,913,124	186,047
Other assets, net	618,393	177,706
Noncurrent assets of discontinued operations	—	3,754,180
Total assets	<u>\$ 27,666,380</u>	<u>\$ 13,468,590</u>
LIABILITIES AND EQUITY		
Current liabilities:		
Borrowings, current	\$ 181,256	\$ 124,958
Accounts payable	12,034,946	3,751,240
Other accrued liabilities	2,017,253	768,054
Current liabilities of discontinued operations	—	985,840
Total current liabilities	14,233,455	5,630,092
Long-term borrowings	3,955,176	1,496,700
Other long-term liabilities	556,134	130,296
Deferred tax liabilities	1,015,640	5,836
Noncurrent liabilities of discontinued operations	—	1,866,807
Total liabilities	19,760,405	9,129,730
Commitments and contingencies (Note 18)		
Stockholders' equity:		
Preferred stock, \$0.001 par value, 5,000 shares authorized, no shares issued or outstanding	—	—
Common stock, \$0.001 par value, 200,000 shares authorized, 98,204 and 53,671 shares issued as of November 30, 2021 and 2020, respectively	98	54
Additional paid-in capital	7,271,337	1,591,536
Treasury stock, 2,633 and 2,538 shares as of November 30, 2021 and 2020, respectively	(201,139)	(191,216)
Accumulated other comprehensive loss	(336,194)	(194,571)
Retained earnings	1,171,873	3,133,058
Total stockholders' equity	7,905,975	4,338,860
Total liabilities and equity	<u>\$ 27,666,380</u>	<u>\$ 13,468,590</u>

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements.

TD SYNnex CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS
(currency and share amounts in thousands, except per share amounts)

	Fiscal Years Ended November 30,		
	2021	2020	2019
Revenue	\$ 31,614,169	\$ 19,977,150	\$ 19,069,970
Cost of revenue	(29,724,635)	(18,783,292)	(17,912,711)
Gross profit	1,889,534	1,193,858	1,157,258
Acquisition, integration and restructuring costs	(112,150)	(7,414)	(981)
Selling, general and administrative expenses	(1,154,166)	(665,102)	(636,849)
Operating income	623,218	521,341	519,429
Interest expense and finance charges, net	(157,835)	(79,023)	(74,225)
Other income (expense), net	1,102	(6,172)	28,083
Income from continuing operations before income taxes	466,485	436,146	473,287
Provision for income taxes	(71,416)	(101,609)	(111,113)
Income from continuing operations	395,069	334,538	362,174
Income from discontinued operations, net of taxes	—	194,622	138,538
Net income	<u>\$ 395,069</u>	<u>\$ 529,160</u>	<u>\$ 500,712</u>
Earnings per common share:			
Basic			
Continuing operations	\$ 6.28	\$ 6.50	\$ 7.08
Discontinued operations	—	3.78	2.71
Net income	<u>\$ 6.28</u>	<u>\$ 10.28</u>	<u>\$ 9.79</u>
Diluted			
Continuing operations	\$ 6.24	\$ 6.46	\$ 7.05
Discontinued operations	—	3.76	2.69
Net income	<u>\$ 6.24</u>	<u>\$ 10.21</u>	<u>\$ 9.74</u>
Weighted-average common shares outstanding:			
Basic	<u>62,239</u>	<u>50,900</u>	<u>50,669</u>
Diluted	<u>62,698</u>	<u>51,237</u>	<u>50,936</u>

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements.

TD SYNnex CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(currency in thousands)

	Fiscal Years Ended November 30,		
	2021	2020	2019
Net income	\$ 395,069	\$ 529,160	\$ 500,712
Other comprehensive income (loss):			
Change in unrealized losses of defined benefit plans, net of taxes of \$0, \$3,749 and \$5,909 for fiscal years ended November 30, 2021, 2020 and 2019, respectively.	—	(8,500)	(27,312)
Reclassification of net (gains) losses to net income, net of tax of \$0 for fiscal years ended November 30, 2021, 2020 and 2019.	—	(300)	1,791
Total change in unrealized losses of defined benefit plans, net of taxes	-	(8,800)	(25,521)
Unrealized gains (losses) on cash flow hedges during the period, net of tax (expense) benefit of (\$2,155), \$3,981 and \$15,083 for fiscal years ended November 30, 2021, 2020 and 2019, respectively.	8,747	(16,405)	(52,714)
Reclassification of net (gains) losses on cash flow hedges to net income, net of tax (benefit) expense of (\$10,278), (\$880) and \$3,792 for fiscal years ended November 30, 2021, 2020 and 2019, respectively.	31,837	3,190	(11,138)
Total change in unrealized gains (losses) on cash flow hedges, net of taxes	40,584	(13,215)	(63,852)
Foreign currency translation adjustments, net of tax (expense) benefit of (\$635), \$603 and \$1,767 for fiscal years ended November 30, 2021, 2020 and 2019, respectively	(186,020)	36,521	8,539
Other comprehensive income (loss)	(145,436)	14,506	(80,834)
Comprehensive income	\$ 249,633	\$ 543,666	\$ 419,878

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements.

TD SYNEX CORPORATION

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(currency and share amounts in thousands)

	Common stock		Treasury stock		Accumulated other comprehensive income (loss)		Retained earnings	Total stockholders' equity
	Shares	Amount	Shares	Amount				
Balances, November 30, 2018	52,861	\$ 53	2,167	\$ (149,533)	\$ (126,288)	\$ 2,198,621	\$ 3,435,054	
Share-based compensation	—	—	—	—	—	—	27,959	
Issuance of common stock on exercise of options, for employee stock purchase plan and vesting of restricted stock, net of shares withheld for employee taxes	293	—	72	(7,911)	—	—	(2,544)	
Repurchases of common stock	—	—	160	(15,184)	—	—	(15,184)	
Cash dividends declared	—	—	—	—	—	(76,607)	(76,607)	
Other comprehensive income (loss)	—	—	—	—	(80,834)	—	(80,834)	
Cumulative effect of changes in accounting principles	—	—	—	—	(1,955)	1,955	—	
Stock issuance costs (related to the Convergys acquisition in fiscal year 2018)	—	—	—	—	—	—	(107)	
Net income	—	—	—	—	—	500,712	500,712	
Balances, November 30, 2019	53,154	53	2,399	(172,627)	(209,077)	2,624,680	3,788,450	
Share-based compensation	—	—	—	—	—	—	33,202	
Issuance of common stock on exercise of options, for employee stock purchase plan and vesting of restricted stock, net of shares withheld for employee taxes	517	1	104	(15,184)	—	—	(2,270)	
Repurchases of common stock	—	—	35	(3,405)	—	—	(3,405)	
Cash dividends declared	—	—	—	—	—	(20,782)	(20,782)	
Other comprehensive income (loss)	—	—	—	—	14,506	—	14,506	
Net income	—	—	—	—	—	529,160	529,160	
Balances, November 30, 2020	53,671	54	2,538	(191,216)	(194,571)	3,133,058	4,338,860	
Separation of Concentrix	—	—	—	—	3,813	(2,305,982)	(2,302,169)	
Share-based compensation	—	—	—	—	—	—	53,192	
Issuance of common stock on exercise of options, for employee stock purchase plan and vesting of restricted stock, net of shares withheld for employee taxes	533	—	95	(9,923)	—	—	2,866	
Cash dividends declared	—	—	—	—	—	(50,272)	(50,272)	
Other comprehensive income (loss)	—	—	—	—	(145,436)	—	(145,436)	
Issuance of common stock on Tech Data merger, net of issuance costs	44,000	44	—	—	—	—	5,613,864	
Net income	—	—	—	—	—	395,069	395,069	
Balances, November 30, 2021	98,204	98	2,633	(201,139)	(336,194)	1,171,873	7,905,975	

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements.

TD SYNnex CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(currency in thousands)

	Fiscal Years Ended November 30,		
	2021	2020	2019
Cash flows from operating activities:			
Net income	\$ 395,069	\$ 529,160	\$ 500,712
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	151,664	341,637	372,108
Share-based compensation	53,192	33,202	27,959
Provision for doubtful accounts	(7,544)	49,281	34,911
Deferred income taxes	(322)	(48,992)	(18,189)
Contingent consideration	—	—	(19,034)
Unrealized foreign exchange losses	6,480	6,406	1,521
Impairment of long-lived assets	22,166	—	—
Convertible debt conversion option fair value and extinguishment losses	—	—	1,559
Other	2,629	12,158	9,719
Changes in operating assets and liabilities, net of the impact of Concentrix separation and acquisition of businesses:			
Accounts receivable, net	(517,224)	12,691	(326,681)
Receivables from vendors, net	(113,602)	79,842	(26,389)
Inventories	(1,030,110)	(128,786)	(153,134)
Accounts payable	1,854,887	685,014	98,392
Other operating assets and liabilities	(7,498)	262,753	46,465
Net cash provided by operating activities	809,787	1,834,366	549,919
Cash flows from investing activities:			
Purchases of property and equipment	(54,892)	(197,965)	(137,423)
Acquisition of businesses, net of cash acquired	(907,093)	(5,560)	(9,427)
Other	9,637	(5,970)	13
Net cash used in investing activities	(952,348)	(209,495)	(146,837)
Cash flows from financing activities:			
Proceeds from borrowings	775,552	5,157,157	7,503,598
Repayments of borrowings	(3,425,002)	(5,411,247)	(8,024,961)
Dividends paid	(50,272)	(20,782)	(76,607)
Increase (decrease) in book overdraft	566	(2,627)	(1,908)
Repurchases of common stock	—	(3,405)	(15,184)
Proceeds from issuance of common stock	12,789	12,913	5,367
Repurchases of common stock for tax withholdings on equity awards	(9,923)	(15,184)	(7,911)
Net transfer of cash and cash equivalents to Concentrix	(149,948)	—	—
Settlement of contingent consideration	—	—	(13,966)
Proceeds from issuance of Bonds	2,500,000	—	—
Cash paid for debt issuance costs	(42,254)	(8,521)	(22)
Other	(4,128)	—	(107)
Net cash used in financing activities	(392,620)	(291,696)	(631,701)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(38,776)	4,545	(2,265)
Net (decrease) increase in cash, cash equivalents and restricted cash	(573,957)	1,337,721	(230,884)
Cash, cash equivalents and restricted cash at beginning of year	1,568,870	231,149	462,033
Cash, cash equivalents and restricted cash at end of year	\$ 994,913	\$ 1,568,870	\$ 231,149
Supplemental disclosures of cash flow information:			
Interest paid on borrowings	\$ 116,983	\$ 120,896	\$ 156,261
Income taxes paid	\$ 173,547	\$ 179,707	\$ 236,493
Supplemental disclosure of non-cash investing and financing activities:			
Issuance of stock to acquire business	\$ 5,614,400	—	—
Net assets transferred to Concentrix	\$ 2,322,598	—	—

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements.

TD SYNnex CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(currency and share amounts in thousands unless otherwise noted, except per share amounts)

NOTE 1—ORGANIZATION AND BASIS OF PRESENTATION:

TD SYNnex Corporation (together with its subsidiaries, herein referred to as “SYNNEX”, “TD SYNnex” or the “Company”) is a leading global provider of a comprehensive range of distribution, systems design and integration solutions for the technology industry, headquartered in Fremont, California and Clearwater, Florida and has operations in North and South America, Europe and Asia-Pacific and Japan.

On December 1, 2020, the Company completed the previously announced separation of its customer experience services business (the “Separation”), in a tax-free transaction for federal income tax purposes, which was accomplished by the distribution of one hundred percent of the outstanding common stock of Concentrix Corporation (“Concentrix”). SYNnex stockholders received one share of Concentrix common stock for every share of SYNnex common stock held at the close of business on the record date. The Company distributed 51,602 shares of Concentrix common stock to its stockholders. Concentrix is now an independent public company trading under the symbol “CNXC” on the Nasdaq Stock Market. After the Separation, SYNnex does not beneficially own any shares of Concentrix’ common stock. Beginning December 1, 2020, the Company no longer consolidates Concentrix within its financial results or reflects the financial results of Concentrix within its continuing results of operations.

The financial results of Concentrix for the years ended November 30, 2020 and 2019 are presented as income from discontinued operations, net of taxes on the Consolidated Statements of Operations and its assets and liabilities as of November 30, 2020 are presented as discontinued operations in the Consolidated Balance Sheets. The historical statements of comprehensive income, cash flows and the balances in stockholders' equity have not been revised to reflect the effect of the Separation. For further information on discontinued operations, see [Note 5](#) – Discontinued Operations. Unless noted otherwise, discussion in the Notes to the Consolidated Financial Statements pertain to continuing operations.

In connection with the Separation, the Company and Concentrix have entered into a separation and distribution agreement as well as various other agreements that provide a framework for the relationships between the parties going forward, including among others an employee matters agreement, a tax matters agreement, and a commercial agreement, pursuant to which Concentrix will continue to provide services to SYNnex following the Separation.

On March 22, 2021, SYNnex entered into an agreement and plan of merger (the “Merger Agreement”) which provided that legacy SYNnex Corporation would acquire legacy Tech Data Corporation, a Florida corporation (“Tech Data”) through a series of mergers, which would result in Tech Data becoming an indirect subsidiary of TD SYNnex Corporation. (collectively, the “Merger”). On September 1, 2021, pursuant to the terms of the Merger Agreement, the Company acquired all the outstanding shares of common stock of Tiger Parent (AP) Corporation, the parent corporation of Tech Data, for consideration of \$1.61 billion in cash (\$1.11 billion in cash after giving effect to a \$500 million equity contribution by Tiger Parent Holdings, L.P., Tiger Parent (AP) Corporation’s sole stockholder and an affiliate of Apollo Global Management, Inc., to Tiger Parent (AP) Corporation prior to the effective time of the Merger) and 44 million shares of common stock of SYNnex valued at approximately \$5.61 billion. The combined company is referred to as TD SYNnex. References to the “Company” indicate TD SYNnex for periods after the Merger and SYNnex for periods prior to the Merger.

Certain columns and rows may not add due to the use of rounded numbers.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (“GAAP”) in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expense during the reporting period. The Company evaluates these estimates on a regular basis and bases them on historical experience and on various assumptions that the Company believes are reasonable. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and work force participation and created volatility and disruption of financial markets, the impact of which was most acute during the second quarter of fiscal year 2020. Despite improvements in the global economy since the onset of the pandemic, the emergence of the Delta and Omicron variants and other mutations bring uncertainty to continued economic recovery. As a result, the Company cannot at this time accurately predict what effects these conditions will have on its operations and financial condition, including due to the uncertainties relating to the severity and duration of the pandemic, the effect on its customers and customer demand and the length of the restrictions and closures imposed by various governments. Consequently, many of the estimates and assumptions required increased judgment and carry a higher degree of variability and volatility. As events continue to

evolve and additional information becomes available, these estimates may change in future periods. Actual results could differ from the estimates.

Principles of consolidation

The Consolidated Financial Statements include the accounts of the Company, its wholly-owned subsidiaries, majority-owned subsidiaries in which no substantive participating rights are held by minority stockholders and variable interest entities if the Company is the primary beneficiary. All intercompany accounts and transactions have been eliminated.

The Consolidated Financial Statements include 100% of the assets and liabilities of majority-owned subsidiaries. Investments in 20% through 50% owned affiliated companies are accounted under the equity method where the Company exercises significant influence over operating and financial affairs of the investee and is not the primary beneficiary. Investments in less than 20% owned companies, where the Company does not have significant influence, are recorded at cost or fair value based on whether the equity securities have readily determinable fair values.

Segment reporting

Operating segments are based on components of the Company that engage in business activity that earn revenue and incur expenses and (a) whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about resource allocation and performance and (b) for which discrete financial information is available.

Prior to the Separation, the Company had two reportable segments: Technology Solutions and Concentrix. After giving effect to the Separation of the Concentrix segment, the Company operated with one reportable segment: Technology Solutions. After completion of the Merger, the Company reviewed its reportable segments as there was a change in its chief executive officer, who is also the Company's chief operating decision maker. The Company's chief operating decision maker has a leadership structure aligned with the geographic locations of the Americas, Europe and Asia-Pacific and Japan ("APJ") and reviews and allocates resources based on these geographic locations. As a result, as of September 1, 2021 the Company began operating in three reportable segments based on its geographic locations: the Americas, Europe and APJ.

Cash and cash equivalents

The Company considers all highly liquid debt instruments purchased with an original maturity or remaining maturity at the date of purchase of three months or less to be cash equivalents. Cash equivalents consist principally of money market deposit accounts and money market funds that are stated at cost, which approximates fair value. The Company is exposed to credit risk in the event of default by financial institutions to the extent that cash balances with financial institutions are in excess of amounts that are insured.

Accounts receivable

The Company maintains an allowance for doubtful accounts as an estimate to cover the future expected credit losses resulting from uncertainty regarding collections from customers or original equipment manufacturer ("OEM") vendors to make payments for outstanding balances. In estimating the required allowance, the Company takes into consideration historical credit losses, current conditions and reasonable and supportable forecasts. Adjustments to historical loss information are made for differences in current conditions as well as changes in forecasted macroeconomic conditions, such as changes in unemployment rates or gross domestic product growth. Expected credit losses are estimated on a pool basis when similar risk characteristics exist using an age-based reserve model. Receivables that do not share risk characteristics are evaluated on an individual basis.

The Company has uncommitted supply-chain financing programs with global financial institutions under which trade accounts receivable of certain customers and their affiliates may be acquired, without recourse, by the financial institutions. Available capacity under these programs is dependent on the level of the Company's trade accounts receivable with these customers and the financial institutions' willingness to purchase such receivables. In addition, certain of these programs also require that the Company continue to service, administer and collect the sold accounts receivable. As of November 30, 2021, and 2020, accounts receivable sold to and held by the financial institutions under these programs were \$759,884 and \$15,572, respectively. Discount fees related to the sale of trade accounts receivable under these facilities are included in "Interest expense and finance charges, net" in the Consolidated Statements of Operations. During the fiscal years ended November 30, 2021, 2020 and 2019, discount fees were \$4,669, \$3,176 and \$2,256, respectively.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is computed based on the weighted-average method. Inventories are comprised of finished goods and work-in-process. Finished goods include products purchased for resale, system components purchased for both resale and for use in the Company's systems design and integration business and completed systems. Work-in-process inventories are not material to the Consolidated Financial Statements.

Derivative Financial Instruments

The Company accounts for its derivative instruments as either assets or liabilities and carries them at fair value.

For derivative instruments that hedge the exposure to variability in expected future cash flows that are designated as cash flow hedges, the gain or loss on the derivative instrument is reported as a component of “Accumulated other comprehensive income (loss)” in stockholders’ equity and reclassified into earnings in the same line associated with the hedged transactions, in the same period or periods during which the hedged transaction affects earnings. To receive hedge accounting treatment, cash flow hedges must be highly effective in offsetting changes to expected future cash flows on hedged transactions.

For derivative instruments that are not designated as hedges, gains and losses resulting from changes in fair value on derivative instruments are reported in the Consolidated Statements of Operations in the current period.

Property and equipment

Property and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization are computed using the straight-line method based upon the shorter of the estimated useful lives of the assets, or the lease term of the respective assets, if applicable. Maintenance and repairs are charged to expense as incurred, and improvements are capitalized. When assets are retired or otherwise disposed of, the cost and accumulated depreciation and amortization are removed from the accounts and any resulting gain or loss is reflected in operations in the period realized.

The Company’s capitalized software has been obtained or developed for internal use only. Development and acquisition costs are capitalized for computer software only when management authorizes and commits to funding a computer software project through the approval of a capital expenditure requisition, and the software project is either for the development of new software, to increase the life of existing software or to add significantly to the functionality of existing software. Once these requirements have been met, capitalization would begin at the point that conceptual formulation, evaluation, design and testing of possible software project alternatives have been completed. Capitalization ceases when the software project is substantially complete and ready for its intended use.

The ranges of estimated useful lives for property and equipment categories are as follows:

Equipment and Furniture	3 - 10 years
Software	3 - 7 years
Leasehold improvements	2 - 15 years
Buildings and building improvements	10 - 40 years

Business Combinations

The purchase price is allocated to the assets acquired, liabilities assumed, and noncontrolling interests in the acquired entity generally based on their fair values at the acquisition date. The excess of the fair value of purchase consideration over the fair value of these assets acquired, liabilities assumed and noncontrolling interests in the acquired entity is recorded as goodwill. The primary items that generate goodwill include the value of the synergies between the acquired entity and the Company and the value of the acquired assembled workforce, neither of which qualify for recognition as an intangible asset. Amounts recorded in a business combination may change during the measurement period, which is a period not to exceed one year from the date of acquisition, as additional information about conditions existing at the acquisition date becomes available. The Company includes the results of operations of the acquired business in the Consolidated Financial Statements prospectively from the date of acquisition. Acquisition-related charges are recognized separately from the business combination and are expensed as incurred. These charges primarily include direct third-party professional and legal fees, and integration-related costs.

Goodwill and intangible assets

The values assigned to intangible assets include estimates and judgment regarding expectations for the length of customer relationships acquired in a business combination. Included within intangible assets is an indefinite lived trade names intangible asset. Indefinite lived intangible assets are tested for impairment annually and more frequently if events or changes in circumstances indicate that it is more likely than not that the asset is impaired. Other purchased intangible assets are amortized over the useful lives based on estimates of the use of the economic benefit of the asset or on the straight-line amortization method.

The Company allocates goodwill to reporting units based on the reporting unit expected to benefit from the business combination and tests for impairment annually in the fourth quarter or more frequently if events or changes in circumstances indicate that it may be impaired. Goodwill is tested for impairment at the reporting unit level by first performing a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying value. The factors that are considered in the qualitative analysis include macroeconomic conditions, industry and market considerations, cost factors such as

increases in product cost, labor, or other costs that would have a negative effect on earnings and cash flows; and other relevant entity-specific events and information.

If the reporting unit does not pass the qualitative assessment, then the reporting unit's carrying value is compared to its fair value. The fair values of the reporting units are estimated using market and discounted cash flow approaches. The assumptions used in the market approach are based on the value of a business through an analysis of sales and other multiples of guideline companies and recent sales or offerings of a comparable entity. The assumptions used in the discounted cash flow approach are based on historical and forecasted revenue, operating costs, future economic conditions, and other relevant factors. Goodwill is considered impaired if the carrying value of the reporting unit exceeds its fair value and the excess is recognized as an impairment loss. No goodwill impairment has been identified for any of the years presented.

Definite-lived intangible assets consist primarily of customer relationships and lists, vendor lists and other intangible assets. Amortization is based on the pattern in which the economic benefits of the intangible assets will be consumed or on a straight-line basis when the consumption pattern is not apparent over the following useful lives:

Customer relationships and lists	4 - 15 years
Vendor lists	10 years
Other intangible assets	1 - 10 years

Impairment of long-lived assets

The Company reviews the recoverability of its long-lived assets, such as definite-lived intangible assets, property and equipment and certain other assets, when events or changes in circumstances occur that indicate the carrying value of the asset or asset group may not be recoverable. The assessment of possible impairment is based on the Company's ability to recover the carrying value of the asset or asset group from the expected future pre-tax cash flows, undiscounted and without interest charges, of the related operations. If these cash flows are less than the carrying value of such assets, an impairment loss is recognized for the difference between estimated fair value and carrying value.

Leases

The Company enters into leases as a lessee for property and equipment in the ordinary course of business. When procuring goods or services, or upon entering into a contract with its customers, the Company determines whether an arrangement contains a lease at its inception. As part of that evaluation, the Company considers whether there is an implicitly or explicitly identified asset in the arrangement and whether the Company, as the lessee, or the customer, if the Company is the lessor, has the right to control the use of that asset. Effective December 1, 2019, when the Company is the lessee, all leases with a term of more than 12 months are recognized as right-of-use ("ROU") assets and associated lease liabilities in the Consolidated Balance Sheet. Lease liabilities are recorded at the lease commencement date and determined using the present value of the lease payments not yet paid, at the Company's incremental borrowing rate, which approximates the rate at which the Company would borrow on a secured basis in the country where the lease was executed. The interest rate implicit in the lease is generally not determinable in transactions where the Company is the lessee. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid rent and lease incentives. The Company's variable lease payments generally relate to payments tied to various indexes, non-lease components and payments above a contractual minimum fixed amount.

Operating leases are included in other assets, net, other accrued liabilities and other long-term liabilities in the Consolidated Balance Sheet. Substantially all of the Company's leases are classified as operating leases and the Company's finance leases are not material. The lease term includes options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. The Company made a policy election to not recognize leases with a lease term of 12 months or less in the Consolidated Balance Sheet. Lease expenses are recorded within selling, general, and administrative expenses in the Consolidated Statements of Operations. Operating lease payments are presented within "Cash flows from operating activities" in the Consolidated Statements of Cash Flows.

Concentration of credit risk

Financial instruments that potentially subject the Company to significant concentration of credit risk consist principally of cash and cash equivalents, accounts receivable, receivables from vendors and derivative instruments.

The Company's cash and cash equivalents and derivative instruments are transacted and maintained with financial institutions with high credit standing, and their compositions and maturities are regularly monitored by management. Through November 30, 2021, the Company has not experienced any material credit losses on such deposits and derivative instruments.

Accounts receivable include amounts due from customers, including related party customers. Receivables from vendors, net, includes amounts due from OEM vendors primarily in the technology industry. The Company performs ongoing credit evaluations of its customers' financial condition and limits the amount of credit extended when deemed necessary, but generally requires no collateral. The Company also maintains allowances for potential credit losses. In estimating the required allowances, the Company

takes into consideration the overall quality and aging of its receivable portfolio, the existence of credit insurance and specifically identified customer and vendor risks. The Company also considers risks attributed to COVID-19 in establishing the required allowances.

One customer accounted for 17%, 23% and 24% of the Company's total revenue in fiscal years 2021, 2020 and 2019, respectively. Products purchased from the Company's largest OEM supplier, HP Inc., accounted for approximately 12%, 15% and 14% of the Company's total revenue during fiscal years 2021, 2020 and 2019, respectively.

As of November 30, 2021, no single customer comprised more than 10% of the consolidated accounts receivable balance. As of November 30, 2020, one customer comprised 15% of the consolidated accounts receivable balance.

Book overdrafts

Book overdrafts, representing checks issued in excess of balances on deposit in the applicable bank accounts and which have not been paid by the applicable bank at the balance sheet date are classified as "Borrowings, current" in the Company's Consolidated Balance Sheets. Under the terms of the Company's banking arrangements, the respective financial institutions are not legally obligated to honor the book overdraft balances. The Company's policy is to report the change in book overdrafts as a financing activity in the Consolidated Statements of Cash Flows.

Revenue recognition

The Company generates revenue primarily from the sale of various IT products.

The Company recognizes revenues from the sale of IT hardware and software as control is transferred to customers, which is at the point in time when the product is shipped or delivered. The Company accounts for a contract with a customer when it has written approval, the contract is committed, the rights of the parties, including payment terms, are identified, the contract has commercial substance and consideration is probable of collection. Binding purchase orders from customers together with agreement to the Company's terms and conditions of sale by way of an executed agreement or other signed documents are considered to be the contract with a customer. Products sold by the Company are delivered via shipment from the Company's facilities, drop-shipment directly from the vendor, or by electronic delivery of software products. In situations where arrangements include customer acceptance provisions, revenue is recognized when the Company can objectively verify the products comply with specifications underlying acceptance and the customer has control of the products. Revenue is presented net of taxes collected from customers and remitted to government authorities. The Company generally invoices a customer upon shipment, or in accordance with specific contractual provisions. Payments are due as per contract terms and do not contain a significant financing component. Service revenues represents less than 10% of the total revenue for the periods presented.

Provisions for sales returns and allowances are estimated based on historical data and are recorded concurrently with the recognition of revenue. A liability is recorded at the time of sale for estimated product returns based upon historical experience and an asset is recognized for the amount expected to be recorded in inventory upon product return. These provisions are reviewed and adjusted periodically by the Company. Revenue is reduced for early payment discounts and volume incentive rebates offered to customers, which are considered variable consideration, at the time of sale based on an evaluation of the contract terms and historical experience.

The Company recognizes revenue on a net basis on certain contracts, where the Company's performance obligation is to arrange for the products or services to be provided by another party or the rendering of logistics services for the delivery of inventory for which the Company does not assume the risks and rewards of ownership, by recognizing the margins earned in revenue with no associated cost of revenue. Such arrangements include supplier service contracts, post-contract software support services and extended warranty contracts.

The Company considers shipping and handling activities as costs to fulfill the sale of products. Shipping revenue is included in revenue when control of the product is transferred to the customer, and the related shipping and handling costs are included in cost of revenue.

The Company disaggregates its operating segment revenue by geography, which the Company believes provides a meaningful depiction of the nature of its revenue. Disaggregated revenue disclosure is presented in [Note 13](#) – Segment Information.

Cost of Revenue

Cost of revenue includes the product price paid to OEM suppliers, net of any incentives, rebates, price protection and purchase discounts received from the OEM suppliers. Cost of revenue also consists of provisions for inventory losses and write-downs, shipping and handling costs and royalties due to OEM vendors. In addition, cost of revenue includes the cost of materials, labor and overhead and warranty for design and integration activities.

Selling, General and Administrative expenses

Selling, general and administrative expenses are charged to income as incurred. Expenses of promoting and selling products and services are classified as selling expense and include such items as compensation, sales commissions and travel. General and administrative expenses include such items as compensation, cost of warehouse, delivery centers and other non-integration facilities, legal and professional costs, office supplies, non-income taxes, insurance and utility expenses. In addition, selling, general and administrative expenses include other operating items such as allowances for credit losses, depreciation and amortization of intangible assets.

OEM supplier programs

Funds received from OEM suppliers for volume promotion programs, price protection and product rebates are recorded as adjustments to cost of revenue and/or the carrying value of inventories, as appropriate. Where there is a binding agreement, the Company tracks vendor promotional programs for volume discounts on a program-by-program basis and records them as a reduction to cost of revenue based on a systematic and rational allocation. The Company monitors the balances of vendor receivables on a quarterly basis and adjusts the balances due for differences between expected and actual sales volume. Vendor receivables are generally collected through reductions authorized by the vendor to accounts payable. Funds received for specific marketing and infrastructure reimbursements, net of related costs, are recorded as adjustments to “Selling, general and administrative expenses,” and any excess reimbursement amount is recorded as an adjustment to cost of revenue.

Royalties

The Company’s software product purchases include products licensed from OEM vendors, which are subsequently distributed to resellers. Royalties to OEM vendors are accrued and recorded in cost of revenue when software products are shipped and revenue is recognized.

Warranties

The Company’s OEM suppliers generally warrant the products distributed by the Company and allow returns of defective products. The Company generally does not independently warrant the products it distributes; however, the Company does warrant the following: (1) products that it builds to order from components purchased from other sources, (2) services with regard to products integrated for its customers; and (3) products sold in countries where the Company is responsible for defective product as a matter of law. The time period required by law in certain countries exceeds the warranty period provided by the manufacturer. The Company is obligated to provide warranty protection for sales of certain IT products within the European Union (“EU”) for up to two years as required under the EU directive where vendors have not affirmatively agreed to provide pass-through protection. Warranty expense and the accrual for warranty costs were not material to the Company’s Consolidated Financial Statements for any of the periods presented.

Advertising

Costs related to advertising and product promotion expenditures are charged to “Selling, general and administrative expenses” as incurred and are primarily offset by OEM marketing reimbursements. Net costs related to advertising and promotion expenditures were not material to the Company’s Consolidated Financial Statements for any of the periods presented.

Income taxes

The asset and liability method is used in accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the expected tax consequences of temporary differences between the tax bases of assets and liabilities and their reported amounts in the financial statements using enacted tax rates and laws that will be in effect when the difference is expected to reverse. Tax on global low-taxed intangible income is accounted for as a current expense in the period in which the income is includable in a tax return using the “period cost” method. Valuation allowances are provided against deferred tax assets that are not likely to be realized.

The Company recognizes tax benefits from uncertain tax positions only if that tax position is more likely than not to be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement. The Company recognizes interest and penalties related to unrecognized tax benefits in the provision for income taxes.

Foreign currency translations

The financial statements of the Company’s international subsidiaries whose functional currencies are the local currencies are translated into U.S. dollars for consolidation as follows: assets and liabilities at the exchange rate as of the balance sheet date, stockholders’ equity at the historical rates of exchange, and income and expense amounts at the average exchange rate for the month. Translation adjustments resulting from the translation of the subsidiaries’ accounts are included in “Accumulated other comprehensive

income (loss)” in stockholders’ equity. Transactions denominated in currencies other than the applicable functional currency are converted to the functional currency at the exchange rate on the transaction date. At period end, monetary assets and liabilities are remeasured to the functional currency using exchange rates in effect at the balance sheet date. Non-monetary assets and liabilities are remeasured at historical exchange rates. Gains and losses resulting from foreign currency transactions are included in earnings within “Cost of revenue” and “Other income (expense), net.”

Comprehensive income

Comprehensive income is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. The primary components of comprehensive income for the Company include net income, foreign currency translation adjustments arising from the consolidation of the Company’s international subsidiaries and unrealized gains and losses on cash flow hedges.

Share-based compensation

The Company accounts for share-based payment transactions in which the Company receives services in exchange for equity instruments of the Company. Share-based compensation cost for stock options, restricted stock awards and units, performance-based restricted stock units and employee stock purchase plans is determined based on the fair value at the measurement date. The Company recognizes share-based compensation cost as expense for awards other than its performance-based restricted stock units ratably on a straight-line basis over the requisite service period. The Company recognizes share-based compensation cost associated with its performance-based restricted stock units over the requisite service period if it is probable that the performance conditions will be satisfied. The Company accounts for expense reductions that result from the forfeiture of unvested awards in the period that the forfeitures occur.

Earnings per common share

Earnings per share is calculated using the two-class method. The two-class method is an earnings allocation proportional to the respective ownership among holders of common stock and participating securities. Basic earnings per common share is computed by dividing net income attributable to the Company’s common stockholders by the weighted-average of common shares outstanding during the period. Diluted earnings per common share also considers the dilutive effect of in-the-money stock options and restricted stock units, calculated using the treasury stock method.

Treasury Stock

Repurchases of shares of common stock are accounted for at cost, which includes brokerage fees, and are included as a component of stockholders’ equity in the Consolidated Balance Sheets.

Reclassifications

Certain reclassifications have been made to prior period amounts in the Consolidated Financial Statements to conform to the current period presentation. These reclassifications did not have a material impact on previously reported amounts.

Recently adopted accounting pronouncements

In August 2018, the Financial Accounting Standard Board (“FASB”) issued new guidance to add, remove, and clarify disclosure requirements related to defined benefit pension and other postretirement plans. The amendment requires the Company to disclose the weighted-average interest crediting rates used in cash balance pension plans. It also requires the Company to disclose the reasons for significant changes in the benefit obligation or plan assets including significant gains and losses affecting the benefit obligation for the period. The adoption of this new guidance did not have a material impact on the Company's Consolidated Financial Statements.

In August 2018, the FASB issued guidance to improve the effectiveness of fair value measurement disclosures by removing or modifying certain disclosure requirements and adding other requirements. Certain amendments should be applied prospectively, while all other amendments should be applied retrospectively to all periods presented. This guidance was applicable to the Company at the beginning of fiscal year 2021 and its adoption did not have a material impact on the Company's Consolidated Financial Statements.

In June 2016, the FASB issued a new credit loss standard to replace the incurred loss impairment methodology. The new impairment model requires immediate recognition of estimated credit losses expected to occur for most financial assets and certain other instruments. This new standard is to be adopted by way of a cumulative-effect adjustment to retained earnings as of the beginning of the first effective reporting period. This guidance was applicable to the Company at the beginning of fiscal year 2021 and its adoption did not have a material impact on the Company's Consolidated Financial Statements.

Recently issued accounting pronouncements

In October 2021, the FASB issued new guidance which requires contract assets and contract liabilities acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with ASC 606, “*Revenue from*

Contracts with Customers.” Generally, this new guidance will result in the acquirer recognizing contract assets and contract liabilities at the same amounts recorded by the acquiree. Historically, such amounts were recognized by the acquirer at fair value in acquisition accounting. The guidance is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years (the fiscal quarter ending February 28, 2023 for the Company), and should be applied prospectively to acquisitions occurring on or after the effective date. Early adoption is permitted. The Company has not yet adopted this standard and will evaluate the impact of the new standard on future acquisitions.

In March 2020, the FASB issued optional guidance for a limited time to ease the potential burden in accounting for or recognizing the effects of reference rate reform, particularly, the risk of cessation of the London Interbank Offered Rate (“LIBOR”) on financial reporting. The guidance provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments are elective and are effective upon issuance for all entities through December 31, 2022. The Company does not currently expect any material impacts from the adoption of this new guidance.

In December 2019, the FASB issued new guidance that simplifies the accounting for income taxes. The guidance is effective for annual reporting periods beginning after December 15, 2020, and interim periods within those reporting periods. Certain amendments should be applied prospectively, while other amendments should be applied retrospectively to all periods presented. The Company does not currently expect any material impacts from the adoption of this new guidance.

NOTE 3—ACQUISITIONS:

Tech Data Merger

On September 1, 2021, pursuant to the terms of the Merger Agreement, the Company acquired all the outstanding shares of common stock of Tiger Parent (AP) Corporation, the parent corporation of Tech Data, for an aggregate purchase price of \$7.22 billion, comprised of \$1.61 billion in cash (\$1.11 billion in cash after giving effect to a \$500 million equity contribution by Tiger Parent Holdings, L.P., Tiger Parent (AP) Corporation’s sole stockholder and an affiliate of Apollo Global Management, Inc., to Tiger Parent (AP) Corporation prior to the effective time of the Merger) and 44 million shares of common stock of SYNEX, valued at approximately \$5.61 billion based on the closing price of the Company’s common stock on September 1, 2021. The Merger created a leading global distributor and solutions aggregator for the IT ecosystem. The Company used the net proceeds from the issuance of new Senior Notes, borrowings under its new credit agreement and cash on hand to fund the above payments. Additionally, the Company repaid the majority of Tech Data’s outstanding debt after the Merger, including approximately \$2.4 billion outstanding under Tech Data’s existing Asset-Based Credit Agreement and approximately \$0.2 billion of outstanding Tech Data Senior Notes.

The Company has accounted for the Merger as a business combination and allocated the purchase price to the estimated fair values of Tiger Parent (AP) Corporation’s assets acquired and liabilities assumed. As the Merger occurred during the fourth quarter of the Company’s fiscal year, the Company has not yet completed its evaluation and determination of certain assets acquired and liabilities assumed, primarily (i) the final assessment and valuation of certain assets acquired and liabilities assumed, including accounts receivable, receivables from vendors, inventory, accrued expenses and other liabilities and (ii) the final assessment and valuation of certain income tax amounts. Therefore, the final fair values of the assets and liabilities may vary from the Company’s preliminary estimates.

The preliminary allocation of the purchase price is as follows:

Purchase price allocation:

	Fair Value
Cash and cash equivalents	\$ 702,907
Accounts receivable, net	5,150,725
Receivables from vendors, net	730,639
Inventories	2,993,239
Other current assets	394,101
Property and equipment	347,532
Goodwill	3,544,585
Intangible assets	4,933,900
Other assets	474,000
Total assets	19,271,628
Borrowings, current	493,076
Accounts payable	6,611,817
Other accrued liabilities	1,246,415
Long-term borrowings	2,218,672
Other long-term liabilities	416,229
Deferred tax liabilities	1,061,019
Total liabilities	12,047,228
Purchase consideration	\$ 7,224,400

The allocation of the value of identifiable intangible assets is as follows:

	Fair value	Weighted average useful life
Customer relationships	\$ 3,860,200	14 years
Trade name	1,073,700	Indefinite lived
Total intangibles acquired	\$ 4,933,900	

Goodwill is the excess of the consideration transferred over the net assets recognized and primarily represents future economic benefits arising from assets acquired that are not individually identified and separately recognized, including synergies inherent in the acquired business, of which approximately \$500 million is expected to be deductible for tax purposes.

Included within the Company's Consolidated Statement of Operations are estimated revenues for the year ended November 30, 2021, of approximately \$10.0 billion from Tech Data subsequent to the acquisition date of September 1, 2021. As the Company began integrating certain sales and other functions after the closing of the acquisition, these amounts represent an estimate of the Tech Data revenues for the fiscal year ended November 30, 2021. It is not necessarily indicative of how the Tech Data operations would have performed on a stand-alone basis. As a result of certain integration activities subsequent to the date of acquisition, it is impracticable to disclose net income from Tech Data for the period subsequent to the acquisition date.

The following table presents unaudited supplemental pro forma information as if the Merger had occurred at the beginning of fiscal 2020, after giving effect to certain adjustments related to the transaction. The pro forma results exclude any benefits that may result from potential cost savings and certain non-recurring costs. As a result, the pro forma information below does not purport to present what actual results would have been had the Merger been consummated on the date indicated and it is not necessarily indicative of the results of operations that may result in the future.

	(Unaudited)	
	Years Ended November 30,	
	2021	2020
Revenue	\$ 60,623,568	\$ 55,974,478
Income from continuing operations attributable to TD SYNEX Corporation	519,688	349,356

Adjustments reflected in the pro forma results include the following:

- Amortization of acquired intangible assets
- Interest costs associated with the Merger
- Removal of certain non-recurring transaction costs of \$22.3 million and non-recurring financing costs of \$47.0 million
- Tax effects of adjustments based on an estimated statutory tax rate

NOTE 4—ACQUISITION, INTEGRATION AND RESTRUCTURING EXPENSES:

Acquisition, integration and restructuring costs are primarily comprised of costs related to the Merger, costs related to the Global Business Optimization 2 Program initiated by Tech Data prior to the Merger (the “GBO 2 Program”) and costs related to the Separation.

The Merger

The Company incurred acquisition, integration and restructuring costs related to the completion of the Merger, including professional services costs, personnel and other costs, an impairment of long-lived assets and stock-based compensation expense. Professional services costs are primarily comprised of legal expenses and tax and other consulting services. Personnel and other costs are primarily comprised of costs related to the settlement of certain outstanding long-term cash incentive awards for Tech Data upon closing of the Merger, retention and other bonuses, as well as severance costs. Impairment of long-lived assets relates to a charge of \$22.2 million recorded for the write-off of capitalized costs associated with Tech Data’s tdONE program in conjunction with the decision to consolidate certain IT systems. Stock-based compensation expense primarily relates to costs associated with the conversion of certain Tech Data performance-based equity awards issued prior to the Merger into restricted stock units of TD SYNEX (refer to [Note 6](#) – Share Based Compensation for further information) and expenses for certain restricted stock awards issued in conjunction with the Merger.

To date, acquisition and integration expenses related to the Merger were composed of the following:

	Year Ended November 30,	
	2021	
Professional services costs	\$	22,288
Personnel and other costs		33,716
Impairment of long-lived assets		22,166
Stock-based compensation		20,113
Total	\$	98,283

GBO 2 Program

Prior to the Merger, Tech Data implemented its GBO 2 Program that includes investments to optimize and standardize processes and apply data and analytics to be more agile in a rapidly evolving environment, increasing productivity, profitability and optimizing net-working capital. TD SYNEX plans to continue this program in conjunction with the Company’s integration activities. Acquisition, integration and restructuring expenses related to the GBO 2 Program are primarily comprised of restructuring costs and other professional services costs. Restructuring costs are comprised of severance costs and other associated exit costs, including certain consulting costs. Other professional services costs are primarily comprised of professional services fees not related to restructuring activities, including costs related to improving profitability and optimizing net-working capital.

Acquisition, integration and restructuring costs under the GBO2 Program for fiscal 2021 included the following:

	Year Ended November 30,	
	2021	
Restructuring costs	\$	8,709
Other professional services costs		5,158
Total	\$	13,867

Restructuring costs under the GBO 2 Program for fiscal 2021 were composed of the following:

	Year Ended November 30,	
	2021	
Severance	\$	2,893
Other exit costs		5,816
Total	\$	8,709

During fiscal 2021, the Company recorded restructuring costs related to GBO 2 of \$2,658, \$5,746 and \$305, for the Americas, Europe and APJ regions, respectively.

Restructuring activity during fiscal 2021 related to the GBO 2 Program is as follows:

Restructuring costs	Severance and Benefits	Other Exit Costs	Total
Accrued Balance as of November 30, 2020	\$ -	\$ -	\$ -
Balance acquired related to the Merger	5,095	221	5,316
Expenses during fiscal 2021	2,893	5,816	8,709
Cash payments	(2,953)	(4,427)	(7,380)
Foreign currency translation	(117)	(19)	(136)
Accrued Balance as of November 30, 2021	\$ 4,918	\$ 1,591	\$ 6,509

The Separation

During the fiscal year ended November 30, 2020, the Company incurred \$7,414 in transaction costs related to the Separation of Concentrix.

NOTE 5—DISCONTINUED OPERATIONS:

The following table summarizes the financial results from discontinued operations of Concentrix included in the Consolidated Statement of Operations:

	Fiscal Years Ended November 30	
	2020	2019
Revenue	\$ 4,719,534	\$ 4,707,912
Costs and expenses	(4,410,773)	(4,413,580)
Interest expense and finance charges and others, net	(40,866)	(89,916)
Income from discontinued operations before taxes	267,895	204,416
Provision for income taxes	(73,273)	(65,878)
Income from discontinued operations, net of taxes	\$ 194,622	\$ 138,538

There were no revenues earned or cost and expenses incurred of discontinued operations during the fiscal year ended November 30, 2021. There were no non-cash items or capital expenditures of discontinued operations during the fiscal year ended November 30, 2021. During the fiscal years ended November 30, 2020 and 2019, significant non-cash items and capital expenditures of discontinued operations included in the Consolidated Statement of Cash Flows are outlined below:

	Fiscal Years Ended November 30	
	2020	2019
Operating activities:		
Depreciation and amortization	\$ 276,566	\$ 305,780
Share-based compensation	15,572	10,351
Provision for doubtful accounts	8,139	930
Deferred income taxes	(29,470)	(6,661)
Unrealized foreign exchange losses	5,647	1,116
Investing activities:		
Purchases of property and equipment	\$ 171,332	\$ 111,122

The following table presents assets and liabilities that were transferred to Concentrix as of December 1, 2020 and presented as discontinued operations in the Consolidated Balance Sheet as of November 30, 2020:

	November 30, 2020
Cash and cash equivalents	\$ 152,656
Accounts receivable, net	1,079,086
Other current assets	189,323
Current assets of discontinued operations	\$ 1,421,065
Property and equipment, net	\$ 451,649
Goodwill	1,836,050
Intangible assets, net	798,959
Deferred tax assets	47,423
Other assets	620,099
Noncurrent assets of discontinued operations	\$ 3,754,180
Borrowings, current	\$ 33,756
Accounts payable	140,575
Accrued compensation and benefits	419,715
Other accrued liabilities	371,069
Income taxes payable	20,725
Current liabilities of discontinued operations	\$ 985,840
Long-term borrowings	\$ 1,111,362
Other long-term liabilities	601,885
Deferred tax liabilities	153,560
Noncurrent liabilities of discontinued operations	\$ 1,866,807

In connection with the Separation, \$3,813 of accumulated other comprehensive income, net of income taxes, related to foreign currency translation adjustments, cash flow hedges and pension plan obligations was transferred to Concentrix on the Separation date. Refer to [Note 8](#) - Balance Sheet Components for more information.

NOTE 6—SHARE-BASED COMPENSATION:

Overview of stock incentive plans

The Company's stock incentive plans include plans adopted in 2020, 2013 and 2003 (the "TD SYNEX Plan(s)"). The TD SYNEX Plans, as amended, provide for the direct award or sale of shares of common stock, restricted stock awards, and restricted stock units, the grant of options to purchase shares of common stock and the award of stock appreciation rights to employees and non-employee directors and consultants.

The number of authorized shares under the 2020 TD SYNEX Plan will not exceed the sum of 2,493 shares of common stock, plus any shares under the amended and restated 2013 and 2003 TD SYNEX Plans that are subject to outstanding awards granted to the extent those awards expire, terminate or are canceled for any reason prior to exercise without the issuance or delivery of such shares, any shares subject to vesting restrictions that are subsequently forfeited, and any reserved shares not issued or subject to outstanding awards, up to 3,950 shares, which was due to antidilution provisions in the 2020 TD SYNEX Plan increased by 2,621 shares following the Separation. No further grants may be made under the 2013 or 2003 TD SYNEX Plans and all outstanding awards under the 2013 and 2003 Plans continue to be governed by their existing terms. As of November 30, 2021, there were 4,555 shares of common stock available for future grants.

Under the Plans, qualified employees are eligible for the grant of incentive stock options to purchase shares of common stock. Qualified employees and outside directors and consultants are eligible for the grant of non-qualified stock options, stock appreciation rights, restricted stock grants and restricted stock units. The outstanding restricted stock awards and units generally vest one fifth ratably over a five-year period, with certain awards subject to other vesting periods as defined per the grant agreement. Certain restricted stock units vest subject to the achievement of individual, divisional or company-wide performance goals. The majority of the performance-based restricted stock units vest at the end of three-year requisite service periods, subject to the achievement of company-wide financial performance goals approved by the Compensation Committee. The exercise price for incentive stock options will not be less than 100% of the fair market value of the stock on the date of grant and the stock options have a contractual term of ten years. The majority of outstanding stock options vest as to one fifth of the stock underlying the stock options on the first anniversary date of the grant and the remaining vest monthly over a four-year period starting one month after the first anniversary of the date of grant. Restricted stock granted to qualified non-employee directors vests one fourth on a quarterly basis over a one-year period. The holders of restricted stock awards are entitled to the same voting, dividend and other rights as the Company's common stockholders.

Unless terminated sooner, the 2020 TD SYNEX Plan will terminate on March 17, 2030.

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The Company recognizes share-based compensation expense for all share-based awards made to employees and directors, including employee stock options, restricted stock awards, restricted stock units, performance-based restricted stock units and employee stock purchase rights, based on estimated fair values.

The Company recorded share-based compensation expense in the Consolidated Statements of Operations for fiscal years 2021, 2020 and 2019 as follows:

	Fiscal Years Ended November 30,		
	2021	2020	2019
Total share-based compensation	\$ 53,192	\$ 17,631	\$ 17,608
Tax benefit recorded in the provision for income taxes	(12,145)	(4,355)	(4,367)
Effect on net income	<u>\$ 41,047</u>	<u>\$ 13,276</u>	<u>\$ 13,241</u>

Substantially all of the share-based compensation expense was recorded in “Selling, general and administrative expenses” and “Acquisition, integration and restructuring costs” in the Consolidated Statements of Operations.

Valuation Assumptions

The Company estimates the fair value of share-based payment awards on the measurement date and recognizes as expense over the requisite service period in the Company’s Consolidated Financial Statements.

The Company uses the Black-Scholes valuation model to estimate the fair value of stock options. The Black-Scholes option-pricing model was developed for use in estimating the fair value of short-lived exchange traded options that have no vesting restrictions and are fully transferable. In addition, option-pricing models require the input of highly subjective assumptions, including the option’s expected life and the price volatility of the underlying stock. The expected stock price volatility assumption was determined using historical volatility of the Company’s common stock.

The fair value of stock awards is determined based on the stock price at the date of grant. For grants that do not accrue dividends or dividend equivalents, the fair value is the stock price reduced by the present value of estimated dividends over the vesting period. For performance-based restricted stock units, the grant-date fair value assumes that the targeted performance goals will be achieved. Over the performance period, the number of awards will be adjusted higher or lower based on the probability of achievement of performance goals.

The Company accounts for expense reductions that result from the forfeiture of unvested awards in the period that the forfeitures occur.

Employee Stock Options

A summary of the changes in the Company’s stock options is set forth below:

	Options Outstanding	
	Number of shares	Weighted-average exercise price per share
Balances, November 30, 2020	684	\$ 47.08
Options granted	239	100.45
Options exercised	(234)	45.08
Balances, November 30, 2021	<u>689</u>	<u>\$ 66.29</u>

The Company did not grant any options during the fiscal year 2020. The following assumptions were used in the Black-Scholes valuation model in fiscal years 2021 and 2019:

	Fiscal Years Ended November 30,	
	2021	2019
Expected life (years)	5.5 - 6.1	6.0 - 6.1
Risk free interest rate	0.72% - 1.16%	1.59% - 2.62%
Expected volatility	38.01% - 38.85%	32.33% - 33.69%
Dividend yield	0.75% - 0.88%	1.36% - 1.54%

The weighted-average grant-date fair values of the stock options granted during fiscal years 2021 and 2019 were \$34.37, and \$32.76, respectively. As of November 30, 2021, 689 options were outstanding with a weighted-average life of 7.45 years, a weighted-average exercise price of \$66.29 per option and an aggregate pre-tax intrinsic value of \$26,149. As of November 30, 2021, 316

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options were vested and exercisable with a weighted-average life of 6.07 years, a weighted-average exercise price of \$50.35 per share and an aggregate pre-tax intrinsic value of \$16,786.

The cash received from the exercise of options and the intrinsic values of options exercised during fiscal years 2021, 2020 and 2019 were as follows:

	Fiscal Years Ended November 30,		
	2021	2020	2019
Intrinsic value of options exercised	\$ 16,163	\$ 15,746	\$ 3,782
Cash received from exercise of options	\$ 10,541	\$ 9,018	\$ 1,908

The Company settles employee stock option exercises with newly issued common shares.

As of November 30, 2021, the unamortized share-based compensation expense related to unvested stock options under the TD SYNEX Plans was \$7,433 which will be recognized over an estimated weighted-average amortization period of 3.77 years.

Restricted Stock Awards and Restricted Stock Units

A summary of the changes in the Company's non-vested restricted stock awards and stock units during fiscal year 2021 is presented below:

	Number of shares	Weighted-average, grant-date fair value per share
Non-vested as of November 30, 2020	824	\$ 101.94
Awards granted	537	100.04
Units granted	147	96.29
Awards and units vested	(274)	107.38
Awards and units cancelled/forfeited ⁽¹⁾	(168)	85.82
Non-vested as of November 30, 2021	1,066	\$ 100.20

(1) For performance-based restricted stock units, the difference between maximum awards and the actual number of shares issued upon full vesting is included.

As of November 30, 2021, there was \$54,382 of total unamortized share-based compensation expense related to non-vested restricted stock awards and stock units granted under the TD SYNEX Plans. That cost is expected to be recognized over an estimated weighted-average amortization period of 2.79 years.

In connection with the Separation, as required by the TD SYNEX stock incentive plans, the Company made certain adjustments to outstanding employee equity awards with the intention of preserving the intrinsic value of the awards prior to the Separation. In accordance with the employee matters agreement, each exercisable and non-exercisable stock option and unvested restricted stock award was modified into similar awards of both SYNEX and Concentrix and the exercise price of outstanding stock options was adjusted to preserve the intrinsic value of the awards. Certain restricted stock units and performance-contingent awards were modified to provide the holders restricted stock units and performance contingent awards in the company that employs such employee following the Separation. When settled wholly in the employer's shares, the ratio was based on the closing stock price of SYNEX at November 30, 2020 compared to the opening stock price of the respective entity on December 1, 2020. The options strike prices were adjusted in the same manner. The modification of these awards did not result in material incremental compensation cost.

Tech Data Equity Awards

Prior to the Merger, certain of Tech Data's employees were granted performance-based equity awards in Tiger Parent Holdings L.P., a partnership entity that was the parent company of Tiger Parent (AP) Corporation and Tech Data, that were unvested at the time of the closing of the Merger. Upon closing of the Merger, the unvested performance-based equity awards were converted into 751 restricted stock units of TD SYNEX that vest over two years. The restricted stock units had a fair value of \$127.60 per share upon closing of the Merger resulting in a total fair value of \$95,871 which will be recorded as share-based compensation expense on a straight-line over the vesting period in "Acquisition, integration, and restructuring costs" in the Consolidated Statement of Operations. No awards were vested or forfeited during the fiscal year ended November 30, 2021. As of November 30, 2021, there was \$83,887 of total unamortized share-based compensation expense related to these unvested awards to be recognized over a weighted-average amortization period of 1.75 years.

2014 Employee Stock Purchase Plan

On January 6, 2014, the Board of Directors approved the adoption of the 2014 Employee Stock Purchase Plan ("2014 ESPP") to succeed the Company's 2003 Employee Stock Purchase Plan. The 2014 ESPP, as amended, commenced on January 1, 2015 with 750 authorized shares, which was due to antidilution provisions in the 2014 ESPP increased by 537 authorized shares following the Separation. Under the 2014 ESPP, there are four offering periods of three months each in a calendar year. Eligible employees in the United States can choose to have a fixed percentage deducted from their bi-weekly compensation to purchase the Company's common

stock at a discount of 5%. The maximum number of shares a participant may purchase is 0.625 during a single accumulation period subject to a maximum purchase limit of \$10 in a calendar year. Highly compensated employees are not eligible to participate in the plan.

Share-based compensation expense related to the 2014 ESPP was immaterial during fiscal years 2021, 2020 and 2019.

NOTE 7—STOCKHOLDERS' EQUITY:

Share Repurchase Programs

In June 2020, the Board of Directors authorized a three-year \$400,000 share repurchase program, effective July 1, 2020, pursuant to which the Company may repurchase its outstanding common stock from time to time in the open market or through privately negotiated transactions. As of November 30, 2021, the Company had not repurchased any shares under this program.

Dividends

The Company declared cumulative cash dividends of \$0.80, \$0.40 and \$1.50 per share during the years ended November 30, 2021, 2020 and 2019, respectively. On January 11, 2022, the Company announced a cash dividend of \$0.30 per share to stockholders of record as of January 21, 2022, payable on January 28, 2022. Dividends are subject to continued capital availability, compliance with the covenants and conditions in some of the Company's credit facilities and the declaration by the Board of Directors in the best interest of the Company's stockholders.

NOTE 8—BALANCE SHEET COMPONENTS:

Cash, cash equivalents and restricted cash:

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the Consolidated Balance Sheets that sum to the total of the same amounts shown in the Consolidated Statements of Cash Flows:

	As of November 30,	
	2021	2020
Cash and cash equivalents	\$ 993,973	\$ 1,412,016
Restricted cash included in other current assets	940	504
Cash, cash equivalents and restricted cash	<u>\$ 994,913</u>	<u>\$ 1,412,520</u>

Accounts receivable, net:

	As of November 30,	
	2021	2020
Accounts receivable	\$ 8,424,868	\$ 2,859,064
Less: Allowance for doubtful accounts	(114,836)	(67,361)
Accounts receivable, net	<u>\$ 8,310,032</u>	<u>\$ 2,791,703</u>

Receivables from vendors, net:

	As of November 30,	
	2021	2020
Receivables from vendors	\$ 1,130,091	\$ 291,453
Less: Allowance for doubtful accounts	(11,128)	(5,126)
Receivables from vendors, net	<u>\$ 1,118,963</u>	<u>\$ 286,327</u>

Allowance for doubtful trade receivables:

Balance at November 30, 2018	\$	7,480
Additions		23,214
Write-offs, reclassifications and foreign exchange translation		(6,831)
Balance at November 30, 2019		23,865
Additions		42,592
Write-offs, reclassifications and foreign exchange translation		904
Balance at November 30, 2020		67,361
Acquisitions		75,362
Additions (deductions)		(7,544)
Write-offs, reclassifications and foreign exchange translation		(20,343)
Balance at November 30, 2021	\$	<u>114,836</u>

Allowance for receivables from vendors:

Balance at November 30, 2018	\$	6,188
Additions		3,675
Write-offs, reclassifications and foreign exchange translation		(4,382)
Balance at November 30, 2019		5,481
Additions		—
Write-offs, reclassifications and foreign exchange translation		(354)
Balance at November 30, 2020		5,126
Acquisitions		7,524
Additions		588
Write-offs, reclassifications and foreign exchange translation		(2,110)
Balance at November 30, 2021	\$	<u>11,128</u>

Property and equipment, net:

	As of November 30,	
	2021	2020
Land	\$ 28,409	\$ 18,400
Equipment, computers and software	406,972	143,791
Furniture and fixtures	53,766	30,355
Buildings, building improvements and leasehold improvements	218,284	147,830
Construction-in-progress	1,045	1,732
Total property and equipment, gross	\$ 708,476	342,108
Less: Accumulated depreciation and amortization	(225,033)	(184,464)
Property and equipment, net	<u>\$ 483,443</u>	<u>\$ 157,645</u>

Depreciation and amortization expense for fiscal years 2021, 2020 and 2019, was \$44,232, \$24,923 and \$22,454, respectively.

Goodwill:

	Fiscal Year Ended November 30, 2021			
	Americas	Europe	APJ	Total
Balance, beginning of year	\$ 410,055	\$ —	\$ 13,829	\$ 423,885
Additions from acquisitions	2,049,027	1,425,295	70,263	3,544,585
Foreign exchange translation	(7,604)	(44,272)	683	(51,194)
Balance, end of year	<u>\$ 2,451,478</u>	<u>\$ 1,381,023</u>	<u>\$ 84,775</u>	<u>\$ 3,917,276</u>

Intangible assets, net:	As of November 30, 2021			As of November 30, 2020		
	Gross Amounts	Accumulated Amortization	Net Amounts	Gross Amounts	Accumulated Amortization	Net Amounts
Intangible assets with indefinite lives:						
Trade names	\$1,050,071	\$ -	\$1,050,071	\$ -	\$ -	\$ -
Intangible assets with finite lives:						
Customer relationships and lists	\$3,958,033	\$ (186,263)	\$3,771,770	\$ 175,812	\$ (101,095)	\$ 74,717
Vendor lists	177,105	(98,670)	78,435	177,555	(82,187)	95,368
Other intangible assets	28,213	(15,365)	12,848	28,348	(12,387)	15,961
	<u>\$5,213,422</u>	<u>\$ (300,298)</u>	<u>\$4,913,124</u>	<u>\$ 381,715</u>	<u>\$ (195,669)</u>	<u>\$ 186,047</u>

Amortization expense for fiscal years 2021, 2020 and 2019, was \$105,332, \$40,148 and \$43,875, respectively.

Estimated future amortization expense of the Company's intangible assets is as follows:

Fiscal years ending November 30,

2022	\$ 304,073
2023	300,084
2024	295,162
2025	291,735
2026	288,958
Thereafter	2,383,041
Total	<u>\$ 3,863,053</u>

Accumulated other comprehensive income (loss)

The components of accumulated other comprehensive income (loss) ("AOCI"), net of taxes, were as follows:

	Unrecognized gains (losses) on defined benefit plan, net of taxes	Unrealized gains (losses) on cash flow hedges, net of taxes	Foreign currency translation adjustment and other, net of taxes	Total
Balance, beginning of year	\$ (37,584)	\$ (60,147)	\$ (96,840)	\$ (194,571)
Transferred to Concentrix	38,655	(29,240)	(5,602)	3,813
Other comprehensive income (loss) before reclassification	—	8,747	(186,020)	(177,273)
Reclassification of (gains) losses from other comprehensive income (loss)	—	31,837	—	31,837
Balance, end of year	<u>\$ 1,071</u>	<u>\$ (48,803)</u>	<u>\$ (288,462)</u>	<u>\$ (336,194)</u>

Refer to [Note 9](#) – Derivative Instruments for the location of gains and losses reclassified from accumulated other comprehensive income (loss) to the Consolidated Statements of Operations. Reclassifications of amortization of actuarial (gains) losses of defined benefits plans is recorded in "Other income (expense), net" in the combined statement of operations.

Foreign currency translation adjustment and other, net of taxes, is comprised of foreign currency translation adjustments and unrealized gains and losses on Concentrix' available-for-sale debt securities prior to the Separation.

NOTE 9—DERIVATIVE INSTRUMENTS:

In the ordinary course of business, the Company is exposed to foreign currency risk, interest rate risk, equity risk, commodity price changes and credit risk. The Company enters into transactions, and owns monetary assets and liabilities, that are denominated in currencies other than the legal entity's functional currency. The Company may enter into forward contracts, option contracts, swaps, or other derivative instruments to offset a portion of the risk on expected future cash flows, earnings, net investments in certain international subsidiaries and certain existing assets and liabilities. However, the Company may choose not to hedge certain exposures for a variety of reasons including, but not limited to, accounting considerations and the prohibitive economic cost of hedging particular exposures. There can be no assurance the hedges will offset more than a portion of the financial impact resulting from movements in foreign currency exchange or interest rates. Generally, the Company does not use derivative instruments to cover equity risk and credit risk. The Company's hedging program is not used for trading or speculative purposes.

All derivatives are recognized on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded in the Consolidated Statements of Operations, or as a component of AOCI in the Consolidated Balance Sheets, as discussed below.

Cash Flow Hedges

The Company uses interest rate swap derivative contracts to economically convert a portion of its variable-rate debt to fixed-rate debt. The swaps have maturities at various dates through October 2023. The Company terminated interest rate swaps with a notional value of \$400,000 in December 2021. Gains and losses on cash flow hedges are recorded in AOCI until the hedged item is recognized in earnings. Deferred gains and losses associated with cash flow hedges of interest payments are recognized in Interest expense and finance charges, net in the same period as the related expense is recognized. Derivative instruments designated as cash flow hedges must be de-designated as hedges when it is probable the forecasted hedged transaction will not occur in the initially identified time period or within a subsequent two-month time period. Deferred gains and losses in AOCI associated with such derivative instruments are reclassified into earnings in the period of de-designation. Any subsequent changes in fair value of such derivative instruments are recorded in earnings unless they are re-designated as hedges of other transactions.

Non-Designated Derivatives

The Company uses short-term forward contracts to offset the foreign exchange risk of assets and liabilities denominated in currencies other than the functional currency of the respective entities. These contracts, which are not designated as hedging instruments, mature or settle within twelve months. Derivatives that are not designated as hedging instruments are adjusted to fair value through earnings in the financial statement line item to which the derivative relates.

Fair Values of Derivative Instruments in the Consolidated Balance Sheets

The fair values of the Company's derivative instruments are disclosed in [Note 10](#) - Fair Value Measurements and summarized in the table below:

Balance Sheet Line Item	Value as of	
	November 30, 2021	November 30, 2020
Derivative instruments not designated as hedging instruments:		
Foreign exchange forward contracts (notional value)	\$ 1,217,595	\$ 274,181
Other current assets	13,764	209
Other accrued liabilities	2,992	3,232
Interest rate swap (notional value)	\$ -	\$ 100,000
Other assets, net	-	-
Other accrued liabilities	-	128
Derivative instruments designated as cash flow hedges:		
Interest rate swaps (notional value)	\$ 1,500,000	\$ 1,500,000
Other accrued liabilities	38,670	115,598
Other long-term liabilities	24,151	-

Volume of activity

The notional amounts of foreign exchange forward contracts represent the gross amounts of foreign currency, including, principally, the Australian dollar, Brazilian real, British pound, Canadian dollar, Chinese yuan, Czech koruna, Danish krone, Euro, Indian rupee, Indonesian rupiah, Japanese yen, Mexican peso, Norwegian krone, Philippine peso, Polish zloty, Singapore dollar, Swedish krona and Swiss franc that will be bought or sold at maturity. The notional amounts for outstanding derivative instruments provide one measure of the transaction volume outstanding and do not represent the amount of the Company's exposure to credit or market loss. The Company's exposure to credit loss and market risk will vary over time as currency and interest rates change.

The Effect of Derivative Instruments on AOCI and the Consolidated Statements of Operations

The following table shows the gains and losses, before taxes, of the Company's derivative instruments designated as cash flow hedges in Other Comprehensive Income ("OCI"), and not designated as hedging instruments in the Consolidated Statements of Operations for the periods presented:

		For the fiscal years ended November 30,		
		2021	2020	2019
Location of Gains (losses) in Income				
Derivative instruments designated as cash flow hedges:				
Gains (losses) recognized in OCI on interest rate swaps		\$ 10,902	\$ (66,372)	\$ (88,569)
Gains (losses) on interest rate swaps reclassified from AOCI into income	Interest expense and finance charges, net	\$ (42,115)	\$ (34,443)	\$ (8,455)
Derivative instruments not designated as hedging instruments:				
Gains (losses) recognized from foreign exchange forward contracts, net ⁽¹⁾	Cost of products sold	\$ 18,073	\$ -	\$ -
Gains (losses) recognized from foreign exchange forward contracts, net ⁽¹⁾	Other income (expense), net	(6,878)	1,844	(588)
Gains (losses) recognized from interest rate swaps, net	Interest expense and finance charges, net	128	(643)	(3,004)
Total		\$ 11,323	\$ 1,201	\$ (3,592)

(1) The gains and losses largely offset the currency gains and losses that resulted from changes in the assets and liabilities denominated in nonfunctional currencies.

There were no material gain or loss amounts excluded from the assessment of effectiveness. Existing net losses in AOCI that are expected to be reclassified into earnings in the normal course of business within the next twelve months are \$38,670.

Credit exposure for derivative financial instruments is limited to the amounts, if any, by which the counterparties' obligations under the contracts exceed the Company's obligations to the counterparties. The Company manages the potential risk of credit losses through careful evaluation of counterparty credit standing and selection of counterparties from a limited group of financial institutions.

NOTE 10—FAIR VALUE MEASUREMENTS:

The Company's fair value measurements are classified and disclosed in one of the following three categories:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

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The following table summarizes the valuation of the Company's investments and financial instruments that are measured at fair value on a recurring basis:

	As of November 30, 2021				As of November 30, 2020			
	Total	Fair value measurement category			Total	Fair value measurement category		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Assets:								
Cash equivalents	\$ 713	\$ 713	\$ —	\$ —	\$ 7,915	\$ 7,915	\$ —	\$ —
Marketable equity securities	2,418	2,418	—	—	3,050	3,050	—	—
Forward foreign currency exchange contracts	13,764	—	13,764	—	209	—	209	—
Interest rate swaps	—	—	—	—	—	—	—	—
Liabilities:								
Forward foreign currency exchange contracts	\$ 2,992	\$ —	\$ 2,992	\$ —	\$ 3,232	\$ —	\$ 3,232	\$ —
Interest rate swaps	62,821	—	62,821	—	115,726	—	115,726	—

The Company's cash equivalents consist primarily of highly liquid investments in money market funds and term deposits with maturity periods of three months or less. The carrying values of cash equivalents approximate fair value since they are near their maturity. Investments in marketable equity securities, primarily comprising investments in other companies' equity securities, are recorded at fair value based on quoted market prices. The fair values of forward exchange contracts are measured based on the foreign currency spot and forward rates quoted by the banks or foreign currency dealers. Fair values of long-term foreign currency exchange contracts are measured using valuations based upon quoted prices for similar assets and liabilities in active markets and are valued by reference to similar financial instruments, adjusted for terms specific to the contracts. Fair values of interest rate swaps are measured using standard valuation models using inputs that are readily available in public markets, or can be derived from observable market transactions, including LIBOR spot and forward rates. The effect of nonperformance risk on the fair value of derivative instruments was not material as of November 30, 2021 and 2020.

The carrying values of accounts receivable, accounts payable and short-term debt approximate fair value due to their short maturities and interest rates which are variable in nature. The carrying value of the Company's term loans approximate their fair value since they bear interest rates that are similar to existing market rates. The estimated fair value of the Senior Notes was approximately \$2,449,277 at November 30, 2021.

During the fiscal years ended November 30, 2021, 2020 and 2019, there were no transfers between the fair value measurement category levels.

NOTE 11—BORROWINGS:

Borrowings consist of the following:

	As of November 30,	
	2021	2020
Committed and uncommitted revolving credit facilities and borrowings	\$ 106,256	\$ 57,870
Current portion of TD SYNEX credit agreement	75,000	—
Current portion of other long-term debt	—	67,088
Borrowings, current	\$ 181,256	\$ 124,958
TD SYNEX credit agreement	\$ 1,425,000	\$ —
TD SYNEX Senior Notes	2,500,000	—
SYNEX United States credit agreement - term loan component	—	500,000
SYNEX United States term loan credit agreement	—	1,000,000
Other credit agreements and long-term debt	72,258	85
Long-term borrowings, before unamortized debt discount and issuance costs	\$ 3,997,258	\$ 1,500,085
Less: unamortized debt discount and issuance costs	(42,082)	(3,385)
Long-term borrowings	\$ 3,955,176	\$ 1,496,700

TD SYNEX United States accounts receivable securitization arrangement

In the United States, the Company has an accounts receivable securitization program to provide additional capital for its operations (the “U.S. AR Arrangement”). Under the terms of the U.S. AR Arrangement, that, prior to the December 2021 amendment described below, was scheduled to expire in May 2022, the Company’s subsidiary that is the borrower under this facility could borrow up to a maximum of \$650,000 based upon eligible trade accounts receivable. During the fiscal year ended November 30, 2021, the effective borrowing cost under the U.S. AR Arrangement was a blended rate based upon the composition of the lenders, that includes prevailing dealer commercial paper rates and a rate based upon LIBOR. In addition, a program fee payable on the used portion of the lenders’ commitment, accrued at 1.25% per annum in the case of lender groups who funded their advances based on prevailing commercial paper rates, and 1.30% per annum in the case of lender groups who funded their advances based on LIBOR (subject to a 0.50% per annum floor). A facility fee was payable on the adjusted commitment of the lenders, to accrue at different tiers ranging between 0.35% per annum and 0.45% per annum depending on the amount of outstanding advances from time to time.

Under the terms of the U.S. AR Arrangement, the Company and certain of its U.S. subsidiaries sell, on a revolving basis, their receivables to a wholly-owned, bankruptcy-remote subsidiary. The borrowings are funded by pledging all of the rights, title and interest in the receivables acquired by the Company's bankruptcy-remote subsidiary as security. Any amounts received under the U.S. AR Arrangement are recorded as debt on the Company's Consolidated Balance Sheets.

On December 22, 2021, the Company and its subsidiaries that are party to the U.S. AR Arrangement amended the U.S. AR Arrangement to extend the maturity date to December 2024 and increase the lending commitment to \$1,500,000. Further, the effective borrowing cost under the U.S. AR Arrangement was also modified through adjustments to the (i) program fee payable on the used portion of the lenders’ commitment, that now accrues at 0.75% per annum and (ii) facility fee payable on the adjusted commitment of the lenders, that now accrues at different tiers ranging between 0.30% per annum and 0.40% per annum depending on the amount of outstanding advances from time to time.

SYNEX United States credit agreement

Prior to the Merger, in the United States, the Company had a senior secured credit agreement (as amended, the “U.S. Credit Agreement”) with a group of financial institutions. The U.S. Credit Agreement included a \$600,000 commitment for a revolving credit facility and a term loan in the original principal amount of \$1,200,000. Interest on borrowings under the U.S. Credit Agreement was based on LIBOR or a base rate at the Company's option, plus a margin. The margin for LIBOR loans ranged from 1.25% to 2.00% and the margin for base rate loans ranged from 0.25% to 1.00%, provided that LIBOR was not less than zero. The base rate was a variable rate which was the highest of (a) the Federal Funds Rate, plus a margin of 0.5%, (b) the rate of interest announced, from time to time, by the agent, Bank of America, N.A., as its “prime rate,” and (c) the Eurodollar Rate, plus 1.0%. The unused revolving credit facility commitment fee ranged from 0.175% to 0.30% per annum. The margins above the applicable interest rates and the revolving commitment fee for revolving loans were based on the Company’s consolidated leverage ratio, as calculated under the U.S. Credit Agreement. The Company’s obligations under the U.S. Credit Agreement were secured by substantially all of the parent company’s and its United States domestic subsidiaries’ assets on a pari passu basis with the interests of the lenders under the U.S. Term Loan Credit Agreement (defined below) pursuant to an intercreditor agreement and were guaranteed by certain of the Company's United States domestic subsidiaries. The U.S. Credit Agreement was originally scheduled to mature in September 2022, however the U.S. Credit Agreement was terminated on September 1, 2021 and all outstanding balances were repaid in full as part of the Merger (see [Note 3](#) – Acquisitions for further discussion).

SYNEX United States term loan credit agreement

Prior to the Merger, in the United States the Company had a senior secured term loan credit agreement (the “U.S. Term Loan Credit Agreement”) with a group of financial institutions in the original principal amount of \$1,800,000. The remaining outstanding principal was payable on maturity. Interest on borrowings under the U.S. Term Loan Credit Agreement were based on LIBOR or a base rate at the Company’s option, plus a margin. The margin for LIBOR loans ranged from 1.25% to 1.75% and the margin for base rate loans ranged from 0.25% to 0.75%, provided that LIBOR was not less than zero. The base rate was a variable rate which was the highest of (a) 0.5% plus the greater of (x) the Federal Funds Rate in effect on such day and (y) the overnight bank funding rate in effect on such day, (b) the Eurodollar Rate plus 1.0% per annum, and (c) the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. During the period in which the term loans were available to be drawn, the Company paid term loan commitment fees. The margins above the Company's applicable interest rates and the term loan commitment fee were based on the Company's consolidated leverage ratio as calculated under the U.S. Term Loan Credit Agreement. The Company's obligations under the U.S. Term Loan Credit Agreement were secured by substantially all of the Company’s and certain of its domestic subsidiaries’ assets on a pari passu basis with the interests of the lenders under the U.S. Credit Agreement pursuant to an intercreditor agreement, and were guaranteed by certain of its domestic subsidiaries. The U.S. Term Loan Credit Agreement was originally scheduled to mature in October 2023, however the U.S. Term Loan Credit Agreement was terminated on September 1, 2021 and all outstanding balances were repaid in full as part of the Merger (see [Note 3](#) – Acquisitions for further discussion).

TD SYNnex credit agreement

In connection with the Merger Agreement, the Company entered into a credit agreement, dated as of April 16, 2021 (the “TD SYNnex Credit Agreement”) with the lenders party thereto and Citibank, N.A., as agent, pursuant to which the Company received commitments for the extension of a senior unsecured revolving credit facility not to exceed an aggregate principal amount of \$3,500,000, which revolving credit facility (the “TD SYNnex revolving credit facility”) may, at the request of the Company but subject to the lenders’ discretion, potentially be increased by up to an aggregate amount of \$500,000. The TD SYNnex Credit Agreement also includes a senior unsecured term loan (the “TD SYNnex term loan” and, together with the TD SYNnex revolving credit facility, the “TD SYNnex credit facilities”) in an aggregate principal amount of \$1,500,000, that was fully funded in connection with the closing of the Merger. The borrower under the TD SYNnex credit facilities is the Company. There are no guarantors of the TD SYNnex credit facilities. The maturity of the TD SYNnex credit facilities is on the fifth anniversary of the September 2021 closing date, to occur in September 2026, subject in the case of the revolving credit facility, to two one-year extensions upon the Company’s prior notice to the lenders and the agreement of the lenders to extend such maturity date.

The outstanding principal amount of the TD SYNnex term loan is payable in quarterly installments in an amount equal to 1.25% of the original \$1,500,000 principal balance commencing on the last day of the first full fiscal quarter after the closing date of the TD SYNnex credit facilities, with the outstanding principal amount of the term loans due in full on the maturity date. Loans borrowed under the TD SYNnex Credit Agreement bear interest, in the case of LIBOR (or successor) rate loans, at a per annum rate equal to the applicable LIBOR (or successor) rate, plus the applicable margin, which may range from 1.125% to 1.75%, based on the Company’s public debt rating (as defined in the TD SYNnex Credit Agreement). The applicable margin on base rate loans is 1.00% less than the corresponding margin on LIBOR (or successor rate) based loans. In addition to these borrowing rates, there is a commitment fee that ranges from 0.125% to 0.300% on any unused commitment under the TD SYNnex revolving credit facility based on the Company’s public debt rating. As of November 30, 2021, the effective interest rate for the term loan was 1.49%.

The TD SYNnex Credit Agreement contains various loan covenants that are customary for similar facilities for similarly rated borrowers that restricts the ability of the Company and its subsidiaries to take certain actions. The TD SYNnex Credit Agreement also contains financial covenants that require compliance with a maximum debt to EBITDA ratio and a minimum interest coverage ratio, in each case tested on the last day of each fiscal quarter commencing with the first full fiscal quarter to occur after the closing date of the TD SYNnex credit facilities. The TD SYNnex Credit Agreement also contains various customary events of default, including with respect to a change of control of the Company.

On March 22, 2021, the Company had entered into a debt commitment letter (the “Commitment Letter”), under which Citigroup Global Markets Inc. and certain other financing institutions joining thereto pursuant to the terms thereof committed to provide (i) a \$1.5 billion senior unsecured term bridge facility (the “Term Loan A Bridge Facility”), (ii) a \$2.5 billion senior unsecured term bridge facility (the “Bridge Facility”) and (iii) a \$3.5 billion senior unsecured revolving bridge facility (the “Bridge Revolving Facility”), subject to the satisfaction of certain customary closing conditions. On April 16, 2021, (i) the \$1.5 billion commitment with respect to the Term Loan A Bridge Facility under the Commitment Letter and (ii) the \$3.5 billion commitment with respect to the Bridge Revolving Facility under the Commitment Letter were reduced to zero, in each case, as a result of the Company entering into the TD SYNnex Credit Agreement; and on August 9, 2021 the Bridge Facility was reduced to zero as a result of the issuance of the TD SYNnex Senior Notes described below.

TD SYNnex Senior Notes

On August 9, 2021, the Company completed its offering of \$2.5 billion aggregate principal amount of senior unsecured notes, consisting of \$700.0 million of 1.25% senior notes due August 9, 2024, \$700.0 million of 1.75% senior notes due August 9, 2026, \$600.0 million of 2.375% senior notes due August 9, 2028, and \$500.0 million of 2.65% senior notes due August 9, 2031 (collectively, the “Senior Notes,” and such offering, the “Senior Notes Offering”). The Company incurred \$19.6 million towards issuance costs on the Senior Notes. The Company will pay interest semi-annually on the notes on each of February 9 and August 9, beginning February 9, 2022. The net proceeds from this offering were used to fund a portion of the aggregate cash consideration payable in connection with the Merger, refinance certain of the Company’s existing indebtedness and pay related fees and expenses and for general corporate purposes.

The interest rate payable on each series of the Senior Notes will be subject to adjustment from time to time if the credit rating assigned to such series of Senior Notes is downgraded (or downgraded and subsequently upgraded). The Company may redeem the Senior Notes, at any time in whole or from time to time in part, prior to (i) August 9, 2022 (the “2024 Par Call Date”) in the case of the 2024 Senior Notes, (ii) July 9, 2026 (the “2026 Par Call Date”) in the case of the 2026 Senior Notes, (iii) June 9, 2028 (the “2028 Par Call Date”) in the case of the 2028 Senior Notes, and (iv) May 9, 2031 in the case of the 2031 Senior Notes (the “2031 Par Call Date” and, together with the 2024 Par Call Date, the 2026 Par Call Date and the 2028 Par Call Date, each, a “Par Call Date” and together, the “Par Call Dates”), at a redemption price equal to the greater of (x) 100% of the aggregate principal amount of the applicable Senior Notes to be redeemed and (y) the sum of the present values of the remaining scheduled payments of the principal and interest on the Senior Notes, discounted to the date of redemption on a semi-annual basis at a rate equal to the sum of the applicable treasury rate plus 15 basis points for the 2024 Senior Notes, 20 basis points for the 2026 Senior Notes and 25 basis points for the 2028 Senior Notes and 2031 Senior Notes, plus in each case, accrued and unpaid interest thereon to, but excluding, the

redemption date. The Company may also redeem the Senior Notes of any series at its option, at any time in whole or from time to time in part, on or after the applicable Par Call Date, at a redemption price equal to 100% of the principal amount of the Senior Notes to be redeemed.

Other borrowings and term debt

The Company has various other committed and uncommitted lines of credit with financial institutions at certain locations outside the United States, accounts receivable securitization arrangements, factoring of accounts receivable with recourse provisions, capital leases, a building mortgage, short-term loans, term loans, credit facilities, and book overdraft facilities, totaling approximately \$635,473 in borrowing capacity as of November 30, 2021. Most of these facilities are provided on an unsecured, short-term basis and are reviewed periodically for renewal. Interest rates and other terms of borrowing under these lines of credit vary by country, depending on local market conditions. There was \$106,256 outstanding on these facilities at November 30, 2021, at a weighted average interest rate of 4.59%, and there was \$57.9 million outstanding at November 30, 2020, at a weighted average interest rate of 1.03%. Borrowings under these lines of credit facilities are guaranteed by the Company or secured by eligible accounts receivable.

At November 30, 2021, the Company was also contingently liable for reimbursement obligations with respect to issued standby letters of credit in the aggregate outstanding amount of \$104.7 million. These letters of credit typically act as a guarantee of payment to certain third parties in accordance with specified terms and conditions.

The maximum commitment amounts for local currency credit facilities have been translated into United States Dollars at November 30, 2021 exchange rates.

Future principal payments

As of November 30, 2021, future principal payments under the above loans are as follows:

Fiscal Years Ending November 30,		
2022	\$	181,256
2023		103,205
2024		776,290
2025		77,399
2026		1,940,364
Thereafter		1,100,000
Total	\$	<u>4,178,514</u>

Covenant compliance

The Company's credit facilities have a number of covenants and restrictions that require the Company to maintain specified financial ratios. The covenants also limit the Company's ability to incur additional debt, create liens, enter into agreements with affiliates, modify the nature of the Company's business, and merge or consolidate. As of November 30, 2021, the Company was in compliance with all current and material financial covenant requirements for the above arrangements.

NOTE 12—EARNINGS PER COMMON SHARE:

The following table sets forth the computation of basic and diluted earnings per common share for the periods indicated:

	Fiscal Years Ended November 30,		
	2021	2020	2019
Basic earnings per common share:			
Income from continuing operations attributable to common stockholders ⁽¹⁾	\$ 391,025	\$ 330,780	\$ 358,871
Income from discontinued operations attributable to common stockholders ⁽¹⁾	—	192,497	137,248
Net income attributable to common stockholders ⁽¹⁾	\$ 391,025	\$ 523,276	\$ 496,119
Weighted-average number of common shares - basic	62,239	50,900	50,669
Basic earnings per common share			
Continuing operations	\$ 6.28	\$ 6.50	\$ 7.08
Discontinued operations	—	3.78	2.71
Total basic net earnings per share	\$ 6.28	\$ 10.28	\$ 9.79
Diluted earnings per common share:			
Income from continuing operations attributable to common stockholders ⁽¹⁾	\$ 391,051	\$ 330,802	\$ 358,885
Income from discontinued operations attributable to common stockholders ⁽¹⁾	—	192,510	137,255
Net income attributable to common stockholders ⁽¹⁾	\$ 391,051	\$ 523,313	\$ 496,139
Weighted-average number of common shares - basic	62,239	50,900	50,669
Effect of dilutive securities:			
Stock options and restricted stock units	459	337	267
Weighted-average number of common shares - diluted	62,698	51,237	50,936
Diluted earnings per common share			
Continuing operations	\$ 6.24	\$ 6.46	\$ 7.05
Discontinued operations	—	3.76	2.69
Total basic net earnings per share	\$ 6.24	\$ 10.21	\$ 9.74
Anti-dilutive shares excluded from diluted earnings per share calculation	16	63	108

(1) Restricted stock awards granted by the Company are considered participating securities. Income available to participating securities was immaterial in all periods presented.

NOTE 13—SEGMENT INFORMATION:

Segment results for all prior periods have been restated for comparability to the Company's current reportable segments (see Note 1 – Organization and Basis of Presentation for further discussion). Summarized financial information related to the Company's reportable business segments for the periods presented is shown below:

	Americas	Europe	APJ	Consolidated
Fiscal Year ended November 30, 2021				
Revenue	\$ 23,317,274	\$ 6,201,302	\$ 2,095,593	\$ 31,614,169
Operating income	497,964	79,153	46,100	623,218
Depreciation and amortization expense	(105,669)	(41,333)	(2,562)	(149,564)
Total assets	15,708,483	10,657,886	1,300,011	27,666,380
Fiscal Year ended November 30, 2020				
Revenue	\$ 17,844,621	\$ 700,270	\$ 1,432,259	\$ 19,977,150
Operating income	438,667	43,463	39,211	521,341
Depreciation and amortization expense	(61,545)	(647)	(2,879)	(65,071)
Total assets	6,920,557	533,451	839,337	8,293,345
Fiscal Year ended November 30, 2019				
Revenue	\$ 16,860,814	\$ 972,815	\$ 1,236,340	\$ 19,069,970
Operating income	449,427	32,452	37,549	519,429
Depreciation and amortization expense	(63,119)	(610)	(2,600)	(66,329)

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The Company attributes revenues from external customers to the country from where products are delivered. Except for the United States, no other country accounted for 10% or more of the Company's revenue for the periods presented. Except for the United States, no other country accounted for 10% or more of the Company's property and equipment, net, less capitalized software and application software, for the periods presented:

	Fiscal Years Ended November 30,		
	2021	2020	2019
Revenue:			
United States	\$ 19,923,466	\$ 15,267,536	\$ 14,625,977
Others	11,690,703	4,709,614	4,443,993
Total	<u>\$ 31,614,169</u>	<u>\$ 19,977,150</u>	<u>\$ 19,069,970</u>
	As of November 30,		
	2021	2020	
Property and equipment, net:			
United States	\$ 199,209	\$ 126,160	
Others	111,831	31,485	
Total	<u>\$ 311,040</u>	<u>\$ 157,645</u>	

NOTE 14—RELATED PARTY TRANSACTIONS:

The Company has a business relationship with MiTAC Holdings Corporation ("MiTAC Holdings"), a publicly-traded company in Taiwan, which began in 1992 when MiTAC Holdings became one of the Company's primary investors through its affiliates. As of November 30, 2021 and 2020, MiTAC Holdings and its affiliates beneficially owned approximately 9.5% and 18% of the Company's outstanding common stock, respectively. Mr. Matthew Miao, Chairman Emeritus of the Company's Board of Directors and a director, is the Chairman of MiTAC Holdings and a director or officer of MiTAC Holdings' affiliates.

Beneficial ownership of the Company's common stock by MiTAC Holdings

As noted above, MiTAC Holdings and its affiliates in the aggregate beneficially owned approximately 9.5% of the Company's outstanding common stock as of November 30, 2021. These shares are owned by the following entities:

	As of November 30, 2021
MiTAC Holdings ⁽¹⁾	5,300
Synnex Technology International Corp. ⁽²⁾	3,860
Total	<u>9,160</u>

- Shares are held via Silver Star Developments Ltd., a wholly-owned subsidiary of MiTAC Holdings. Excludes 192 shares held directly by Mr. Miao and 217 shares indirectly held by Mr. Miao through a charitable remainder trust, and 190 shares held by his spouse.
- Synnex Technology International Corp. ("Synnex Technology International") is a separate entity from the Company and is a publicly-traded corporation in Taiwan. Shares are held via Peer Development Ltd., a wholly-owned subsidiary of Synnex Technology International. MiTAC Holdings owns a noncontrolling interest of 14.1% in MiTAC Incorporated, a privately-held Taiwanese company, which in turn holds a noncontrolling interest of 15.7% in Synnex Technology International. Neither MiTAC Holdings nor Mr. Miao is affiliated with any person(s), entity, or entities that hold a majority interest in MiTAC Incorporated.

The following table presents the Company's transactions with MiTAC Holdings and its affiliates for the periods indicated:

	Fiscal Years Ended November 30,		
	2021	2020	2019
Purchases of inventories and services	\$ 199,698	\$ 211,858	\$ 173,390
Sale of products to MiTAC Holdings and affiliates	623	764	761
Payments made for rent and overhead costs for use of facilities of MiTAC Holdings and affiliates, net	161	129	41

The following table presents the Company's receivable from and payable to MiTAC Holdings and its affiliates for the periods presented:

	As of November 30,	
	2021	2020
Receivable from related parties (included in Accounts receivable, net)	\$ 21,841	\$ 26,133
Payable to related parties (included in Accounts payable)	32,802	49,603

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The Company's business relationship with MiTAC Holdings and its affiliates has been informal and is generally not governed by long-term commitments or arrangements with respect to pricing terms, revenue or capacity commitments. The Company negotiates pricing and other material terms on a case-by-case basis with MiTAC Holdings and affiliates. The Company has adopted a policy requiring that material transactions with MiTAC Holdings or its related parties be approved by its Audit Committee, which is composed solely of independent directors. In addition, Mr. Miao's compensation is approved by the Nominating and Corporate Governance Committee, which is also composed solely of independent directors.

Synnex Technology International is a publicly-traded corporation in Taiwan that currently provides distribution and fulfillment services to various markets in Asia and Australia, and is also a potential competitor of the Company. Neither MiTAC Holdings nor Synnex Technology International is restricted from competing with the Company.

NOTE 15—EMPLOYEE BENEFITS PLANS:

The Company has 401(k) plans in the United States under which eligible employees may contribute up to the maximum amount as provided by law. Employees generally become eligible to participate in these plans on the first day of the month after their employment date. The Company may make discretionary contributions under the plans. Employees in certain of the Company's international subsidiaries are covered by government mandated defined contribution plans. During fiscal years 2021, 2020 and 2019, the Company contributed \$12,131, \$3,561 and \$3,568, respectively, to defined contribution plans.

Defined Benefit Plans

The Company's defined benefit plans sponsored by certain international subsidiaries are not material to operations.

NOTE 16—LEASES:

The Company leases certain of its facilities and equipment under operating lease agreements, which expire in various periods through 2035. The Company's finance leases are not material.

The following table presents the various components of lease costs.

	Fiscal Years Ended November 30,	
	2021	2020
Operating lease cost	\$ 48,167	\$ 24,394
Short-term and variable lease cost	5,618	4,207
Sublease income	(223)	(7)
Total operating lease cost	<u>\$ 53,562</u>	<u>\$ 28,594</u>

The following table presents a maturity analysis of expected undiscounted cash flows for operating leases on an annual basis for the next five years and thereafter as of November 30, 2021:

Fiscal Years Ending November 30,	
2022	\$ 110,857
2023	83,108
2024	64,509
2025	52,739
2026	43,860
Thereafter	193,292
Total payments	<u>\$ 548,365</u>
Less: imputed interest*	<u>(85,722)</u>
Total present value of lease payments	<u>\$ 462,643</u>

*Imputed interest represents the difference between undiscounted cash flows and discounted cash flows.

During the fiscal year ended November 30, 2019, rent expense was \$28,186. Sublease income was immaterial for this year.

The following amounts were recorded in the Company's Consolidated Balance Sheet as of November 30, 2021 and 2020:

Operating leases	Balance sheet location	November 30, 2021	November 30, 2020
Operating lease ROU assets	Other assets, net	\$ 447,122	\$ 70,575
Current operating lease liabilities	Other accrued liabilities	109,490	23,055
Non-current operating lease liabilities	Other long-term liabilities	353,153	53,130

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The following table presents supplemental cash flow information related to the Company's operating leases for the fiscal years ended November 30, 2021 and 2020. Cash payments related to variable lease costs and short-term leases are not included in the measurement of operating lease liabilities, and, as such, are excluded from the amounts below:

Cash flow information	Fiscal Years Ended November 30,	
	2021	2020
Cash paid for amounts included in the measurement of lease liabilities	\$ 29,887	\$ 22,954
Non-cash ROU assets obtained in exchange for lease liabilities (subsequent to initial adoption)	34,179	25,172

The weighted-average remaining lease term and discount rate as of November 30, 2021 and 2020 were as follows:

Operating lease term and discount rate	2021	2020
Weighted-average remaining lease term (years)	8.11	4.67
Weighted-average discount rate	4.05%	4.15%

NOTE 17—INCOME TAXES:

The components of pretax income from continuing operations are as follows:

	Fiscal Years Ended November 30,		
	2021	2020	2019
United States	\$ 246,331	\$ 276,237	\$ 326,535
Foreign	220,154	159,910	146,752
	<u>\$ 466,485</u>	<u>\$ 436,146</u>	<u>\$ 473,287</u>

Significant components of the provision for income taxes are as follows:

	Fiscal Years Ended November 30,		
	2021	2020	2019
Current tax provision:			
Federal	\$ (8,838)	\$ 56,355	\$ 63,580
State	13,916	19,537	20,681
Foreign	66,660	42,252	33,666
	<u>\$ 71,738</u>	<u>\$ 118,144</u>	<u>\$ 117,927</u>
Deferred tax provision (benefit):			
Federal	\$ 13,597	\$ (13,449)	\$ (10,647)
State	(675)	(3,990)	(1,751)
Foreign	(13,244)	904	5,583
	<u>\$ (322)</u>	<u>\$ (16,535)</u>	<u>\$ (6,815)</u>
Total tax provision	<u>\$ 71,416</u>	<u>\$ 101,609</u>	<u>\$ 111,113</u>

The breakdown of net deferred tax assets and liabilities are as follows:

	As of November 30,	
	2021	2020
Deferred tax assets	\$ 27,287	\$ 39,636
Deferred tax liabilities	(1,015,640)	(5,836)
Total net deferred tax assets (liabilities)	<u>\$ (988,353)</u>	<u>\$ 33,800</u>

The significant components of the Company's deferred tax assets and liabilities are as follows:

	As of November 30,	
	2021	2020
Assets:		
Loss carryforwards	\$ 98,472	\$ 166
Lease liabilities	92,803	12,889
Accrued liabilities	60,897	8,905
Foreign tax credit carryforwards	54,807	3,485
Disallowed interest expense	34,472	-
Allowance for doubtful accounts and sales return reserves	28,463	27,518
Capitalized inventory costs	20,527	13,852
Unrealized losses on cash flow hedges	17,668	31,810
Acquisition and transaction related costs	17,808	-
Share-based compensation expense	10,855	5,752
Deferred revenue	5,742	2,997
Long-lived assets	4,891	(7,576)
Other, net	6,303	12,526
	453,708	112,324
Less: valuation allowance	(123,435)	(5,492)
Total deferred tax assets	\$ 330,273	\$ 106,832
Liabilities:		
Long-lived assets	\$ (1,165,400)	\$ (61,146)
Lease right-of-use assets	(99,033)	(11,862)
Deferred costs	(39,672)	—
Capitalized marketing program costs	(4,977)	—
Other, net	(9,544)	(24)
Total deferred tax liabilities	\$ (1,318,626)	\$ (73,032)
Net deferred tax (liability) asset	\$ (988,353)	\$ 33,800

The increase in the Company's overall deferred tax liability position is primarily due to the increase in the Company's identified intangible assets recorded as a result of the Merger. The net change in the deferred tax valuation allowances in fiscal 2021 was an increase of \$117.9 million primarily resulting from the Merger.

The valuation allowance at November 30, 2021 primarily relates to carryforwards for foreign net operating losses and foreign tax credits in the United States. The valuation allowance at November 30, 2020 relates primarily to certain state and foreign net operating loss carryforwards and state credits. The Company considers all positive and negative evidence available in determining the potential of realizing deferred tax assets. To the extent that the Company generates consistent taxable income within those operations with valuation allowances, the Company may reduce the valuation allowances, thereby reducing income tax expense and increasing net income in the period the determination is made.

The Company's net operating loss carryforwards totaled \$430.2 million at November 30, 2021. The majority of the net operating losses have an indefinite carryforward period with the remaining portion expiring in fiscal years 2022 through 2038. In addition, the Company has an immaterial net amount of state net operating losses. The Company's foreign tax credit carryforwards in the United States totaled \$54.8 million at November 30, 2021. The foreign tax credits have a ten-year carryforward period, and the majority is set to expire in fiscal year 2028.

The reconciliation of the statutory United States federal income tax rate to the Company's effective income tax rate is as follows:

	Fiscal Years Ended November 30,		
	2021	2020	2019
United States federal statutory income tax rate	21.0%	21.0%	21.0%
State income taxes, net of federal income tax benefit	2.5	2.4	3.0
Global intangible low taxed income	0.6	0.3	0.5
Tax on foreign earnings different than US federal rate	1.6	1.7	1.8
Net changes in deferred tax valuation allowances	(0.4)	—	—
Adjustments related to the Tax Cuts and Jobs Act	—	—	(3.1)
Interest not subject to tax, net	0.2	(1.8)	1.0
Capital loss carryback	(9.6)	—	—
Net changes in reserves for uncertain tax positions	(0.7)	—	—
Other, net	0.1	(0.4)	(0.8)
Effective income tax rate	15.3%	23.3%	23.5%

In connection with the Merger, the Company restructured its foreign financing structure, as well as select legal entities in anticipation of legally integrating legacy Tech Data and SYNEX foreign operations. In addition to the treasury efficiencies, these restructurings resulted in a one-time domestic capital loss which would offset certain domestic capital gains when carried back under United States tax law to tax year 2020, resulting in a tax benefit of approximately \$45 million.

The Company's United States business has sufficient cash flow and liquidity to fund its operating requirements and the Company expects and intends that profits earned outside the United States will be fully utilized and reinvested outside of the United States.

As of November 30, 2021, the Company had approximately \$619.7 million of undistributed earnings of its non-U.S. subsidiaries for which it has not provided for non-U.S. withholding taxes and state taxes because such earnings are intended to be reinvested indefinitely in international operations. It is not practicable to determine the amount of applicable taxes that would be due if such earnings were distributed. Accordingly, the Company has not provisioned United States state taxes and foreign withholding taxes on non-U.S. subsidiaries for which the earnings are permanently reinvested.

The Company has been granted tax holidays in certain jurisdictions, primarily, China. The tax holidays provide for lower rates of taxation and require various thresholds of investment and business activities in those jurisdictions. Certain tax holidays begin to expire in fiscal year 2021. The tax benefits from the above tax holidays for fiscal years 2021, 2020 and 2019 were not material.

The estimates and assumptions used by the Company in computing the income taxes reflected in the Company's consolidated financial statements could differ from the actual results reflected in the income tax returns filed during the subsequent year. Adjustments are recorded based on filed returns when such returns are finalized or the related adjustments are identified.

The aggregate changes in the balances of gross unrecognized tax benefits, excluding accrued interest and penalties, during fiscal years 2021, 2020 and 2019 were as follows:

For the year ended November 30:	2021	2020	2019
Gross unrecognized tax benefits at beginning of period	\$ 12,513	\$ 22,445	\$ 17,812
Increases (decreases) in tax positions for prior years and acquisitions	17,579	(880)	2,367
Decreases in tax positions for prior years	-	(3,097)	-
Increases in tax positions for current year	827	1,999	4,816
Expiration of statutes of limitation	(3,768)	(7,486)	(2,535)
Changes due to translation of foreign currencies	(821)	(468)	(15)
Gross unrecognized tax benefits at end of period	\$ 26,330	\$ 12,513	\$ 22,445

As of November 30, 2021, the amount of unrecognized tax benefits that, if recognized, would impact the effective tax rate was \$26.3 million. Unrecognized tax benefits that have a reasonable possibility of significantly decreasing within the 12 months following November 30, 2021 would not have a material impact on the tax rate. The Company recognizes interest and penalties related to unrecognized tax benefits in the provision for income taxes. The Company's accrued interest and penalties at November 30, 2021, would not have a material impact on the effective tax rate if reversed. The provision for income taxes for each of the fiscal years ended November 30, 2021, 2020 and 2019 includes interest expense on unrecognized income tax benefits for current and prior years which is not significant to the Company's Consolidated Statement of Income. The change in the balance of accrued interest for fiscal

2021, 2020 and 2019, includes the current year end accrual, an interest benefit resulting from the expiration of statutes of limitation, and the translation adjustments on foreign currencies.

The Company conducts business primarily in the Americas, Europe and APJ, and as a result, one or more of its subsidiaries files income tax returns in the U.S. federal, various state, local and foreign tax jurisdictions. In the normal course of business, the Company is subject to examination by taxing authorities. The Company is no longer subject to examinations by the Internal Revenue Service for years before fiscal 2018. The Company is no longer subject to foreign or state income tax audits for returns covering years through 2003, and fiscal year 2010, respectively.

In preparation of the Separation, SYNnex entered into a Tax Matters Agreement with Concentrix effective on December 1, 2020 that governs the rights and obligations of SYNnex and Concentrix for certain pre-Separation tax liabilities. The Tax Matters Agreement provides that SYNnex and Concentrix will share certain pre-Separation income tax liabilities that arise from adjustments made by tax authorities to SYNnex and Concentrix' U.S. and certain non-U.S. income tax returns. In certain jurisdictions SYNnex and Concentrix have joint and several liability for past income tax liabilities and accordingly, SYNnex could be legally liable under applicable tax law for such liabilities and required to make additional tax payments.

In addition, if the distribution of Concentrix' common shares to the SYNnex stockholders is determined to be taxable, Concentrix and SYNnex would share the tax liability equally, unless the taxability of the distribution is the direct result of action taken by either Concentrix or SYNnex subsequent to the distribution in which case the party causing the distribution to be taxable would be responsible for any taxes imposed on the distribution.

NOTE 18—COMMITMENTS AND CONTINGENCIES:

As is customary in the technology industry, to encourage certain customers to purchase products from us, the Company also has other financing agreements with financial institutions to provide inventory financing facilities to the Company's customers and allow certain customers of the Company to finance their purchases directly with the financial institutions. The Company is contingently liable to repurchase inventory sold under these agreements in the event of any default by its customers under the agreement and such inventory being repossessed by the financial institutions. As the Company does not have access to information regarding the amount of inventory purchased from the Company, still on hand with the customer at any point in time, the Company's repurchase obligations relating to inventory cannot be reasonably estimated. Losses, if any, would be the difference between the repossession cost and the resale value of the inventory. Repurchases under these arrangements have been insignificant to date and the Company is not aware of any pending customer defaults or repossession obligations. The Company believes that, based on historical experience, the likelihood of a material loss pursuant to these inventory repurchase obligations is remote.

The French Autorité de la Concurrence ("Competition Authority") began in 2013 an investigation into the French market for certain products of Apple, Inc., ("Apple") for which the Company is a distributor. In March 2020, the Competition Authority imposed fines on Tech Data, on another distributor, and on Apple, finding that Tech Data entered into an anticompetitive agreement with Apple regarding volume allocations of Apple products. The fine imposed on Tech Data was €76 million (approximately \$86 million as of November 30, 2021). The Company has vigorously contested the arguments of the Competition Authority, and the Company has appealed its determination to the French courts, seeking to set aside or reduce the fine. Although the Company believes it has strong arguments on appeal, the Company has determined that the best estimate of probable loss related to this matter as of November 30, 2021 is €36 million (approximately \$41 million as of November 30, 2021). Under French law, the pendency of the Company's appeal does not suspend the obligation to pay the fine. Tech Data agreed with the French authorities to make eight equal installment payments in relation to the fine assessed for a total amount of €22.8 million on a quarterly basis from January 2021 through October 2022. As of November 30, 2021, the Company has an accrual established for this matter of €24.6 million (\$27.7 million as of November 30, 2021) that represents the total estimate of probable loss less installment payments made to date. If the appeal process is not completed prior to the end of December 2022, the Company may be required to pay further amounts towards the full fine assessed by the Competition Authority before the Company's appeal is finally determined. However, any additional amounts that may need to be paid have not yet been determined. Additionally, the Company has provided a third-party surety bond to the Competition Authority to guarantee the payment of the amount of the fine and interest, if applicable. A civil lawsuit related to this matter, alleging anticompetitive actions in association with the established distribution networks for Apple, Tech Data and another distributor was filed by eBizcuss. The Company is currently evaluating this matter and cannot currently estimate the probability or amount of any potential loss.

From time to time, the Company receives notices from third parties, including customers and suppliers, seeking indemnification, payment of money or other actions in connection with claims made against them. Also, from time to time, the Company has been involved in various bankruptcy preference actions where the Company was a supplier to the companies now in bankruptcy. In addition, the Company is subject to various other claims, both asserted and unasserted, that arise in the ordinary course of business. The Company evaluates these claims and records the related liabilities. It is possible that the ultimate liabilities could differ from the amounts recorded.

Under the Separation and Distribution agreement, SYNnex agreed to indemnify Concentrix, each of its subsidiaries and each of their respective directors, officers and employees from and against all liabilities relating to, arising out of or resulting from, among

other matters, the liabilities allocated to SYNEX as part of the Separation. Similarly, Concentrix agreed to indemnify SYNEX, each of its subsidiaries and each of their respective directors, officers and employees from and against all liabilities relating to, arising out of or resulting from, among other matters, the liabilities allocated to Concentrix as part of the Separation. SYNEX expects Concentrix to fully perform under the terms of the Separation and Distribution agreement.

Under the Separation and Distribution agreement, SYNEX and Concentrix agreed to cooperate with each other in managing litigation related to both companies' businesses. The Separation and Distribution agreement also included provisions that assign to each company responsibility for managing pending and future litigation related to the general corporate matters of SYNEX arising prior to the Separation.

The Company does not believe that the above commitments and contingencies will have a material adverse effect on the Company's results of operations, financial position or cash flows.

TD SYNnex CORPORATION

SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS

For the Fiscal Years Ended November 30, 2021, 2020 and 2019

(in thousands)

(Amounts may not add due to rounding)

	<u>Balances at Beginning of Fiscal Year</u>	<u>Additions/Deductions Charged to Revenue and Expense, net</u>	<u>Additions from Acquisitions</u>	<u>Reclassifications and Write-offs</u>	<u>Balances at End of Fiscal Year</u>
Fiscal Year Ended					
November 30, 2019					
Allowance for sales returns-gross	\$ 56,183	\$ 20,875	\$ —	\$ (4)	\$ 77,054
Allowance for deferred tax assets	5,807	419	—	—	6,226
Fiscal Year Ended					
November 30, 2020					
Allowance for sales returns-gross	\$ 77,054	\$ 17,385	—	\$ 183	\$ 94,622
Allowance for deferred tax assets	6,226	(734)	—	—	5,492
Fiscal Year Ended					
November 30, 2021					
Allowance for sales returns-gross	\$ 94,622	\$ (12,241)	\$ 89,321	\$ 167	\$ 171,869
Allowance for deferred tax assets	5,492	-	120,411	(2,468)	123,435

Item 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure*

None.

Item 9A. *Controls and Procedures*

Evaluation of disclosure controls and procedures

We maintain “disclosure controls and procedures,” as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”), that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. In designing and evaluating our disclosure controls and procedures, management recognized that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Our disclosure controls and procedures have been designed to meet reasonable assurance standards. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Based on their evaluation as of the end of the period covered by this Report, our Chief Executive Officer (our principal executive officer) and Chief Financial Officer (our principal financial officer) have concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Management’s Report on internal control over financial reporting

Management’s Report on internal control over financial reporting on page 48, and the attestation report of KPMG LLP, an independent registered public accounting firm on page 49, is incorporated herein by reference.

Changes in internal control over financial reporting

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) identified in connection with management’s evaluation during our last quarter of fiscal 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. *Other Information*

None.

Item 9C. *Disclosure Regarding Foreign Jurisdictions that Prevent Inspections*

Not Applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item (with respect to Directors) is incorporated by reference from the information under the caption “Election of Directors” “Corporate Governance -- Organization of the Board of Directors” contained in our Proxy Statement to be filed with the Securities and Exchange Commission in connection with the solicitation of proxies for our 2022 Annual Meeting of Stockholders to be held on March 15, 2022 (the “Proxy Statement”). Certain information required by this item concerning executive officers is set forth in Part I of this Report under the caption “Information About Our Executive Officers.”

Item 405 of Regulation S-K calls for disclosure of any known late filing or failure by an insider to file a report required by Section 16(a) of the Exchange Act. To the extent disclosure for delinquent reports is being made, it can be found under the caption “Delinquent Section 16(a) Reports” in the Proxy Statement and is incorporated herein by reference.

We have adopted a code of ethics that applies to all of our employees, including our principal executive officer, our principal financial and accounting officer, our controllers and persons performing similar functions. This code of ethics, called a Code of Ethical Business Conduct, is available free of charge on our public website (www.tdsynnex.com) on the investor relations webpage. Future amendments or waivers relating to the code of ethics will be disclosed on the webpage referenced in this paragraph within five (5) business days following the date of such amendment or waiver.

Item 11. Executive Compensation

The information required by this item is incorporated by reference from the information under the captions “Corporate Governance -- 2021 Directors’ Compensation Table,” “Corporate Governance -- Narrative to Directors’ Compensation Table,” “Executive Compensation,” and “Corporate Governance -- Compensation Committee Interlocks and Insider Participation” contained in the Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item with respect to security ownership of certain beneficial owners and management is incorporated by reference from the information under the caption “Security Ownership of Certain Beneficial Owners and Management” contained in the Proxy Statement.

Equity Compensation Plan Information

The following table sets forth certain information regarding our equity compensation plans as of November 30, 2021:

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plan approved by security holders	688,752 ⁽¹⁾	\$ 66.29	5,629,065 ⁽²⁾⁽³⁾
Equity compensation plan not approved by security holders	-	-	-
Total	688,752 ⁽¹⁾	\$ 66.29	5,629,065 ⁽²⁾⁽³⁾

- (1) Includes the number of shares to be issued under our 2003, 2013 and 2020 Plans. Please see [Note 6 - Share-Based Compensation](#) of the Notes to the Consolidated Financial Statements for further information regarding the plans.
- (2) Includes the number of shares reserved for issuance under our 2020 Plan. The number of shares initially authorized for issuance under our 2020 Plan will not exceed the sum of (i) 2,493,196 shares of common stock plus (ii) any shares under the 2013 Plan that are subject to outstanding awards to the extent those awards expire, terminate or are canceled for any reason prior to exercise without the issuance or delivery of such shares, any shares subject to vesting restrictions that are subsequently forfeited, and any reserved shares not issued or subject to outstanding awards and (iii) any shares that are subject to outstanding options under the 2003 Plan to the extent those options expire, terminate, or are canceled for any reason prior to exercise without the issuance or delivery of such shares, up to a maximum of 1,443,193 shares. Due to antidilution provisions in the 2020 TD SYNEX Plan the number of authorized shares was increased by 2,620,859 shares following the Separation. Please see [Note 6 - Share-Based Compensation](#) of the Notes to the Consolidated Financial Statements for further information regarding the TD SYNEX Plans.
- (3) Includes 1,074,095 shares available-for-sale pursuant to our 2014 Employee Stock Purchase Plan. Shares of common stock will be purchased at a price equal to 95% of the fair market value per share of common stock on either the first trading day of the offering period or on the last trading day of the accumulation period, whichever is lower. See [Note 6 - Share-Based Compensation](#) of the Notes to the Consolidated Financial Statements for further information regarding the 2014 Employee Stock Purchase Plan.

Item 13. *Certain Relationships and Related Transactions, and Director Independence*

The information required by this item is incorporated by reference from the information contained under the caption “Certain Relationships and Related Party Transactions” and “Election of Directors” contained in the Proxy Statement.

Item 14. *Principal Accounting Fees and Services*

The information required by this item is incorporated by reference from the information contained under the caption “Ratification of the Appointment of Independent Registered Public Accountants” contained in the Proxy Statement.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) Documents filed as part of this report:

(1) Financial Statements

See Index under Item 8.

(2) Financial Statements Schedule

See Index under Item 8.

(3) Exhibits

See Item 15(b) below. Each compensatory plan required to be filed has been identified.

(b) Exhibits.

Exhibit Number	Description of Document
2.1+	Agreement and Plan of Merger, dated as of March 22, 2021, by and among SYNnex, Spire Sub I, Inc., Spire Sub II, LLC, and Tiger Parent (AP) Corporation (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on March 22, 2021).
3(i).1	Restated Certificate of Incorporation.
3(ii).1	Amended and Restated Bylaws.
4.1	Description of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.
4.2	Indenture, dated as of August 9, 2021, by and between SYNnex Corporation and Citibank, N.A., as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on August 9, 2021).
4.3	First Supplemental Indenture, dated as of August 9, 2021, between SYNnex Corporation and Citibank, N.A., as trustee (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on August 9, 2021).
4.4	Second Supplemental Indenture, dated as of August 9, 2021, between SYNnex Corporation and Citibank, N.A., as trustee (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on August 9, 2021).
4.5	Third Supplemental Indenture, dated as of August 9, 2021, between SYNnex Corporation and Citibank, N.A., as trustee (incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed on August 9, 2021).
4.6	Fourth Supplemental Indenture, dated as of August 9, 2021, between SYNnex Corporation and Citibank, N.A., as trustee (incorporated by reference to Exhibit 4.5 to the Company's Current Report on Form 8-K filed on August 9, 2021).
4.7	Form of \$700,000,000 1.250% Senior Notes due 2024 (included as Exhibit A to Exhibit 4.2) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on August 9, 2021).
4.8	Form of \$700,000,000 1.750% Senior Notes due 2026 (included as Exhibit A to Exhibit 4.3) (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on August 9, 2021).
4.9	Form of \$600,000,000 2.375% Senior Notes due 2028 (included as Exhibit A to Exhibit 4.4) (incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed on August 9, 2021).
4.10	Form of \$500,000,000 2.650% Senior Notes due 2031 (included as Exhibit A to Exhibit 4.5) (incorporated by reference to Exhibit 4.5 to the Company's Current Report on Form 8-K filed on August 9, 2021).

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4.11	<u>Registration Rights Agreement, dated as of August 9, 2021, by and between SYNnex Corporation and Citigroup Global Markets Inc., as representative of the initial purchasers of the Notes (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on August 9, 2021).</u>
4.12	<u>MiTAC Letter Agreement, dated as of September 3, 2021, by and between SYNnex Corporation, Silver Star Developments Ltd. And Peer Developments Ltd.</u>
10.1#	<u>Amended and Restated 2003 Stock Incentive Plan and form of agreements thereunder (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2008).</u>
10.2#	<u>Amendment to the Amended and Restated 2003 Stock Incentive Plan, dated November 21, 2008 (incorporated by reference to Exhibit 10.32 to the Company's Annual Report on Form 10-K for the year ended November 30, 2008).</u>
10.3#	<u>Amendment to Amended and Restated 2003 Stock Incentive Plan (incorporated by reference to Exhibit 10.24 to the Company's Annual Report on Form 10-K for the year ended November 30, 2011).</u>
10.4#	<u>Form of Notice of Stock Option Grant (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 2009).</u>
10.5#	<u>Form of Restricted Stock Award (Directors) (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 2009).</u>
10.6#	<u>Form of Notice of Restricted Stock Unit Award (Performance Vesting) (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 4, 2010).</u>
10.7#	<u>SYNNEX Corporation 2013 Stock Incentive Plan (incorporated by reference to the Company's 2013 Proxy Statement on Schedule 14A (File No. 001-31892) filed on February 22, 2013).</u>
10.8#	<u>Amendment No. 1 to the SYNnex Corporation 2013 Stock Incentive Plan (incorporated by reference to the Company's additional definitive proxy materials to the 2013 Proxy Statement on Schedule 14A (File No. 001-31892) filed on March 5, 2013).</u>
10.9#	<u>Amendment No. 2 to the SYNnex Corporation 2013 Stock Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2014).</u>
10.10#	<u>Amendment No. 3 to SYNnex Corporation 2013 Stock Incentive Plan (incorporated by reference to Exhibit 10.53 to the Company's Annual Report on Form 10-K for the year ended November 30, 2016).</u>
10.11#	<u>Amendment No. 4 to SYNnex Corporation 2013 Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended February 28, 2017).</u>
10.12#	<u>Amendment No. 5 to SYNnex Corporation 2013 Stock Incentive Plan (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2018).</u>
10.13#	<u>Form of incentive award agreements related to the SYNnex Corporation 2013 Stock Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended February 28, 2014).</u>
10.14#	<u>SYNNEX Corporation 2020 Stock Incentive Plan (incorporated by reference to the Company's 2020 proxy statement on Schedule 14A (File No. 001-31892) filed on February 10, 2020).</u>
10.15#	<u>Amendment No. 1 to SYNnex Corporation's 2020 Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on April 7, 2020).</u>
10.16#	<u>Amendment No. 2 to SYNnex Corporation 2020 Stock Incentive Plan (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q filed on April 8, 2021).</u>
10.17#	<u>Forms of incentive award agreements related to the 2020 SYNnex Corporation Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on October 9, 2020).</u>

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10.18#	<u>SYNNEX Corporation Deferred Compensation Plan, as amended and restated effective January 1, 2005 (incorporated by reference to Exhibit 10.22 to the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 2007).</u>
10.19#	<u>Amendment to SYNNEX Corporation Deferred Compensation Plan (incorporated by reference to Exhibit 10.25 to the Company's Annual Report on Form 10-K for the year ended November 30, 2011).</u>
10.20#	<u>TD SYNNEX Corporation 2014 Employee Stock Purchase Plan, as amended.</u>
10.21#	<u>SYNNEX Corporation 2016 Management Incentive Plan (incorporated by reference to the Company's 2016 proxy statement on Schedule 14A (File No. 001-31892) filed on February 25, 2016).</u>
10.22#	<u>Offer Letter with Richard Hume dated August 31, 2021 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on September 2, 2021).</u>
10.23#	<u>Employment Agreement, dated as of January 4, 2018, by and between the Company and Dennis Polk (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 9, 2018).</u>
10.24#	<u>Amendment to Offer Letter dated January 4, 2018, by and between SYNNEX Corporation and Dennis Polk (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 26, 2021).</u>
10.25#	<u>Amendment No. 2 to Offer Letter dated September 28, 2021, by and between TD SYNNEX and Dennis Polk (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 28, 2021).</u>
10.26#	<u>Offer Letter, dated as of April 1, 2013, by and between the Company and Marshall Witt (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 3, 2013).</u>
10.27#	<u>Offer Letter, dated as of January 1, 2019, by and between the Company and Michael Urban (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on April 9, 2019).</u>
10.28#	<u>Manager's Agreement Between TS Europe Executive BVBA and Mr. Patrick Zammit, dated as of February 1, 2017 (incorporated by reference to Exhibit 10-20 to Tech Data Corporation's Form 10-K filed on March 25, 2020).</u>
10.29#	<u>Addendum to the Manager's Agreement Between TS Europe Executive BVBA and Mr. Patrick Zammit, dated as of February 28, 2017 (incorporated by reference to Exhibit 10-21 to Tech Data Corporation's Form 10-K filed on March 25, 2020).</u>
10.30#	<u>Offer Letter dated January 25, 2021, by and between SYNNEX Corporation and Peter Larocque (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on January 26, 2021).</u>
10.31#	<u>Advisor Agreement with Dwight Steffensen dated August 31, 2021 (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q filed on October 5, 2021).</u>
10.32#	<u>Form of Change of Control Severance Plan (incorporated by reference to Exhibit 10.13 to Amendment No. 1 to the Company's Registration Statement on Form S-1 (File No. 333-108543)).</u>
10.33#	<u>Amendment to SYNNEX Corporation Change of Control Severance Plan (incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 2007).</u>
10.34#	<u>Form of Indemnification Agreement between the Company and its officers and directors (incorporated by reference to Exhibit 10.6 to the Company's Registration Statement on Form S-1 (File No. 333-108543)).</u>
10.35	<u>Master HP Partner Agreement, dated as of March 1, 2011, by and between the Company and Hewlett-Packard Company (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 7, 2011).</u>

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10.36	<u>Joint Sales and Marketing Agreement, dated as of May 6, 2002, by and between the Company and MiTAC International Corporation (incorporated by reference to Exhibit 10.16 to Amendment No. 2 to the Company's Registration Statement on Form S-1 (File No. 333-108543)).</u>
10.37	<u>Separation and Distribution Agreement between SYNEX Corporation and Concentrix Corporation, dated as of November 30, 2020 (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on December 2, 2020).</u>
10.38	<u>Employee Matters Agreement between SYNEX Corporation and Concentrix Corporation, dated as of November 30, 2020 (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on December 2, 2020).</u>
10.39	<u>Tax Matters Agreement between SYNEX Corporation and Concentrix Corporation, dated as of November 30, 2020 (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed on December 2, 2020).</u>
10.40	<u>Master Commercial Agreement between SYNEX Corporation and Concentrix Corporation, dated as of December 1, 2020 (incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K filed on December 2, 2020).</u>
10.41	<u>Investor Rights Agreement dated September 1, 2021 between SYNEX and Tiger Parent Holdings, L.P. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 2, 2021).</u>
10.42	<u>Credit Agreement dated as of April 16, 2021 among SYNEX Corporation and named Initial Lenders and Citibank, N.A. as administrative agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 20, 2021).</u>
10.43	<u>Fifth Amended and Restated Receivables Funding and Administration Agreement, dated as of December 22, 2021, by and among SIT Funding Corporation, TD SYNEX Corporation, the lenders party thereto and The Toronto-Dominion Bank, as agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 29, 2021).</u>
10.44	<u>Twentieth Amendment to Third Amended and Restated Receivables Sale and Servicing Agreement, dated as of December 22, 2021, by and among TD SYNEX Corporation, SIT Funding Corporation, Westcon Group North America, Inc., the originators party thereto, the lenders party thereto, and The Toronto-Dominion Bank, as agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on December 29, 2021).</u>
21.1	<u>Subsidiaries of the Company.</u>
23.1	<u>Consent of KPMG LLP, Independent Registered Public Accounting Firm.</u>
24.1	<u>Power of Attorney (see the signature page of this Report).</u>
31.1	<u>Rule 13a-14(a) Certification of Chief Executive Officer.</u>
31.2	<u>Rule 13a-14(a) Certification of Chief Financial Officer.</u>
32.1*	<u>Statement of the Chief Executive Officer and Chief Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).</u>
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

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- # Indicates management contract or compensatory plan or arrangement.
- * In accordance with Item 601(b)(32)(ii) of Regulation S-K and SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control Over Financial Reporting and Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibit 32.1 hereto are deemed to accompany this Form 10-K and will not be deemed "filed" for purpose of Section 18 of the Exchange Act. Such certifications will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.
- + The schedules and exhibits to this agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the Securities and Exchange Commission upon request.

(c) Financial Statement Schedules.

See Index under Item 8.

Item 16. *Form 10-K Summary*

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: January 28, 2022

TD SYNnex CORPORATION

By: /s/ Richard T. Hume
Richard T. Hume
Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Richard T. Hume and Marshall W. Witt, and each of them, his true and lawful attorneys-in-fact, each with full power of substitution, for him or her in any and all capacities, to sign any amendments to this report on Form 10-K and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact or their substitute or substitutes may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Richard T. Hume</u> Richard T. Hume	Chief Executive Officer (Principal Executive Officer) and Director	<u>January 28, 2022</u>
<u>/s/ Marshall W. Witt</u> Marshall W. Witt	Chief Financial Officer (Principal Financial and Principal Accounting Officer)	<u>January 28, 2022</u>
<u>/s/ Dennis Polk</u> Dennis Polk	Chair of the Board	<u>January 28, 2022</u>
<u>/s/ Robert Kalsow-Ramos</u> Robert Kalsow-Ramos	Vice Chair of the Board	<u>January 28, 2022</u>
<u>/s/ Matthew F.C. Miao</u> Matthew F.C. Miao	Chairman Emeritus of the Board	<u>January 28, 2022</u>
<u>/s/ Ann F. Vezina</u> Ann F. Vezina	Lead Independent Director	<u>January 28, 2022</u>
<u>/s/ Merline Saintil</u> Merline Saintil	Director	<u>January 28, 2022</u>
<u>/s/ Nayaki Nayyar</u> Nayaki Nayyar	Director	<u>January 28, 2022</u>
<u>/s/ Fred A. Breidenbach</u> Fred A. Breidenbach	Director	<u>January 28, 2022</u>
<u>/s/ Matthew Nord</u> Matthew Nord	Director	<u>January 28, 2022</u>
<u>/s/ Hau Lee</u> Hau Lee	Director	<u>January 28, 2022</u>
<u>/s/ Duane E. Zitzner</u> Duane E. Zitzner	Director	<u>January 28, 2022</u>

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February 1, 2022

To our Stockholders:

On behalf of the Board of Directors, it is our pleasure to invite you to the 2022 Annual Meeting of Stockholders for TD SYNEX. The meeting will be held on March 15, 2022 at 10:00 a.m. Pacific Time/1:00 pm Eastern Time, at our co-headquarters at 5350 Tech Data Drive, Clearwater, Florida 33760.

Pursuant to rules and regulations adopted by the Securities and Exchange Commission, we have elected to provide access to our proxy materials online. On or about February 1, 2022, we mailed to our stockholders a notice containing instructions on how to access our 2022 Proxy Statement and Annual Report and how to vote online.



The Notice of the 2022 Annual Meeting of Stockholders and this Proxy Statement contain details of the business to be conducted during the Annual Meeting.

Your vote is very important. Whether or not you plan to attend the meeting in person, please take the time to cast your vote. You may vote online, by telephone, or (if you have requested a paper copy of our proxy materials) by mail, and, in doing so, you will ensure your representation at the Annual Meeting.

We appreciate your continued support and investment in TD SYNEX.

Sincerely,

A handwritten signature in blue ink, appearing to read 'R. T. Hume'.

Richard T. Hume
Chief Executive Officer

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held March 15, 2022

To our Stockholders:

TD SYNEX Corporation will hold its Annual Meeting of Stockholders ("Annual Meeting") at 10:00 a.m., Pacific Time / 1:00 pm Eastern Time, on March 15, 2022, at 5350 Tech Data Drive, Clearwater, Florida 33760, for the following purposes:

- to elect eleven directors to serve until the 2023 Annual Meeting or until their successors are duly elected and qualified;
- to hold an advisory vote on named executive officer compensation;
- to ratify the appointment of KPMG LLP as our independent registered public accountants;
- to adopt an amendment to the TD SYNEX Certificate of Incorporation to waive the corporate opportunity doctrine with respect to certain directors and certain other parties; and
- to transact such other business as may properly come before the Annual Meeting and any adjournments or postponements of the Annual Meeting.

Only stockholders of record at the close of business on January 21, 2022 are entitled to notice of, and to vote at this Annual Meeting and any adjournments or postponements thereof. For ten days prior to the Annual Meeting, a complete list of stockholders entitled to vote will be available at the Company's office at 44201 Nobel Drive, Fremont, California 94538.

It is important that your shares are represented at the Annual Meeting. Even if you plan to attend, we encourage you to vote your shares of TD SYNEX common stock on the Internet, by toll-free telephone call or, if you have requested a paper copy of our proxy materials, by signing, dating and returning the proxy card in the envelope provided. This will not limit your rights to attend or vote at the Annual Meeting.

By Order of the Board of Directors,

A handwritten signature in blue ink, appearing to read "David Vetter", positioned above a horizontal line.

David Vetter
Chief Legal Officer and Corporate Secretary

Fremont, California
February 1, 2022

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to Be Held on March 15, 2022

Under rules adopted by the Securities and Exchange Commission, the Company is making this Proxy Statement and the Company's Annual Report to Stockholders available on the Internet instead of mailing a printed copy of these materials to each stockholder. Stockholders who received a Notice of Internet Availability of Proxy Materials (the "Notice") by mail will not receive a printed copy of these materials other than as described below. Instead, the Notice contains instructions as to how stockholders may access and review all of the important information contained in the materials on the Internet, including how shareholders may submit proxies. **If you received the Notice by mail and would prefer to receive a printed copy of the Company's proxy materials, please follow the instructions for requesting printed copies included in the Notice.**

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PROXY SUMMARY

This summary highlights information contained elsewhere in this Proxy Statement and does not contain all of the information that you should consider. You should read the entire Proxy Statement carefully before voting.

Annual Meeting

- Date and Time March 15, 2022 at 10:00 a.m. Pacific Time/1:00 pm Eastern Time
- Place 5350 Tech Data Drive, Clearwater, Florida 33760
- Record Date and Voting January 21, 2022
Stockholders as of the record date are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and one vote for each of the other proposals to be voted on.

Meeting Agenda and Voting Matters

Proposal (1) *Election of Directors*. Each director nominee is elected annually by a plurality vote. We are asking stockholders to vote FOR each director nominee. All of our director nominees have experience or qualifications in, among other areas, Leadership, Strategy, Business Management, Mergers and Acquisitions, and Board Governance; their additional experience and qualifications are listed below.

Name and Principal Occupation	Age	Director Since	Experience/Qualifications	Independent	Committee Membership
Dennis Polk <i>Executive Chair</i> Former President and CEO until September 1, 2021 TD SYNEX Corporation	55	2012	Distribution, Finance, Supply-Chain Logistics, International Business, Operational Management		
Robert Kalsow-Ramos <i>Vice Chair</i> Partner in Private Equity Apollo Global Management, Inc.	35	2021	Investments, Technology, Services, Banking, Economics, Public and Private Markets		

Name and Principal Occupation	Age	Director Since	Experience/Qualifications	Independent	Committee Membership
Ann Vezina <i>Lead Independent Director</i> Former Corporate Vice President, Human Resources Xerox Business Services LLC	58	2017	Personnel Management, Technology, International Business, Operational Management	X	Audit
Richard Hume <i>President and CEO Director</i> (Former President and CEO of Tech Data Corporation) TD SYNEX Corporation	62	2021	Distribution, Technology, Supply-Chain Logistics, Manufacturing, International Business, Operational Management, Global Business Transformation		
Fred Breidenbach <i>Director</i> Principal, FA Breidenbach & Associates and Former President and COO of Gulfstream Aerospace Corporation	75	2003	Manufacturing, Supply-Chain Logistics, International Business, Operational Management	X	Compensation Nominating
Hau Lee <i>Director</i> Professor of Operations, Information and Technology, Stanford University Graduate School of Business	69	2012	Technology, Supply-Chain Logistics, International Business	X	Compensation (Chair) Nominating

Name and Principal Occupation	Age	Director Since	Experience/Qualifications	Independent	Committee Membership
Matthew Miao <i>Director</i> Chairman, MiTAC Holdings Corporation, Synnex Technology International Corp., UPC Technology Corp., and Lien Hwa Industrial Corp.	75	1992	Distribution, Manufacturing, International Business, Long-Term Investor Perspective		
Nayaki Nayyar <i>Director</i> President and Chief Product Officer Ivanti, Inc.	51	2021	Technology, Security, Service and Operations, Artificial Intelligence (AI); Internet of Things (IoT); Software	X	Nominating (Chair) Compensation
Matthew Nord <i>Director</i> Co-Head of Private Equity Apollo Global Management, Inc.	42	2021	Banking, Equity Firm, Technology, Design, Economics, Public and Private Markets		
Merline Saintil <i>Director</i> Lead Independent Director Rocket Lab USA, Inc.	45	2021	Technology, Business, Operations, Risk, Cybersecurity, Software Engineering, Business Operations	X	Audit

Name and Principal Occupation	Age	Director Since	Experience/Qualifications	Independent	Committee Membership
Duane Zitzner <i>Director</i> Consultant and Former Executive Vice President, Personal Systems Group Hewlett-Packard Company	74	2007	Manufacturing, Technology, Supply-Chain Logistics, International Business	X	Audit (Chair)

Proposal (2) *Advisory Vote on Executive Compensation*. We are asking stockholders to approve on an advisory basis our named executive officer compensation. The Board recommends a FOR vote because it believes that our compensation policies and practices are effective in achieving our goals of recognizing sustained financial and operating performance and leadership excellence. Our named executive officers include legacy SYNEX Corporation and legacy Tech Data Corporation officers, whose fiscal year compensation elements were determined prior to the merger transactions between us and continued after the merger.

2021 Executive Compensation Elements

Type	Form	Terms
Equity	<ul style="list-style-type: none"> • Stock Options • Restricted Stock Awards • Restricted Stock Units 	<p>Options generally vest 20% on the first anniversary of the grant date and 1/60th per month thereafter while employed.</p> <p>RSAs generally vest 20% per year while employed. Special RSAs for recognition of work related to the spin-off of Concentrix and the merger transactions related to Tech Data Corporation have special vesting terms, as described in the notes to the Grants of Plan-Based Awards table on page 52.</p> <p>Long-Term Incentive RSUs generally cliff vest after three years, contingent upon achievement of three-year Company performance measures and continuous employment during the three-year period.</p> <p>Due to the postponement of the 2020 LTI program, there was an additional 2021 LTI program with RSUs that generally cliff vest after two years, contingent upon achievement of two-year Company performance measures and continuous employment during the two-year period.</p>
Cash	<ul style="list-style-type: none"> • Salary • Management Incentive Bonus 	<p>Generally eligible for annual increases.</p> <p>Based on achievement of Company fiscal year performance goals and individual performance.</p>
Other	<ul style="list-style-type: none"> • Benefits 	<p>Medical, Dental and Vision Insurance, Life Insurance, 401(k) contributions.</p>

Pursuant to the terms of the agreements related to the merger transactions involving Tech Data Corporation and us, during fiscal year 2021, we continued the pre-merger base salaries of legacy Tech Data executive officers and have continued the pre-merger Tech Data annual bonus program for executive officers who were legacy Tech Data executive officers.

Proposal (3) *Ratification of Auditors*. As a matter of good corporate governance, we are asking our stockholders to vote FOR the ratification of the selection of KPMG LLP as our independent auditors for 2022.

Proposal (4) *Corporate Opportunity Charter Amendment*. We are asking our stockholders to vote FOR the adoption of an amendment to the TD SYNEX Certificate of Incorporation to waive the corporate opportunity doctrine with respect to certain directors and certain other parties, in the form attached as Annex A.

Fiscal 2021 Transformative Events

Two events transformed us during fiscal year 2021 and are important to note as background for the proposals that we will present to our stockholders at the Annual Meeting. The events led to changes to our business as well as to the composition of our executive team and Board. First, on December 1, 2020, we completed the separation of our Concentrix business from our Company (the “Spin-off”), which resulted in two independent, publicly traded companies: SYNEX Corporation and Concentrix Corporation.

Then, on September 1, 2021, SYNEX Corporation acquired Tech Data Corporation through a series of two mergers, which are described below, and such acquisition is described herein as the “Mergers”. As a result of the Mergers, Tech Data Corporation, a Florida corporation (“Tech Data”) became an indirect subsidiary of TD SYNEX Corporation. The acquisition was completed pursuant to the terms and conditions of the Agreement and Plan of Merger (the “Merger Agreement”), dated March 22, 2021 by and among the Company, Spire Sub I, Inc., a Delaware corporation and a wholly owned subsidiary of the Company (“Merger Sub I”), Spire Sub II, LLC, a Delaware limited liability company and a wholly owned subsidiary of the Company (“Merger Sub II”), and Tiger Parent (AP) Corporation, a Delaware corporation (“Tiger Parent”), which is the parent corporation of Tech Data, pursuant to which, subject to the terms and conditions of the Merger Agreement, Merger Sub I merged with and into Tiger Parent (the “Initial Merger”), with Tiger Parent surviving the Initial Merger as a wholly owned subsidiary of the Company (such surviving corporation, the “Surviving Corporation”), followed immediately by the merger of the Surviving Corporation with and into Merger Sub II (the “Subsequent Merger”) and together with the Initial Merger, the “Mergers”), with Merger Sub II surviving the Subsequent Merger as a wholly owned subsidiary of the Company. Our combined company was renamed TD SYNEX Corporation.

Pursuant to the Merger Agreement at the effective time of the Initial Merger and in consideration for all the issued and outstanding common shares of Tiger Parent, we paid to Tiger Parent Holdings, L.P. (“Tiger Holdings”), an affiliate of Apollo Management IX, L.P., consideration of \$1,610,000,000 in cash (\$1,110,000,000 in cash after giving effect to the \$500,000,000 equity contribution by Tiger Holdings to Tiger Parent prior to the effective time) and 44,000,000 shares of our common stock. As a result of the Mergers, Tiger Holdings became the holder of approximately 46% of our common stock at the time.

Pursuant to the Merger Agreement, on September 1, 2021, Dennis Polk resigned as our Chief Executive Officer and was appointed as the Executive Chair of our Board, and Richard Hume was appointed as our Chief Executive Officer and a member of our Board.

In connection with the completion of the Mergers, we entered into an Investor Rights Agreement (the “Investor Rights Agreement”) with Tiger Holdings. Pursuant to the Investor Rights Agreement, the Apollo Entities have the right to nominate a certain number of directors for our Board (the “Apollo Directors”), depending on the

percentage of the outstanding shares of our common stock held by the Apollo Entities. The initial Apollo Directors are Robert Kalsow-Ramos, Nayaki Nayyar, Matthew Nord, and Merline Saintil, and such directors are being nominated by the Board in this proxy statement. The Investor Rights Agreement also provides that, of the remaining directors who are not Apollo Directors, one director shall be the then-serving Chief Executive Officer of the Company, currently Richard Hume, and the other directors will be nominated in accordance with the provisions of our bylaws and Certificate of Incorporation, currently, and as proposed herein, Dennis Polk, Fred Breidenbach, Hau Lee, Matthew Miao, Ann Vezina and Duane Zitzner. The Apollo Directors must fulfill their pro rata portion of any diversity requirements pursuant to law, stock exchange rules, or other regulatory requirements based on the percentage of the Board consisting of Apollo Directors. For more information on the directors being nominated herein, see “*Proposal 1. Election of Directors*”.

Under the Investor Rights Agreement, we have waived the corporate opportunity doctrine to the extent permitted under the Delaware General Corporation Law with respect to the Apollo Directors and Apollo Entities, so long as such person is not an employee of the Company or our subsidiaries (the “Covered Persons”). Specifically, we agreed that the Covered Persons do not have a duty to refrain from: (i) investing in or conducting any business of any kind, (ii) doing business with our or any of our affiliates’ clients, customers, vendors or lessors, or (iii) making any investments in any kind of property in which we may make investments. Further, we agreed, among other things, subject to any express agreement otherwise that may from time to time be in effect, that if a Covered Person acquires knowledge of a potential transaction which may constitute a corporate opportunity for both (a) the Covered Person outside of his or her capacity as a member of the Board and (b) the Company, then the Covered Person shall not have any duty to offer or communicate information regarding such corporate opportunity to us, and we renounced any interest or expectancy in any potential transaction or matter of which the Covered Person acquires knowledge, except for any corporate opportunity which is expressly offered to a Covered Person in writing solely in his or her capacity as a member of the Board, or as expressly agreed otherwise. Additionally, as required by the Merger Agreement, we are asking TD SYNEX’ stockholders to consider and vote on a proposal to adopt an amendment to the TD SYNEX Certificate of Incorporation, pursuant to which TD SYNEX shall waive the corporate opportunity doctrine with respect to certain directors and certain other parties. For more information see “*Proposal 4. Corporate Opportunity Charter Amendment Proposal*.”

TD SYNnex CORPORATION

PROXY STATEMENT

INFORMATION CONCERNING VOTING AND SOLICITATION

This Proxy Statement is being furnished to you in connection with the solicitation by the Board of Directors (the “Board”) of TD SYNnex Corporation, a Delaware corporation, of proxies to be used at our 2022 Annual Meeting of Stockholders (the “Annual Meeting”) and any adjournments or postponements thereof.

Our Annual Meeting will be held at our co-headquarters at 5350 Tech Data Drive, Clearwater, Florida 33760 at 10:00 a.m., Pacific Time/1:00 pm Eastern Time, on March 15, 2022. The Notice is being mailed to stockholders on February 1, 2022.

Appointment of Proxy Holders

The Board asks you to appoint Richard Hume and David Vetter as your proxy holders to vote your shares at the Annual Meeting. You make this appointment by using one of the voting methods described below.

If appointed by you, the proxy holders will vote your shares as you direct on the matters described in this Proxy Statement. In the absence of your direction, they will vote your shares as recommended by the Board.

Unless you otherwise indicate, you also authorize your proxy holders to vote your shares on any matters not known by the Board at the time this Proxy Statement was distributed and which, under our Bylaws, may be properly presented for action at the Annual Meeting.

Who Can Vote

Only stockholders who owned shares of our common stock at the close of business on January 21, 2022, the record date for the Annual Meeting, can vote at the Annual Meeting. As of the close of business on the record date, we had 96,394,143 shares of common stock outstanding and entitled to vote. Each holder of common stock is entitled to one vote for each share held as of the record date. There is no cumulative voting in the election of directors.

How You Can Vote

You may vote your shares at the Annual Meeting in one of several ways, depending on how you own your shares.

By Internet. Stockholders of record may vote or submit proxies by following the Internet voting instructions described in the proxy card. Most stockholders who hold shares beneficially in street name may provide voting instructions by accessing the website specified on the voting instruction form provided by their brokers, banks or nominees rather than following the instructions on the proxy card. Please check the voting instruction form for Internet voting availability. The deadline for Internet voting is 11:59 p.m., Eastern Daylight Time, the day before the meeting date.

Voting by Telephone. Stockholders of record may vote or submit proxies by following the telephone voting instructions described in the proxy card. Most stockholders who hold shares beneficially in street name may provide voting instructions by telephone by calling the number specified on the voting instruction form provided by their brokers, banks or nominees rather than following instructions on the proxy card. Please check the voting instruction form for telephone voting availability. Please be aware that if you submit voting instructions by telephone, you may incur costs such as telephone access charges for which you will be responsible. The deadline for telephone voting is 11:59 p.m., Eastern Daylight Time, the day before the meeting date.

Voting by Mail. If you have requested and receive paper copies of our proxy materials by mail, you may vote by dating, signing and returning your proxy card in the postage-prepaid return envelope provided. Sign your name exactly as it appears on the proxy. Stockholders who hold shares beneficially in street name may provide voting instructions by mail by completing, signing and dating the voting instruction forms provided by their brokers, banks or other nominees.

Voting at the Annual Meeting. You may vote in person at the Annual Meeting. If you hold shares through a bank or broker, you must obtain a proxy, executed in your favor, from the bank or broker to be able to vote at the Annual Meeting. Voting by mail, telephone or Internet will not limit your right to vote at the Annual Meeting, if you decide to attend in person.

The Board recommends that you vote by Internet, telephone or by mail, as it is not practical for most stockholders to attend the Annual Meeting. Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy or vote online or by telephone so that your vote will be counted if you later decide not to attend the Annual Meeting. Giving a proxy will not affect your right to vote your shares if you attend the Annual Meeting and want to vote in person.

If you properly complete your proxy via the telephone or Internet, or by mail, then your shares will be voted as you direct. If you properly complete your proxy but do not mark your voting preference, the proxy holders will vote your shares **FOR** the election of the nominees for director, **FOR** the approval of our executive compensation, **FOR** the ratification of the appointment of independent registered public accountants, and **FOR** the adoption of an amendment to the TD SYNEX Certificate of Incorporation to waive the corporate opportunity doctrine with respect to certain directors and certain other parties.

Revocation of Proxies

Stockholders of record can revoke their proxies or change their vote at any time before they are exercised in any of three ways:

- by submitting written notice of revocation to the Corporate Secretary prior to the Annual Meeting;
- by submitting a later-dated vote or another properly executed proxy of a later date prior to the Annual Meeting; or
- by voting in person at the Annual Meeting.

Beneficial stockholders can revoke any prior voting instructions by contacting the broker, bank, or other nominee that holds their shares or by voting in person at the Annual Meeting.

Required Vote

Directors are elected by a plurality vote with stockholders having the option to either vote “for” each director or to “withhold” their vote. Under the plurality vote standard, the eleven nominees receiving the most “for” votes will be elected, however the Board has adopted a policy for director elections whereby if a director receives a greater number of votes “withheld” than votes “for”, the Board will review the outcome and make a determination as to the proper remedy. In its review, the Board will consider the totality of the circumstances surrounding the vote to evaluate the situation, and is authorized to remedy the situation as it deems appropriate, including requesting that the affected director resign from the Board. A “withhold” vote as to any director nominee will have no effect on the vote’s outcome because the candidates who receive the highest number of affirmative votes are elected, however, “withhold” votes may prevent a director from obtaining a majority of “for” votes, which would trigger the aforementioned additional Board scrutiny.

The proposal to adopt an amendment to the TD SYNEX Certificate of Incorporation, pursuant to which TD SYNEX shall waive the corporate opportunity doctrine with respect to certain directors and certain other parties requires the affirmative vote of the holders of a majority of the outstanding shares of TD SYNEX common stock. This means that of the outstanding shares of common stock, a majority of them must be voted “for” the proposal for it to be approved. Abstentions on this matter have the same effect as a vote “against” such matter.

All other matters submitted for stockholder approval require the affirmative vote of the holders of a majority of shares present in person or represented by proxy and entitled to vote, meaning that of the shares represented at the meeting and entitled to vote, a majority of them must be voted “for” the proposals for them to be approved. Abstentions on these other matters are treated as shares present or represented and entitled to vote on that matter and have the same effect as a vote “against” such matter.

A quorum, which is a majority of the outstanding shares as of the record date, must be present to hold the Annual Meeting. A quorum is calculated based on the number of shares entitled to vote which are represented by the stockholders attending in person and by their proxy holders. If you indicate an abstention as your voting preference, your shares will be counted toward a quorum but they will not be voted on the matter.

A broker non-vote with respect to TD SYNEX common stock occurs when (i) shares of TD SYNEX common stock held by a broker or other nominee are represented, in person or by proxy, at a meeting of TD SYNEX’ stockholders, (ii) the bank, broker or other nominee has not received voting instructions from the beneficial owner on a particular proposal and (iii) the bank, broker or other nominee does not have the discretion to direct the voting of the shares of TD SYNEX common stock on a particular proposal but has discretionary voting power on other proposals. A bank, broker, trust or other nominee may exercise discretion in voting on routine matters but may not exercise discretion and therefore will not vote on non-routine matters if instructions are not given. Under applicable stock exchange rules, only the ratification of the appointment of KPMG LLP as auditor for 2022 is a routine matter. Therefore, a bank, broker, trust, or other nominee may vote for the ratification of the appointment of auditors and would not be considered a broker non-vote. Accordingly, we encourage you to provide voting instructions to your broker, whether or not you plan to attend the Annual Meeting.

If a broker indicates that such broker does not have discretionary authority to direct the voting on a particular matter, resulting in a broker non-vote, those shares will be considered as present for purposes of determining the presence of a quorum but will not be treated as shares entitled to vote on that matter.

Because directors who receive the most “for” votes are elected under the plurality vote standard, the failure to provide your bank, broker, trust or other nominee with voting instructions will have no effect on the election of nominees.

Because the advisory vote on the compensation for our executive officers requires the affirmative vote of shares representing a majority of the shares present at the Annual Meeting, whether in person or represented by proxy, entitled to vote on such matter, and because your bank, broker, trust or other nominee does not have discretionary authority to vote on such proposal, the failure to provide your bank, broker, trust or other nominee with voting instructions will have no effect on approval of those proposals.

Because the approval of the amendment to the TD SYNEX Certificate of Incorporation requires the affirmative vote of a majority of the outstanding shares of TD SYNEX common stock, the failure to provide your bank, broker, trust or other nominee with voting instructions will have the same effect as a vote “**AGAINST**” such proposal.

Solicitation of Proxies

We are paying the cost of printing and mailing the Notice and any proxy materials requested by stockholders in accordance with the Notice. In addition, solicitation may be made by our directors, officers and other co-workers by personal interview, telephone, facsimile or electronic mail. No additional compensation will be paid to these persons for solicitation. At this time we have not engaged a proxy solicitor. If we do engage a proxy solicitor, we will pay the customary costs associated with such engagement. We will reimburse brokerage firms and others for their reasonable expenses in forwarding any solicitation materials to beneficial owners of our common stock.

PROPOSAL 1

ELECTION OF DIRECTORS

Directors and Nominees

Our Bylaws currently provide that the number of directors which shall constitute the whole Board shall be fixed from time to time by the Board or our stockholders. We currently have authorized eleven directors. At the Annual Meeting, eleven persons have been nominated to be elected as members of the Board, each for a one-year term or until their successors are duly elected and qualified. The Nominating and Corporate Governance Committee of the Board has nominated, and the Board has designated, the eleven persons set forth below for election at the Annual Meeting. All of the nominees were elected for their current term at our 2021 Annual Meeting of Stockholders held on March 16, 2021, except for Messrs. Hume, Kalsow-Ramos and Nord and Ms. Nayyar and Saintil, who were appointed on September 1, 2021; with the exception of Mr. Hume, they were appointed upon the nomination of the Apollo Entities (as defined in “Certain Relationships and Related Party Transactions”) pursuant to the terms of the Investor Rights Agreement entered into in connection with the Mergers. The proxies given to the proxy holders will be voted as directed and, if no direction is given, will be voted FOR the eleven nominees. The Board knows of no reason why any of these nominees should be unable or unwilling to serve. However, if for any reason any nominee should be unable or unwilling to serve, the proxies will be voted for any nominee designated by the Board to fill the vacancy.

General

Pursuant to the New York Stock Exchange (“NYSE”) listing standards, a majority of the members serving on the Board must be independent directors. The Board has determined that Messrs. Breidenbach, Lee, and Zitzner and Ms. Nayyar, Saintil, and Vezina have no material relationship with us and that each of these directors is an independent director. The Board currently has five racially diverse directors and three women directors. Certain additional information with respect to each nominee appears on the following pages, including their age (as of February 1, 2022), position (if any) with TD SYNEX, business experience during at least the past five years, directorships of other publicly-owned corporations, and agreements pursuant to which certain of our directors are nominated.

Business Experience of Nominees



Dennis Polk, 55, has served as Executive Chair of our Board, Integration Lead, and Head of Global Business since September 2021 and as a member of the Board since February 2012. He previously served as our President and Chief Executive Officer from March 2018 until September 2021. Mr. Polk joined TD SYNEX in 2002 as Senior Vice President of Corporate Finance and in the same year became Chief Financial Officer. In 2006, he was promoted to Chief Operating Officer and served in that capacity until he became our President and Chief Executive Officer. Mr. Polk serves on the boards of directors of Concentrix Corporation (“Concentrix”) (Nasdaq: CNXC), a business services company, and Terreno Realty Corporation (“Terreno”) (NYSE: TRNO), a real estate company. He joined the board of directors of Concentrix in December 2020 as part of the spin-off of the Concentrix business from TD SYNEX which was completed on December 1, 2020. At Terreno, he serves as Chair of the Compensation Committee. As our President and Chief Executive Officer from March 2018 until September 2021, an executive of our Company since 2002, and a prior distribution and contract manufacturer executive, we believe that Mr. Polk contributes his leadership skills, distribution and operations knowledge, finance

background, and business experience to the Board. In addition, we believe that Mr. Polk's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board perspective and effectiveness.



Robert Kalsow-Ramos, 35, has served as a member of our Board since September 2021. He is Partner, Private Equity, at Apollo Global Management, Inc., where he primarily focuses on investments in the services and technology sectors. He serves on the board of directors of Intrado, EmployBridge and Alorica. Mr. Kalsow-Ramos previously served on the board of directors of Hexion, Momentive Performance Materials, and Noranda Aluminum and was also involved in the firm's investment in Evertec. Prior to joining Apollo in 2010, Mr. Kalsow-Ramos was a member of the Investment Banking group at Morgan Stanley. Mr. Kalsow-Ramos received his Bachelor of Business Administration degree from the Stephen M. Ross School of Business at the University of Michigan, where he graduated with high distinction. We believe that Mr. Kalsow-Ramos contributes his leadership skills, finance and technology background, and business experience to the Board. In addition, we believe that Mr. Kalsow-Ramos's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board perspective and effectiveness. Finally, Apollo affiliates hold approximately 45% of our common stock, and, for this reason, we believe that Mr. Kalsow-Ramos brings a unique ownership and stockholder representative perspective to the Board.



Ann Vezina, 58, has served as Lead Independent Director since September 2021 and as a member of the Board since February 2017. From July 2013 to August 2015, she was Corporate Vice President, Human Resources for Xerox Business Services, LLC and from February 2010 to July 2013, she was Corporate Vice President and Chief Operations Officer for Xerox Business Services, LLC, a workplace solutions and document management company. Previously, she served as Executive Vice President and Group President, Commercial Solutions for Affiliated Computer Services, Inc. (ACS) before the acquisition of ACS by Xerox Corporation in 2010. She began her career with Electronic Data Systems, an information technology equipment and services company, taking on roles of increasing responsibility during her 18 years there. She serves on the board of directors of Concentrix Corporation, where she is the Chair of the Nominating and Corporate Governance Committee and a member of the Compensation Committee. Ms. Vezina graduated with a Bachelor of Science degree in Business Administration from Central Michigan University. As an executive with over 30 years of experience in the global BPO industry, and most recently in a human resources role, we believe that Ms. Vezina contributes her leadership skills, large-scale personnel management background, and business experience to the Board. In addition, we

believe that Ms. Vezina's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board perspective and effectiveness.



Richard Hume, 62, has served as President and Chief Executive Officer and as a member of the Board since September 2021. Immediately before that, he served as Chief Executive Officer and as a director of Tech Data Corporation since June 2018, and prior to that served as its Executive Vice President, Chief Operating Officer from March 2016. Before joining Tech Data, Mr. Hume was with International Business Machines Corporation (NYSE: IBM), a technology corporation, for more than 30 years, most recently serving as General Manager and COO, Global Technology Services. Mr. Hume serves on the board of directors of The Allstate Corporation (NYSE: ALL). Mr. Hume holds a Bachelor of Science degree in Accounting from the Pennsylvania State University. As our President and Chief Executive Officer, and as a former executive officer of Tech Data, we believe that Mr. Hume contributes his leadership skills, industry knowledge, technology background, and business experience to the Board. In addition, we believe that Mr. Hume's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board perspective and effectiveness. We also believe it is important that our Chief Executive Officer serves on our Board.



Fred Breidenbach, 75, has served as a member of the Board since February 2003. Mr. Breidenbach has had his own consulting firm of FA Breidenbach & Associates, LLC since November 1997. Prior to that, he served as the President and Chief Operating Officer of Gulfstream Aerospace Corporation (Gulfstream), an aviation company, from 1993 to 1997. Prior to joining Gulfstream, Mr. Breidenbach spent 25 years in various positions at General Electric Company (NYSE: GE), an industrial conglomerate, including five years as an officer of the General Electric Company and two years as President, GE Aerospace Asia Pacific, responsible for business development and Asian operations. Mr. Breidenbach received a Bachelor of Science degree in Industrial Engineering from Pennsylvania State University and a Master of Business Administration from Xavier University. As a former executive officer of Gulfstream and General Electric Company, we believe that Mr. Breidenbach contributes his leadership skills, corporate discipline, Asia Pacific knowledge, technology background, and business experience to the Board. In addition, we believe that Mr. Breidenbach's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board perspective and effectiveness.



Hau Lee, 69, has served as a member of the Board since February 2012. Mr. Lee has been the Thoma Professor of Operations, Information and Technology at the Graduate School of Business at Stanford University since 2002, where he has been a professor since 1983. He is the Co-Director of the Stanford Value Chain Innovation Initiative. Mr. Lee was elected to the National Academy of Engineering of the U.S.; Fellow of Manufacturing and Service Operations Management; Production and Operations Management Society; and INFORMS. He is a co-founder of DemandTec, Inc., a retail pricing technology company. Mr. Lee received his Bachelor of Social Science degree in Economics and Statistics from the University of Hong Kong, his Master of Science degree in Operational Research from the London School of Economics, and his Master of Science and Doctor of Philosophy degrees in Operations Research from the Wharton School of the University of Pennsylvania. As a professor in supply chain management, we believe that Mr. Lee contributes his leadership skills, supply chain and technology background, and business experience to the Board. In addition, we believe that his membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board perspective and effectiveness.



Matthew Miao, 75, has served as a member of the Board since 1992 and served as the chair of our Board from 1992 to 2008. Mr. Miao assumed the position of Chairman Emeritus of the Board in December 2008. He is on the boards of directors of MiTAC Holdings Corporation, Synnex Technology International Corp., UPC Technology Corp., Lien Hwa Industrial Corp. and Getac Technology Corporation. These directorships are all MiTAC group-related. He also serves on the board of Cathay Financial Holdings. Regarding board committees, he serves as a member of the audit and compensation committees of Cathay Financial Holdings, which does not trade on a US stock exchange. With the exception of TD SYNEX, the aforementioned companies for which Mr. Miao serves as a director are all located in Taiwan. TD SYNEX is the only company for which Mr. Miao serves as a director that is US-publicly traded or that is subject to the periodic reporting requirements of the SEC. Our Board has reviewed Mr. Miao's past Board service and his unique position as a long-term and significant stockholder and has considered the level of time commitment required by Mr. Miao's other public company boards. The Board believes that Mr. Miao is able to make an important and full contribution to the Board notwithstanding other board commitments.

Mr. Miao received a Bachelor of Science degree in Electrical Engineering/Computer Science from the University of California, Berkeley and a Master of Business Administration degree from Santa Clara University. As the Chairman of the board of directors of MiTAC Holdings Corporation, we believe that Mr. Miao contributes his leadership skills, distribution, contract manufacturing and Asia Pacific knowledge, finance and technology background, and business experience to the Board. In addition, we believe that Mr. Miao's membership on the

Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board perspective and effectiveness. Finally, since our IPO in 2003 until the acquisition of Tech Data, affiliates of MiTAC Holdings Corporation held approximately 20% or more of our common stock and currently hold approximately 10% of our common stock, and, for this reason, we believe that Mr. Miao brings a unique ownership and stockholder representative perspective to the Board.



Nayaki R. Nayyar, 51, has served as a member of our Board since September 2021. She is President and Chief Product Officer of Ivanti, Inc., a leading supplier of enterprise IT security solutions. Prior to her joining Ivanti, Inc., from October 2016 to July 2020, Ms. Nayyar served as President of Digital Service and Operations Management at BMC Software, Inc., a leading enterprise software solutions provider. Prior to joining BMC Software, Inc., Ms. Nayyar served as General Manager and Global Head of the Internet of Things (IoT) division of SAP SE (NYSE: SAP), a leading provider of enterprise application software, from January 2016 to October 2016. She joined SAP SE in 2011, holding the positions of Senior Vice President, Corporate Strategy, from March 2011 to December 2011, and Senior Vice President, SAP Cloud for Customer Engagement, from January 2012 to December 2015. Ms. Nayyar also served as Vice President and Chief Technical Officer, Enterprise Architecture and Application Services, at Valero Energy Corporation (NYSE: VLO), an international petroleum company, from August 2000 to February 2011. Ms. Nayyar currently serves on the boards of directors of Corteva, Inc. (NYSE: CTVA), a publicly traded agriculture company, and Veritone, Inc. (Nasdaq: VERI), a leading Artificial Intelligence company. Ms. Nayyar received a Bachelor of Engineering degree in Mechanical Engineering from Osmania University and a Master of Science in Computer Science from University of Houston. As an executive with several years of experience in the technology industry, we believe that Ms. Nayyar contributes her leadership skills and business experience to the Board. In addition, we believe that Ms. Nayyar's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board perspective and effectiveness.



Matthew Nord, 42, has served as a member of our Board since September 2021. He is Co-Head of Private Equity at Apollo, having joined in 2003. Previously, Mr. Nord was a member of the Investment Banking division of Salomon Smith Barney Inc. Mr. Nord serves on the boards of directors of ADT Inc. (NYSE: ADT), a company that provides electronic security and monitoring services, Intrado Corporation, and LifePoint Health, Inc. Mr. Nord previously served on the board of directors of Exela Technologies, Inc. (Nasdaq: XELA), a business process automation company, from July 2017 to October 2019, where he was on the Nominating and Governance Committees. He also previously served on the board of directors of Presidio, Inc. (Nasdaq: PSDO) from November 2014 to December 2019, where he was on the Compensation

and Nomination Committees. Mr. Nord graduated summa cum laude with a Bachelor of Science degree in Economics from the Wharton School of the University of Pennsylvania. We believe that Mr. Nord contributes his leadership skills, finance and technology background, and business experience to the Board. In addition, we believe that Mr. Nord's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board perspective and effectiveness. Finally, Apollo affiliates hold approximately 45% of our common stock, and, for this reason, we believe that Mr. Nord brings a unique ownership and stockholder representative perspective to the Board.



Merline Saintil, 45, has served as a member of our Board since September 2021. She has served as a technology and business executive at Fortune 500 and privately-held companies, including Intuit Inc. (Nasdaq: INTU), a financial software company, Yahoo! Inc., a web services provider, PayPal Holdings, Inc. (Nasdaq: PYPL), a financial technology company, Adobe Inc. (Nasdaq: ADBE), a computer software company, Joyent Inc., a cloud computing software company, and Sun Microsystems, Inc., a technology company. From April 2019 to February 2020, she was the Chief Operating Officer, R&D-IT of Change Healthcare Inc. (Nasdaq: CHNG), a healthcare technology company. Prior to that, she held the position of Head of Operations, Product & Technology with Intuit Inc., from November 2014 until August 2018. Ms. Saintil currently serves on the boards of directors of Rocket Lab USA, Inc. (Nasdaq: RKLB), since June 2021, Alkami Technology, Inc. (Nasdaq: ALKT), a digital banking software solutions company, since October 2020, and Banner Corporation (Nasdaq: BANR), a bank holding company, since March 2017. Ms. Saintil is Lead Independent Director and Chair of the Compensation Committee at Rocket Lab USA, Inc. She is on the Information Systems Committee at Alkami Technology, Inc. and a member of the Risk and Compensation Committees at Banner Corporation. She also serves on the boards of directors of Lightspeed Commerce Inc. (NYSE: LSPD) since August 2020, where she is on the Risk, Nominating and Governance Committee, Evolv Technologies Holdings, Inc. (Nasdaq: EVLV) since January 2021, where she is on the Nominating and Governance Committee, and Gitlab, Inc. (Nasdaq: GTLB) since October 2020. She is certified in Cybersecurity Oversight by the National Association of Corporate Directors and the Carnegie Mellon Software Engineering Institute. Ms. Saintil holds a Bachelor of Science degree in Computer Science from Florida A&M University and a Master of Science degree in Software Engineering Management from Carnegie Mellon University, and has completed Stanford Directors' College and Harvard Business School's executive education program. Due to her significant experience in product, technology, and business operations, we believe that Ms. Saintil contributes her leadership skills and business experience to the Board. In addition, we believe that Ms. Saintil's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board perspective and effectiveness.



Duane E. Zitzner, 74, has served as a member of the Board since May 2007. Mr. Zitzner served as Interim Chief Executive Officer of National ICT Australia Limited (NICTA) from December 2014 to June 2015. He also has had his own consulting firm since January 2005. Prior to that, he served as the Executive Vice President of the Personal Systems Group at Hewlett-Packard Company (NYSE: HPQ), an information technology company, from 2002 until his retirement in December 2004. Prior to his appointment as Executive Vice President at Hewlett-Packard Company, Mr. Zitzner spent several years in various executive positions at Hewlett-Packard Company, including three years as President of Computing Systems and three years as Vice President and General Manager of the Personal Systems Group. Mr. Zitzner received a Bachelor of Science degree in Mathematics from the University of Wisconsin—Madison and did advanced studies in Computer Science at the University of Minnesota—Twin Cities. As a former executive officer of Hewlett-Packard Company, we believe that Mr. Zitzner contributes his leadership skills, industry knowledge, technology background, and business experience to the Board. In addition, we believe that Mr. Zitzner's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board perspective and effectiveness.

Additional Information Regarding the Directors and Director Nominees

There are no family relationships among any of our directors or executive officers.

Robert Kalsow-Ramos, Nayaki Nayyar, Matthew Nord, and Merline Saintil were nominated for election to the Board by the Apollo Entities (as defined in "Certain Relationships and Related Party Transactions") pursuant to the Investor Rights Agreement that we entered into in connection with the completion of our acquisition of Tech Data. For more information about the terms of the Investor Rights Agreement, see the section entitled "Certain Relationships and Related Party Transactions—Transactions Entered Into in Connection with the Mergers—Related Agreements". The Apollo Entities hold greater than 5% of our outstanding common stock.

Required Vote

The eleven nominees for director receiving the highest number of affirmative votes will be elected as directors with stockholders having the option to either vote "for" each director or to "withhold" their vote. However, the Board has adopted a policy for director elections whereby if a director receives a greater number of votes "withheld" than votes "for", the Board will review the outcome and make a determination as to the proper remedy. In its review, the Board will consider the totality of the circumstances surrounding the vote to evaluate the situation, and is authorized to remedy the situation as it deems appropriate, including requesting that the affected director resign from the Board. A "withhold" vote as to any director nominee will have no effect on the vote's outcome because the candidates who receive the highest number of affirmative "for" votes are elected; however, "withhold" votes may prevent a director from obtaining a majority of "for" votes, which would trigger the aforementioned additional Board scrutiny. Unless marked to the contrary, proxies received will be voted "FOR" the nominees.

The Board recommends a vote "FOR" the election of the nominees set forth above as directors of TD SYNEX.

CORPORATE GOVERNANCE

Organization of the Board of Directors


The Board held 13 meetings during the fiscal year ended November 30, 2021. Each director serving during our 2021 fiscal year attended at least 75% of the total regularly scheduled and special meetings held by the Board and the committees on which such director served during the director's tenure in the last completed fiscal year. We do not have a policy regarding directors' attendance at the Annual Meeting. However, all members of the Board serving at the time attended the 2021 Annual Meeting.

Our non-management directors meet in regularly scheduled executive sessions without the presence of management. The Lead Independent Director presides over each such executive session.

The Board has established three standing committees: the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee. In addition, from time to time, the Board establishes non-standing committees to address matters that may arise during periods between regularly scheduled meetings and/or specific issues not fully applicable to one of the standing committees. The Board has determined that all members of the Audit, Compensation, and Nominating and Corporate Governance Committees meet the independence standards of the NYSE and rules and regulations of the Securities and Exchange Commission (the "SEC"). In addition, each member of the Audit Committee is financially literate as defined by the Board and each member of the Audit and Compensation Committees meets the heightened independence standards of the NYSE and rules and regulations of the SEC applicable to members of these committees. The Board has approved a charter for each of these standing committees, which can be found on our website at www.tdsynnex.com. Our Corporate Governance Guidelines and Code of Ethical Business Conduct, which are applicable to our principal executive, financial and accounting officers, directors and co-workers, are also available on or through our website at www.tdsynnex.com and are available in print to any stockholder upon request. We intend to post any amendments to the Corporate Governance Guidelines or Code of Ethical Business Conduct on our website.

The following lists the three standing committees and their current members.

Audit Committee

<i>Number of Members:</i>	3	
<i>Members:</i>	Duane Zitzner, Chair and Audit Committee Financial Expert Merline Saintil Ann Vezina	
<i>Number of Meetings in fiscal year ended November 30, 2021:</i>	10	
<i>Functions:</i>	<ul style="list-style-type: none">• Provides assistance to the Board in fulfilling its legal and fiduciary obligations in matters involving our accounting, auditing, financial reporting, internal control and legal compliance functions by approving the services performed by our independent registered public accountants and reviewing their reports regarding our accounting practices and systems of internal accounting controls.• Oversees the audit efforts of our independent registered public accountants and takes those actions as it deems necessary to satisfy itself that the accountants are independent of management.	

- Responsible for reviewing the framework by which management discusses our risk profile and risk exposures with the full Board and its committees.
- Meets regularly with our President and Chief Executive Officer, Chief Financial Officer, Corporate Vice President of Internal Audit, independent auditor, Chief Legal Officer, Chief Ethics and Compliance Officer, Chief Accounting Officer, and other members of senior management to discuss our major financial risk exposures, financial reporting, internal controls, credit and liquidity risk, compliance risk, key operational risks, cybersecurity risk and risk management framework and programs and review the policies and programs for addressing data protection as it relates to the oversight over financial risk, including both privacy and security.
- At least annually review the implementation and effectiveness of our compliance and ethics program and review as necessary our business continuity plan and results.
- Meets regularly in separate executive session with the Corporate Vice President of Internal Audit, Chief Financial Officer, and independent auditor, as well as with committee members only, to facilitate a full and candid discussion of risk and other issues.

Compensation Committee

Number of Members: 3

Members: Hau Lee, Chair
Fred Breidenbach
Nayaki Nayyar

Number of Meetings in fiscal year ended November 30, 2021: 5




Functions:

- Reviews and determines our general compensation policies and the compensation provided to our officers, including targets for annual and long-term bonus plans.
- Reviews, determines and approves bonuses for our officers.
- Reviews, administers and approves equity-based compensation for our officers and co-workers and administers our stock option plans and employee stock purchase plan.
- Reviews the development and implementation of practices, strategies, and policies used for recruiting, managing, and developing employees (i.e., human

capital management). These practices, strategies, and policies focus on diversity and inclusion, workplace environment and safety, and corporate culture. Discusses with management, as appropriate, their progress regarding such practices, strategies, and policies.

- Responsible for overseeing human capital and compensation risks, including evaluating and assessing risks arising from our compensation policies and practices for all co-workers and ensuring executive compensation is aligned with performance.
- Retained its own compensation consultant and meets regularly with management to understand the financial, human resources and stockholder implications of compensation decisions being made.
- Charged with monitoring our incentive and equity-based compensation plans.

Nominating and Corporate Governance Committee		
<i>Number of Members:</i>	3	
<i>Members:</i>	Nayaki Nayyar, Chair Fred Breidenbach Hau Lee	
<i>Number of Meetings in fiscal year ended November 30, 2021:</i>	5	
<i>Functions:</i>	<ul style="list-style-type: none"> • Responsible for making recommendations to the Board regarding candidates for directorships and the size, director qualifications, and composition of the Board, director compensation, including director equity compensation, and for overseeing our corporate governance guidelines and reporting and making recommendations to the Board concerning corporate governance matters. • Responsible for considering nominations by stockholders. • Oversees risks related to our overall corporate governance, including board and committee composition, board size and structure, director independence, board diversity and tenure, and our corporate governance profile and ratings. • Assists the Board in its review of the development, oversight, and implementation of the Environmental, Social and Governance (“ESG”) policies, programs, and practices, and discuss with management such 	

ESG matters, including sustainability, environmental protection, community and social responsibility, and human rights.

- Actively engaged in overseeing risks associated with succession planning for the Board and management.

The Board of Directors' Role in Risk Oversight

The Board recognizes the importance of effective risk oversight in running a successful business and in fulfilling its fiduciary responsibilities to TD SYNEX and our stockholders. While the Chief Executive Officer and other members of our senior management team are responsible for the day-to-day management of risk, the Board is responsible for ensuring that an appropriate culture of risk management exists within our company and for setting the right “tone at the top,” overseeing our aggregate risk profile, and assisting management in addressing specific risks, such as strategic and competitive risks, financial risks, brand and reputation risks, legal risks, regulatory risks, and operational risks.

The Company's Executive Chair of the Board presides at all meetings of the Board and of the Company's stockholders. The Executive Chair also manages the relationships between the Board and the Company's management and stockholders. Currently, the Company's Executive Chair is Dennis Polk. As Executive Chair, Mr. Polk's duties include those of Executive Chair set forth above plus the following additional duties as an employee: (i) overseeing our Hyve Solutions and Global Business Unit businesses; (ii) leading our integration process; (iii) providing advice and counsel to the Chief Executive Officer on a regular basis; (iv) at the request and direction of the Chief Executive Officer, engaging in critical vendor and customer relationships and community involvement; and (v) at the request and direction of the Chief Executive Officer or the Board, being involved in specified special projects.

In addition to an Executive Chair, the Board has a lead independent director designated by the Nominating and Corporate Governance Committee, which is comprised solely of independent directors. Ann Vezina is the Lead Independent Director. The Lead Independent Director chairs the meetings of the independent directors and is responsible for consolidating and expressing the views of the independent directors to the Board. The Lead Independent Director's other functions and responsibilities include: (i) serving as a liaison between the Executive Chair and the independent directors, (ii) discussing with the Executive Chair and CEO, the nature and type of information to be sent to the Board, (iii) approving meeting schedules to ensure that there is sufficient time for discussion of all agenda items, (iv) calling meetings of the independent directors, and (v) if requested by major stockholders, ensuring that she is available for consultation and direct communication.

The Board's current leadership structure allows the Board to benefit from the leadership and direct participation of the Company's current Chief Executive Officer and former Chief Executive Officer. At the same time, the leadership structure provides for a strong lead independent director with defined duties and responsibilities to facilitate the ability of the independent directors to provide independent and cohesive oversight and guidance. The Board exercises its oversight responsibility for risk both directly and through three of its standing committees. Throughout the year, the Board and each committee spend a portion of their time reviewing and discussing specific risk topics. The full Board is kept informed of each committee's risk oversight and related activities through regular oral reports from the committee chairs, and committee meeting minutes and materials are available for review by all directors. Strategic, operational, financial and competitive risks also are presented and discussed at the Board's quarterly meetings, and more often as needed. On at least an annual basis, the Board conducts a review of our long-term strategic plans and members of senior management report on our top risks and the steps management has taken or will take to mitigate these risks. In addition, at each quarterly meeting, or more often as necessary, our Chief Legal Officer updates the Board on material legal and regulatory matters. Our Chief Legal Officer and Chief Ethics and Compliance Officer regularly update the Audit Committee regarding our periodic ethical business conduct training and Code of Ethical Business Conduct. On a regular basis between Board meetings, our Chief Executive Officer and/or other executive officers provide reports to the

Board on the critical issues we face and recent developments in our principal operating areas. These reports may include a discussion of business risks as well as a discussion regarding enterprise risk.

Cybersecurity

The maintenance of privacy and a security culture and the prevention of cybercrimes is a core focus that is addressed by the Board and the Audit Committee during security briefings on cybersecurity matters. Our prioritization of our cybersecurity risk management strategy is critical to maintaining the trust of our stakeholders.

Our cybersecurity program is led by a dedicated team and includes protocols for detecting, addressing, and responding to cybersecurity incidents. Business continuity, disaster recovery planning and testing, and security vulnerability assessments are frequently conducted. Our security strategy has been assessed by several independent security firms and is in compliance with industry best practices. As part of our information security training program, we provide cybersecurity awareness training and emphasize ethical spear-phishing simulations. Our cybersecurity insurance thresholds and deductibles align with industry expectations.

Environmental, Social and Governance (ESG)

Just as TD SYNEX plays a vital role in helping simplify a complex technology landscape for our customers and vendor partners, we believe we have an equally important responsibility to have a positive impact on the world. Through our corporate social responsibility programs, we work with our co-workers, our communities, and our customers and vendors to make the world a better place, both today and into the future.

Corporate social responsibility has been a part of TD SYNEX life for nearly half a century – from our longstanding commitment to diversity, equity, and inclusion, to our deep-rooted community partnerships. We remain focused on the creating and sustaining of a robust corporate social responsibility program that is aligned with the principles of environmental, social and governance (ESG).

Key Accomplishments

TD SYNEX has a Global Corporate Responsibility Steering Committee, composed of a cross-functional group of senior leaders from around the world. Following the completion of the Mergers, a Chief Business Officer was established, with the creation of a Head of Corporate Responsibility. The Carbon Disclosure Project (CDP) questionnaire was completed and the Science Based Targets Initiative (SBTi) Business Ambition Pledge, with a goal of net-zero global emissions by 2050 was signed. We also embarked on a materiality assessment, gathering feedback from key internal and external stakeholders. We intend to utilize these results to develop KPIs and goals for our ESG strategy in fiscal year 2022.

Environmental

At TD SYNEX, our vision for a vibrant, interconnected world remains focused on protecting our environment. We are committed to lowering our global carbon footprint, setting targets for emission reductions, increasing our sustainability initiatives, and supporting our customers and vendors. Our facilities teams are constantly searching for new ways to reduce carbon emissions, cut down on energy usage, and improve energy efficiency.

Some highlights of our efforts include:

- ISO 14001:2015 Certifications in Environmental Management System which includes Waste Management, Water Consumption (Fremont, CA, United States), and Energy Conservation. Our facilities with ISO 14001 certification produce annual strategies to reduce their power consumptions and waste.
- Establishment of a global carbon footprint committee to assess and manage climate-related risks and opportunities within the organization.
- Completion of the CDP questionnaire and global carbon footprint reporting, which will be used to help shape our climate strategy in the fight to minimize global warming.
- Access for our North America resellers to a wide variety of green-designated products and services.
- Installation of solar panels and electric car stations at certain US office locations and a commuter benefit program in Fremont, CA. The 3,724 solar panels at our Tempe, AZ offices is a 1,000-kilowatt solar project that supplies over 60 percent of the energy load for the facility.
- Creation of e-waste recycling programs for our facilities in Croatia, Austria, Belgium, Portugal, Romania, Canada and the US includes responsible disposal of electronics and batteries.
- Introduction of datacenter and facility temperature standardization across various facilities to conserve energy.
- Transition of the SYNnex GoGreen and TechData European Climate Parliament programs to a broader TD SYNnex program across the combined company raises co-worker awareness on environmental issues to help contribute to a better, healthier planet.



Social

We believe anyone can do great things with technology – and “anyone” is the operative word. Our commitment to social responsibility starts with our co-workers, and we are proud to be recognized as a great place to work, a leader in the promotion and practice of diversity, equity and inclusion (DEI), and an active member in our local communities. Our philanthropic initiatives reflect our values and we support our co-workers in giving back – whether through monetary donations, volunteer efforts, or fundraising.

Some examples include:

- Launch of our TD SYNEX DEI strategy with global and local initiatives designed to strengthen our company, our culture and our communities. This includes programs that provide education, awareness and opportunities for co-worker participation.
- Creation of an Executive and Regional DEI Council structure to drive DEI goals and performance measurement at all levels.
- Merger of legacy resource groups to provide a platform for affinity groups and communities to have a voice, provide influence, help to educate, and bring a sense of belonging for our co-workers.
- Commitment to our LGBTQ co-workers via the United Nations Global Standards and Human Rights Campaign's Corporate Equality Index ("CEI") and achieved a score of 100/100, earning us the designation of "Best Place to Work for LGBTQ Equality".
- Expansion of annual Huang Leadership Development Scholarship for all TD SYNEX co-workers, their legal dependents, and grandchildren, to help foster the leaders of tomorrow.
- Distribution of annual and regular surveys of co-workers to monitor employee satisfaction and engagement and inform decision-making.
- Update of our Conflict Minerals policy, posted on our website, which addresses our supply chain expectations for the components in the products that we manufacture or integrate.
- Commitment to a community relations program that is purposely co-worker-driven, meaning that we pursue causes and partners that our own co-workers are demonstrably passionate about, including wellness, education and children, equity for all and co-worker-driven causes.



Governance

True to our values of Inclusion, Collaboration, Integrity and Excellence, we have a proud history of strong corporate governance based on best practices, local requirements, and the needs of our co-workers, customers, vendors, and investors.

We are committed to having a diverse Board of Directors, with members coming from a variety of industries and backgrounds. Fifty-five percent (55%) of our current Board of Directors identifies as female and/or of a minority ethnicity.

We have designed and implemented a comprehensive ethics and compliance program to support our value of integrity and promote a culture of ethical leadership and decision-making in our business. Our ethics and compliance program has many facets, including and not limited to periodic ethical business conduct training, anti-bribery and anti-corruption training, as well as a variety of other compliance-related training courses designed to develop practical skills for driving our core business forward without misconduct or undue risk.

In addition, we have established a broad compliance policy library that is useful, accessible and focused on the needs of our co-workers, while also providing clear standards for accountability and enforcement when behavior deviates from our collective expectations. We routinely leverage our internal communication channels to reinforce training, drive policy awareness and ensure continuous, consistent ethics and compliance messaging across the globe.

Some examples include:

- Creation of *Real Tales of Ethics & Compliance* video series, highlighting and explaining the consequences of real compliance issues.
- Development of Ethics & Compliance toolkits, which focus on key points and steps to take in specific situations and are delivered in short and simple packages.
- Distribution of *30 Seconds with Ethics & Compliance* video series, highlighting key tips and takeaways from our ethics and compliance training schedule
- Formation of *Policy Pathway* modules, which leverage technology to help our co-workers get answers to compliance-related questions digitally and efficiently.

All of this is led by a dedicated Ethics & Compliance team, with the oversight of TD SYNEX's Audit Committee, Global and Regional Compliance Committees, and with the support of many of our co-workers that serve as Ethics Advisors strategically placed throughout our business.

Director Orientation and Continuing Education

We provide directors with an orientation and education program to familiarize them with our business operations and plans, industry trends and corporate governance practices, as well as ongoing education on issues facing us and on subjects that would assist the directors in discharging their duties. The program includes, among other things, biannual visits to different company locations to foster more director interaction with co-workers and familiarity with various company sites and businesses. Directors also are encouraged to attend courses provided by outside organizations covering various governance matters, best practices, and issues of concern to directors of publicly-traded companies. It is our policy that directors are to share with the Board or fellow committee members what they have learned.

Director Nominations

The Board nominates directors for election at each Annual Meeting and elects new directors to fill vacancies when they arise. The Nominating and Corporate Governance Committee has the responsibility to identify, evaluate, recruit and recommend qualified candidates to the Board for nomination or election.

The Nominating and Corporate Governance Committee has a policy and process regarding consideration of director candidates recommended by stockholders. The Nominating and Corporate Governance Committee reviews suggestions for director candidates recommended by stockholders and considers such candidates for recommendation based upon an appropriate balance of knowledge, experience and capability. The assessment of candidates include the candidates' relevant industry experience, general business experience, relevant financial experience, interpersonal and communication skills, as well as the candidates' roles and contributions that are valuable to the business community, personal qualities of leadership, character, judgment and whether the candidate possesses and maintains throughout service on the Board a reputation in the community at large of integrity, trust, respect, competence and adherence to the highest ethical standards. In addition to considering an appropriate balance of knowledge, experience and capability, the Board has as an objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board perspective and effectiveness. The Nominating and Corporate Governance Committee selects candidates for director based on their character, judgment, diversity of experience and backgrounds, relevance of experience, business acumen, interpersonal and communication skills, and ability to act on behalf of all stockholders. The Nominating and Corporate Governance Committee believes that nominees for director should have experience, such as experience in management or accounting and finance, or industry and technology knowledge, that may be useful to TD SYNEX and the Board, high personal and professional ethics, and the willingness and ability to devote sufficient time to effectively carry out his or her duties as a director. The Nominating and Corporate Governance Committee believes it appropriate for at least one, and, preferably, multiple, members of the Board to meet the

criteria for an “audit committee financial expert” as defined by SEC rules, and for a majority of the members of the Board to meet the definition of “independent director” under the rules of the NYSE. The Nominating and Corporate Governance Committee also believes it appropriate for certain key members of our management to participate as members of the Board.

The Nominating and Corporate Governance Committee is aware that some corporate governance groups have set a maximum on the number of public company boards on which a public company director should sit regardless of the individual circumstances of the director or nature of the companies involved. The Nominating and Corporate Governance Committee recognizes the concern of overboarding, where a director sits on an excessive number of boards, and, without setting an ad hoc limit on the number of public company boards for directors, has considered the following factors, among others, in looking at the time availability of each prospective director nominee on an individual basis: size and location of the other companies, the director’s board duties at those companies and extent of board committee service; the extent of service on large private company boards, board tenure, and board attendance. Based on these factors, the Nominating and Corporate Governance Committee determined no director nominee should be removed from consideration due to the number of public company boards on which the director nominee serves.

Prior to each Annual Meeting, the Nominating and Corporate Governance Committee identifies nominees first by reviewing the current directors whose terms expire at such Annual Meeting of Stockholders and who are willing to continue in service. Pursuant to the Investor Rights Agreement, the Nominating and Corporate Governance Committee also considers the nominees proposed by the Apollo Entities. All candidates, however nominated, are evaluated based on the criteria described above, including each candidate’s demonstrated prior service as a director, and the needs of the Board with respect to the particular talents and experience of its directors. In the event that a director does not wish to continue in service, the Nominating and Corporate Governance Committee determines not to nominate the director, or a vacancy is created on the Board as a result of a resignation, an increase in the size of the Board or other event, subject to the terms of the Investor Rights Agreement, the Nominating and Corporate Governance Committee will consider various candidates for Board membership, including those suggested by the Nominating and Corporate Governance Committee members, by other Board members, by any executive search firm engaged by the Nominating and Corporate Governance Committee and by stockholders. A stockholder who wishes to suggest a prospective nominee for the Board should notify our Corporate Secretary, any member of the Nominating and Corporate Governance Committee, or the persons referenced below in “Communications with the Board of Directors” in writing with any supporting material the stockholder considers appropriate. For more information about the Investor Rights Agreement, see the section entitled “Certain Relationships and Related Party Transactions—Transactions Entered Into in Connection with the Mergers—Related Agreements.”

In addition, our Bylaws contain provisions that address the process by which a stockholder may nominate an individual to stand for election to the Board at an Annual Meeting. In order to nominate a candidate for director, a stockholder must give timely notice in writing to our Corporate Secretary and otherwise comply with the provisions of our Bylaws. To be timely, our Bylaws provide that we must have received the stockholder’s notice not less than 120 days prior to the scheduled date of such meeting. However, if notice or prior public disclosure of the date of the Annual Meeting is given or made to stockholders less than 100 days prior to the meeting date, we must receive the stockholder’s notice by the close of business on the 7th day after the earlier of the day we mailed notice of the Annual Meeting date or provided such public disclosure of the meeting date. Information required by our Bylaws to be in the notice include the name, citizenship and contact information for the candidate and the person making the nomination and other information about the nominee that must be disclosed in proxy solicitations under Section 14 of the Securities Exchange Act of 1934 and the related rules and regulations under that Section.

Stockholder nominations must be made in accordance with the procedures outlined in, and include the information required by, our Bylaws and must be addressed to: TD SYNEX Corporation, 44201 Nobel Drive, Fremont, California 94538, Attention: Corporate Secretary. You can obtain a copy of our Bylaws by writing to the Corporate Secretary at this address.

Communications with the Board of Directors

The Board has a process for stockholders and other interested persons to send communications to directors. If you wish to communicate with the Board as a whole or to non-management directors, you may send your communication in writing to: Duane Zitzner, Audit Committee Chair, or Allison Leopold Tilley, Pillsbury Winthrop Shaw Pittman LLP, 2550 Hanover Street, Palo Alto, California 94304. You must include your name and address in the written communication and indicate whether you are a stockholder of TD SYNEX or other interested person. Mr. Zitzner or Ms. Leopold Tilley will review any communication received from a stockholder or other interested person, and all material communications from stockholders or other interested persons will be forwarded to the appropriate director or directors or Board committee based on the subject matter.

2021 Directors' Compensation Table

The following tables set forth the compensation amounts paid to each person who served as a non-executive director during the fiscal year ended November 30, 2021 for their service in such fiscal year. The table does not include the compensation amounts paid to Mr. Polk, former President and Chief Executive Officer, who currently is Executive Chair and an employee of the Company, as well as to Mr. Hume, who currently is President and Chief Executive Officer, as both are named in the Summary Compensation Table.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards \$(1)(2)	Option Awards \$(1)	All Other Compensation \$(3)	Total (\$)
Fred Breidenbach	85,000	164,925	—	761	250,686
Laurie Simon Hodrick	85,000	175,539	—	615	261,154
Robert Kalsow-Ramos(4)	—	—	—	—	—
Hau Lee	105,000	164,925	—	761	270,686
Matthew Miao	85,000	164,925	—	761	250,686
Kevin Murai	185,000	413,471	291,027(5)	2,816	892,314
Nayaki Nayyar(6)	24,375	82,422(7)	—	154	106,951
Matthew Nord (4)	—	—	—	—	—
Gregory Quesnel (8)	26,250	—	—	105	26,355
Merline Saintil	21,250	82,422(7)	—	154	103,826
Dwight Steffensen	165,000(9)	175,539	—	615	341,154
Ann Vezina(6)	93,750	164,925	—	761	259,436
Thomas Wurster	85,000	175,539	—	615	261,154
Duane Zitzner(6)	103,125	164,925	—	761	268,811
Andrea Zulberti	117,452	175,539	—	615	293,606

- (1) Amounts listed in these columns represent the grant date fair value of stock awards and option awards recognized by us under FASB ASC Topic 718 for the fiscal year ended November 30, 2021 rather than the amounts realized by the named individuals. See Note 6 “Share-Based Compensation” for valuation assumptions used to calculate the fair value included in our Annual Report on Form 10-K for fiscal year ended November 30, 2021. For Ms. Hodrick and Zulberti, and Messrs. Murai, Steffensen and Wurster, who resigned from the Board upon the closing of the Mergers, the amounts listed include the incremental fair value of stock awards that were modified to accelerate vesting at closing of the Mergers. These amounts are as follows: Hodrick \$10,614, Murai \$291,027 for option awards and \$248,546 for stock awards, Steffensen \$10,614, Wurster \$10,614, and Zulberti \$10,614.

- (2) The table below sets forth the aggregate number of stock awards that have not vested and option awards that are outstanding held by our non-executive directors as of November 30, 2021.

Name	Stock Awards	Option Awards
Fred Breidenbach	364	—
Laurie Simon Hodrick	—	—
Robert Kalsow-Ramos	—	—
Hau Lee	364	6,000
Matthew Miao	364	—
Kevin Murai	—	—
Nayaki Nayyar	576	—
Matthew Nord	—	—
Gregory Quesnel	—	—
Merline Saintil	576	—
Dwight Steffensen	—	—
Ann Vezina	364	—
Thomas Wurster	—	—
Duane Zitzner	364	—
Andrea Zulberti	—	—

- (3) The amounts in this column represent the dollar value of dividends paid during the fiscal year ended November 30, 2021 (as part of a dividend paid to all of our stockholders) on unvested restricted stock awards; such dividends were not factored into the grant date fair value of stock awards required to be reported in the stock awards column of the table.
- (4) Board members representing Apollo are uncompensated. Therefore, Mr. Nord and Mr. Kalsow-Ramos do not have any compensation as of November 30, 2021.
- (5) Mr. Murai had unvested stock option awards that had been granted to him while he served as our President and Chief Executive Officer until March 2018.
- (6) Effective September 1, 2021, Ms. Vezina became Lead Independent Director, Mr. Zitzner became chair of the Audit Committee, and Ms. Nayyar became chair of the Nominating and Corporate Governance Committee.
- (7) Ms. Nayyar and Saintil joined our Board on September 1, 2021, six months prior to the next annual meeting of stockholders, and received prorated awards per the terms of the 2020 Stock Incentive Plan.
- (8) Mr. Quesnel resigned from the Board effective March 1, 2021.
- (9) Does not include fees for acting as an advisor to the Board, providing strategic and operational advice from time to time, as requested by the Board, effective immediately upon his resignation from the Board on September 1, 2021; such fees are \$50,000 per quarter for a period of five (5) quarters from the effective date. Each quarterly payment shall be made at the beginning of the relevant quarter. In the event agreement is terminated by us other than by reason of his material breach of the agreement or by reason of his death or total and permanent disability prior the end of the term, any fees for unpaid quarters will be paid as soon as practicable, but in no event later than four (4) business days, following the date of his termination.

Narrative to Directors' Compensation Table

The compensation and benefit program for our non-executive directors is designed to achieve the following goals: (1) compensation should fairly pay directors for work required of directors serving an entity of our size and scope; (2) compensation should align directors' interests with the long-term interests of stockholders; and (3) the structure of the compensation should be transparent and easy for stockholders to understand. We review director compensation every year.

For the fiscal year ended November 30, 2021, other than Matthew Nord and Robert Kalsow-Ramos, each non-executive director received an annual retainer of \$85,000 payable quarterly and an annual restricted stock grant under the 2020 Stock Incentive Plan valued at approximately \$165,000. Effective upon the 2022 Annual Meeting, the annual retainer will be increased to \$100,000. Also effective upon the 2022 Annual Meeting, the value of the annual restricted stock grant will be increased to approximately \$185,000. The annual grant is prorated based upon the expected service period between the director's service commencement date and the immediately following Annual Meeting. The valuation of the stock price in determining the number of shares of restricted stock is based upon the closing price on the first trading day following the director's appointment or election (or, if during a trading blackout period, upon the expiration of the third trading day following the opening of the trading window that follows the quarterly earnings call) and vests quarterly based upon our fiscal quarter.

Additionally, for the fiscal year ended November 30, 2021, the chairs of each of the Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee and the Chair of the Board until September 1, 2021 received cash retainers payable quarterly in advance. These retainer amounts are reviewed and revised from time to time to reflect compensation practices among our peers based on information provided by our compensation consultant Compensia. The chair of the Audit Committee receives a retainer of \$35,000. The chair of the Compensation Committee receives a retainer of \$20,000. The chair of the Nominating and Corporate Governance Committee receives a retainer of \$12,500, which will be increased to \$20,000 effective upon the 2022 Annual Meeting. The Lead Independent Director receives an additional cash retainer of \$35,000, effective September 1, 2021, reflecting market data and the anticipated scope of role in the post-merger company. Also, all directors are reimbursed for their reasonable out-of-pocket expenses in serving on the Board or any committee of the Board.

We request each current member of the Board, other than the uncompensated Apollo Directors, to hold an equity position in TD SYNEX of the equivalent value of at least five times the annual base retainer (excluding committee chair retainers) in common stock, whether vested or unvested, or vested in-the-money stock options on the date of each Annual Meeting, commencing with the 2023 Annual Meeting. For any director initially elected after the 2020 Annual Meeting, we provide a five-year period within which to meet the equity ownership request.

In the fiscal year ended November 30, 2021, Matthew Miao received the same standard retainer and equity compensation as the other outside directors, as approved by the Nominating and Corporate Governance Committee. Any future compensation payable to Mr. Miao will be based upon the approval of the Nominating and Corporate Governance Committee, which is composed of disinterested members of the Board.

Compensation Committee Interlocks and Insider Participation

Fred Breidenbach, Hau Lee, Nayaki Nayyar, Gregory Quesnel (until March 1, 2021), Ann Vezina (until September 1, 2021), Thomas Wurster (until September 1, 2021), and Duane Zitzner (until September 1, 2021) served as members of the Compensation Committee during the fiscal year ended November 30, 2021. None of the members who served on the Compensation Committee during the fiscal year ended November 30, 2021 has served as an officer or been an employee of TD SYNEX and we do not have any related person transactions with any of the members of the Compensation Committee. In addition, the Board has determined

that these members, including nominees Ms. Nayyar and Messrs. Breidenbach, Lee, and Zitzner, have no material relationship with us, that each of these directors is an independent director and that each of these directors meets the heightened independence standards applicable to members of the Compensation Committee. None of our executive officers currently serves, or in the past year has served, on the board of directors or compensation committee of any entity that has one or more executive officers serving, or proposed to serve, that are a member of our Board or Compensation Committee.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Policies and Procedures for Review of Related Party Transactions

A “Related Party Transaction” is a transaction, arrangement or relationship in which we or any of our subsidiaries was, is or will be a participant, the amount of which involved exceeds \$120,000, and in which any Related Person had, has or will have a direct or indirect material interest. A “Related Person” means:

- any person who is, or at any time during the applicable period was, one of our executive officers or directors or a director nominee;
- any person who is known by us to be the beneficial owner of more than 5% of any class of our voting securities;
- any immediate family member of any of the foregoing persons, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of an executive officer, director, director nominee or a beneficial owner of more than 5% of any class of our voting securities, and any person (other than a tenant or employee) sharing the household of such executive officer, director, director nominee or beneficial owner of more than 5% of any class of our voting securities; or
- any firm, corporation or other entity in which any of the foregoing persons is a partner or principal or in a similar position of control or in which such person has a 10% or greater beneficial ownership interest

We have adopted a written policy requiring material transactions relating to related party transactions to be approved by the Audit Committee, which is composed of disinterested members of the Board.

Transactions Related to the Acquisition of Tech Data

The Mergers

On September 1, 2021, legacy SYNnex Corporation acquired legacy Tech Data Corporation through a series of two mergers, which are described below, and such acquisition is described herein as the “Mergers”. As a result of the Mergers, Tech Data became an indirect subsidiary of TD SYNnex Corporation. The acquisition was completed pursuant to the terms and conditions of the Agreement and Plan of Merger (the “Merger Agreement”), dated March 22, 2021 by and among the Company, Spire Sub I, Inc., a Delaware corporation and a wholly owned subsidiary of the Company (“Merger Sub I”), Spire Sub II, LLC, a Delaware limited liability company and a wholly owned subsidiary of the Company (“Merger Sub II”), and Tiger Parent (AP) Corporation, a Delaware corporation (“Tiger Parent”), which is the parent corporation of Tech Data, pursuant to which, subject to the terms and conditions of the Merger Agreement, Merger Sub I merged with and into Tiger Parent (the “Initial Merger”), with Tiger Parent surviving the Initial Merger as a wholly owned subsidiary of the Company (such surviving corporation, the “Surviving Corporation”), followed immediately by the merger of the Surviving Corporation with and into Merger Sub II (the “Subsequent Merger” and together with the Initial Merger, the “Mergers”), with Merger Sub II surviving the Subsequent Merger as a wholly owned subsidiary of the Company.

Pursuant to the Merger Agreement at the effective time of the Initial Merger and in consideration for all the issued and outstanding common shares of Tiger Parent, we paid to Tiger Parent Holdings, L.P. (“Tiger Holdings”), an affiliate of Apollo Management IX, L.P. and Tiger Parent’s sole stockholder, consideration of \$1,610,000,000 in cash (\$1,110,000,000 in cash after giving effect to the \$500,000,000 equity contribution by Tiger Holdings to Tiger Parent prior to the effective time) and 44,000,000 shares of our common stock. As a result of the Mergers, Tiger Holdings became the holder of approximately 46% of our common stock at the time.

Following the closing of the Mergers, Tiger Holdings distributed or transferred an aggregate of 43,248,620 shares of our common stock to various individuals and entities. As part of these distributions and

transfers, Tiger Holdings transferred an aggregate of 42,601,585 shares of our common stock to entities affiliated with Apollo Management IX, L.P. as follows: 26,651,552 shares to AP IX Tiger Holdings, L.P., 10,309,583 shares to AP IX Tiger Coinvest (ML), L.P. and 5,640,450 shares to AP IX Tiger Coinvest L.P. (these funds, collectively with Tiger Holdings, the “Apollo Entities”) and also transferred to Mr. Hume 45,727 shares, Mr. Zammit 22,824 shares, Mr. Vetter 12,334 shares and Ms. Nayyar 1,729 shares.

Related Agreements

Investor Rights Agreement

In connection with the completion of the Mergers, we entered into an Investor Rights Agreement (the “Investor Rights Agreement”) with Tiger Holdings. The Investor Rights Agreement includes certain rights and obligations as set forth below.

Board of Directors

Pursuant to the Investor Rights Agreement, the Apollo Entities have the right to nominate a certain number of directors for our Board, depending on the percentage of the outstanding shares of our common stock held by the Apollo Entities. Specifically, the Apollo Entities have the right to nominate:

- (i) up to four directors, if the Apollo Entities collectively own 30% or more of the outstanding shares of our common stock, two of which must be “independent” directors, within the meaning of the New York Stock Exchange;
- (ii) up to three directors, if the Apollo Entities collectively own between 20% and 30% of the outstanding shares of our common stock, one of which must be an independent director;
- (iii) up to two directors, if the Apollo Entities collectively own between 10% and 20% of the outstanding shares of our common stock; and
- (iv) up to one director, if the Apollo Entities collectively own between 5% and 10% of the outstanding shares of our common stock.

The directors nominated by the Apollo Entities shall be referred to herein as “Apollo Directors.” The initial Apollo Directors are Robert Kalsow-Ramos, Nayaki Nayyar, Matthew Nord, and Merline Saintil. Pursuant to the Investor Rights Agreement, any replacement Apollo Director must be approved by a majority of the directors on the Board that are not Apollo Directors.

The Investor Rights Agreement also provides that, of the remaining directors who are not Apollo Directors, one director shall be the then-serving Chief Executive Officer of the Company, currently Richard Hume, and the other directors will be nominated in accordance with the provisions of our bylaws and Certificate of Incorporation, currently Dennis Polk, Fred Breidenbach, Hau Lee, Matthew Miao, Ann Vezina and Duane Zitzner. In the event the size of the Board is increased or decreased to other than eleven directors, the number of Apollo Directors will be proportionately increased or decreased to most closely equal the percentage of the Board originally consisting of Apollo Directors. The Board may determine the composition and makeup of any committees of the Board. The Lead Independent Director will also be selected by the Board. Apollo Directors must fulfill their pro rata portion of any diversity requirements pursuant to law, stock exchange rules, or other regulatory requirements based on the percentage of the Board consisting of Apollo Directors.

Directors’ and Officers’ Insurance

Under the Investor Rights Agreement, we must maintain directors’ and officers’ liability insurance as determined by the Board, with the Company serving as the primary indemnitor for all directors, including the Apollo Directors.

Information Rights

Under the Investor Rights Agreement, for so long as the Apollo Entities own at least 10% of our common stock, the Apollo Entities have certain inspection and information rights, including, among other things, access to our or our material subsidiaries' books and records, access to our auditors and officers, access to quarter-ends reports, and information on significant corporate actions.

Certain Actions Requiring Approvals

Under the Investor Rights Agreement, we or our material subsidiaries may not, without approval of a majority of the directors on the Board, which must include the approval of a majority of the Apollo Directors, amend any provision of our charter, bylaws or similar organizational documents in a way that adversely affects the Apollo Entities.

Restricted Activities; Voting

Under the Investor Rights Agreement, the Apollo Entities may not, without our prior written consent:

- make any statement or proposal to the Board or our stockholders with respect to any business combination, tender offer, or sale of substantially all assets;
- form any voting groups with any of our stockholders other than solely among affiliates of the Apollo Entities;
- seek to control or change the management of the Board or the Company;
- acquire any additional shares of our stock entitled to vote; or
- publicly disclose any arrangement relating to the foregoing or knowingly facilitate any of the foregoing.

These restrictions will automatically terminate on the first date following the 90th day after the Apollo Entities collectively beneficially own less than 5% of the outstanding shares of our common stock.

Corporate Opportunity Waiver

Under the Investor Rights Agreement, we have waived the corporate opportunity doctrine to the extent permitted under the Delaware General Corporation Law with respect to the Apollo Directors and Apollo Entities, so long as such person is not an employee of the Company or our subsidiaries (the "Covered Persons"). Specifically, we agreed that the Covered Persons do not have a duty to refrain from: (i) investing in or conducting any business of any kind, (ii) doing business with our or any of our affiliates' clients, customers, vendors or lessors, or (iii) making any investments in any kind of property in which we may make investments. Further, we agreed, among other things, subject to any express agreement otherwise that may from time to time be in effect, that if a Covered Person acquires knowledge of a potential transaction which may constitute a corporate opportunity for both (a) the Covered Person outside of his or her capacity as a member of the Board and (b) the Company, then the Covered Person shall not have any duty to offer or communicate information regarding such corporate opportunity to us, and we renounced any interest or expectancy in any potential transaction or matter of which the Covered Person acquires knowledge, except for any corporate opportunity which is expressly offered to a Covered Person in writing solely in his or her capacity as a member of the Board, or as expressly agreed otherwise.

Registration Rights

Pursuant to the Investor Rights Agreement, we filed an automatically effective registration statement registering the resale of the Registrable Securities (as defined below) on September 2, 2021. Additionally, pursuant to the Investor Rights Agreement, the Apollo Entities have the right to require us to register a sale of

any Registrable Securities held by the Apollo Entities with a dollar value of \$100 million or greater. The Apollo Entities are entitled to make up to two registration demands in any rolling twelve-month period, including short form registration demands, that we register such securities for sale under the Securities Act of 1933. We also agreed that the Apollo Entities will have “piggy-back” registration rights to include their Registrable Securities in certain other registration statements filed by us.

For purposes of the Investor Rights Agreement, “Registrable Securities” means shares of our common stock; provided that any Registrable Securities shall cease to be Registrable Securities when (a) a registration statement with respect to the sale of such Registrable Securities has been declared effective under the Securities Act and such Registrable Securities have been disposed of in accordance with the plan of distribution set forth in such registration statement, (b) such Registrable Securities are distributed pursuant to Rule 144 or (c) such Registrable Securities shall have been otherwise transferred and new certificates for them not bearing a legend restricting further transfer under the Securities Act shall have been delivered by us; and provided, further, that any securities that have ceased to be Registrable Securities shall not thereafter become Registrable Securities and any security that is issued or distributed in respect of securities that have ceased to be Registrable Securities is not a Registrable Security.

Interests of the Company’s Directors and Executive Officers in the Mergers

In connection with the Mergers, on September 1, 2021, we issued common stock to Tiger Parent as part of the Merger Consideration. The general partner of Tiger Holdings had adopted resolutions prior to the Mergers, pursuant to which, immediately following the effectiveness of the Mergers, all profits interests of Tiger Holdings, all of which were held by certain members of management of Tech Data Corporation, were cancelled and exchanged for the right to receive an aggregate of 1,206,549 shares of our common stock. On September 9, 2021, Tiger Holdings transferred 455,207 shares of that common stock to those management members and placed in an escrow account administered by Tiger GP the other 751,342 shares, which would be distributed to those management members pending satisfaction of certain time-based vesting requirements by them. Therefore, following the closing of the Mergers and pursuant to the automatic registration statement filed by us, Tiger Parent transferred during our fiscal year 2021 a certain number of shares of our common stock to certain of our officers and directors, as indicated below:

Name	Number of Shares (1)	Approximate Value of Shares(2)
Richard Hume	97,671	\$10,495,726
David Vetter	20,324	\$2,184,017
Patrick Zammit	42,342	\$4,550,071

(1) Does not include shares held in an escrow account administered by Tiger GP, for Mr. Hume 162,389 shares, for Mr. Zammit 70,400 shares, and for Mr. Vetter 33,792 shares. Fifty percent of the escrowed shares vest one year following the closing date of the Mergers and fifty percent vest on the second anniversary of the closing date so long as the management member remains employed by TD SYNEX for the period. If the management member’s employment terminates as a result of a not-for-cause termination by TD SYNEX or as a result of a good reason departure by the management member, then the escrowed shares vest pro rata based upon the number of days since the closing date or the last anniversary over 365 days.

(2) Based on the closing price of our common stock on January 11, 2022, \$107.46.

MiTAC Transactions Overview

We have a business relationship with MiTAC International Corporation (“MiTAC International”), a publicly-traded company in Taiwan that began in 1992 when it became our primary investor through its affiliates. In September 2013, MiTAC Holdings Corporation (“MiTAC Holdings”) was established through a stock swap from MiTAC International and became a publicly traded company on the Taiwan Stock Exchange. MiTAC International is now a wholly owned subsidiary of MiTAC Holdings. As of January 11, 2022, and as detailed in the table below, MiTAC Holdings and its affiliates (companies listed in the table below) beneficially owned approximately 9.5% of our common stock. Matthew Miao, our Chair Emeritus of the Board and a director, is the Chairman of MiTAC Holdings and a director or officer of MiTAC Holdings’ affiliates.

Until July 31, 2010, we worked with MiTAC Holdings on OEM outsourcing and jointly marketed MiTAC Holdings’ design and electronic manufacturing services and our contract assembly capabilities. On July 31, 2010, MiTAC Holdings purchased certain assets related to the contract assembly business including inventory and customer contracts, primarily related to customers then being jointly serviced by MiTAC Holdings and us. We made payments of \$0.2 million and \$0.1 million to MiTAC Holdings and its affiliates for reimbursement of rent and overhead costs for facilities used by us during fiscal years ended November 30, 2021 and 2020, respectively.

We purchased inventories and services from MiTAC Holdings and its affiliates totaling \$199.7 and \$211.9 million during fiscal years 2021 and 2020, respectively. Our sales to MiTAC Holdings, and its affiliates during fiscal years 2021 and 2020 totaled \$0.6 million and \$1.1 million, respectively. Most of the purchases and sales in 2021 and 2020 were pursuant to the agreements mentioned under the heading “Agreements with MiTAC Holdings and Affiliates” below.

Our business relationship with MiTAC Holdings and its affiliates has been informal and is not governed by long-term commitments or arrangements with respect to pricing terms, revenue or capacity commitments.

We negotiate pricing and other material terms on a case-by-case basis with MiTAC Holdings and its affiliates. We have adopted a policy requiring that material transactions with MiTAC Holdings or its related parties be approved by the Audit Committee, which is composed solely of independent directors. In addition, Matthew Miao’s compensation is approved by the Nominating and Corporate Governance Committee, which is also composed solely of independent directors.

Beneficial Ownership of our Common Stock by MiTAC Holdings

As noted above, MiTAC Holdings and its affiliates in the aggregate beneficially owned approximately 9.5% of our common stock as of January 11, 2022. These shares are owned by the following MiTAC affiliates:

MiTAC Affiliate	Shares
MiTAC Holdings(1)	5,299,980
Synnex Technology International Corporation(2)	3,859,888
Total	9,159,868

- (1) Shares held via Silver Star Developments Ltd., a wholly-owned subsidiary of MiTAC International. Excludes 191,775 shares directly held by Matthew Miao, 217,050 shares indirectly held by Mathew Miao through a charitable remainder trust, and 189,603 shares indirectly held through his wife.
- (2) Synnex Technology International Corp. (Synnex Technology International) is a separate entity from us and is a publicly-traded corporation in Taiwan. Shares are held via Peer Development

Ltd., a wholly-owned subsidiary of Synnex Technology International. MiTAC Holdings owns a noncontrolling interest of 14.06% in MiTAC Incorporated, a privately-held Taiwanese company, which in turn holds a noncontrolling interest of 15.65% in Synnex Technology International. Neither MiTAC Holdings nor Mr. Miao is affiliated with any person, entity, or entities that hold a majority interest in MiTAC Incorporated.

While the ownership structure of MiTAC Holdings and its affiliates is complex, it has not had a material adverse effect on our business in the past, and we do not expect it do so in the future.

Synnex Technology International is a separate entity from us and is a publicly-traded corporation in Taiwan that currently provides distribution and fulfillment services to various markets in Asia and Australia, and is also our potential competitor. Neither MiTAC Holdings nor Synnex Technology International is restricted from competing with us.

Agreements with MiTAC Holdings and Affiliates

We have entered into several additional agreements with affiliates of MiTAC Holdings. These agreements do not constitute contracts or obligations by any party to purchase products or services from the other parties, nor do they restrict our ability to conduct our business, except where so noted below. Accordingly, we do not believe that the termination of any of these agreements would have a material adverse effect on our business. Pursuant to these agreements, the terms for contracted services or purchased products are individually negotiated and, if agreed upon by the parties, such terms are included in a purchase order. In the fiscal year ended November 30, 2021, we paid an aggregate of approximately \$199.7 million to MiTAC Holdings and its affiliates, most of which was paid pursuant to the distribution and supply agreements described below.

Distribution Agreement. In April 2009, we entered into a distribution agreement with MiTAC Digital Corp. Pursuant to the agreement, we may purchase certain MiTAC Digital products for distribution in the United States. The agreement had an initial term of one year and automatically renews for subsequent one year terms. The agreement may be terminated without cause by either party upon 90 days prior written notice of termination to the other party.

Logistics Services Agreements. In March 2010, we entered into a logistical services agreement with MiTAC Digital Corp. Pursuant to the agreement, we provide certain reverse logistics services related to products returned by MiTAC Digital's customers in Canada. The agreement had an initial term of two years and automatically renews for subsequent one year terms. The agreement may be terminated without cause either by the mutual written agreement of the parties or, following the initial two year term, by either party without cause upon 90 days prior written notice of termination to the other party.

Distribution Agreement—Stocking. In October 2006, we entered into a distribution and stocking agreement with MiTAC International. Pursuant to the agreement, we may purchase certain MiTAC International products for distribution in the United States. The agreement had an initial term of one year and automatically renews for subsequent one year terms. The agreement may be terminated without cause either by the mutual written agreement of both parties or by either party without cause upon 30 days prior written notice of termination to the other party.

Manufacturing Supply Agreement. In October 2014, our subsidiary Hyve Solutions Corporation and its affiliates and subsidiaries entered into a manufacturing supply agreement with MiTAC Computing Technology Corporation. Pursuant to the agreement, Hyve Solutions may purchase and use certain MiTAC Computing Technology products to fulfill manufacturing contracts for third party customers worldwide. The agreement had an initial term of one year and automatically renews for subsequent one year terms. The agreement may be terminated without cause by the mutual written agreement of both parties or by either party without cause upon 30 days prior written notice of termination to the other party. During fiscal 2019, we also embarked upon a

collaboration that is in its nascent stage with MiTAC Computing Technology Corporation in furtherance of our design and supply program.

Logistics Services Agreement. In November 2011, we entered into a logistics services agreement with Getac, Inc., a subsidiary of Getac Technology Corporation, where we provide integration services and pick, pack and ship services for Getac. The agreement had an initial term of two years and automatically renews for subsequent one year terms. The agreement may be terminated without cause by the mutual written agreement of both parties or by either party without cause upon 90 days prior written notice of termination to the other party.

Distribution Agreement. In February 2012, we entered into a distribution agreement with Getac, Inc. Pursuant to the agreement, we may purchase certain Getac products for distribution in the United States and Canada. The agreement has an initial term of one year and automatically renews for subsequent one year terms. The agreement may be terminated without cause by either party upon 30 days prior written notice of termination to the other party.

Strategic Distribution Agreement-Non-Consignment. In January 2018, we entered into a strategic distribution agreement-non-consignment with Getac Video Solutions, Inc., a subsidiary of Getac Technology Corporation. Pursuant to this Agreement, we may purchase certain Getac Video Solutions Products for distribution in the United States and Canada. The agreement had an initial term of one year and automatically renews for subsequent one-year terms. The agreement may be terminated without cause by the mutual written agreement of both parties or by either party without cause upon 30 days prior written notice of termination to the other party.

Letter Agreement. In connection with the Mergers and the Investor Rights Agreement, we entered into a letter agreement (the “Letter Agreement”) with Silver Star Developments Ltd., Peer Developments Ltd., and any of their affiliates that becomes an owner of TD SYNEX common stock (the “MiTAC Stockholders”). Under the Letter Agreement, we have agreed that, in the event we file a registration statement with respect to an underwritten offering or a shelf registration statement, whether on our own account or otherwise, or we receive an underwritten shelf take-down notice, then the MiTAC Stockholders shall be given notice thereof, and shall be entitled to include in such filings the shares of TD SYNEX common stock held by them, subject to certain underwriter cutbacks.

Agreement with Concentrix

Commercial Agreement. We entered into a master Commercial Agreement with Concentrix Solutions Corporation (“Concentrix Solutions”), a subsidiary of Concentrix, which we spun-off in December 2020. The Commercial Agreement and its related statements of work do not constitute contracts or obligations by any party to purchase products or services from the other parties, nor do they restrict our ability to conduct our business. Accordingly, we do not believe that the termination of any of the Commercial Agreement would have a material adverse effect on our business. Pursuant to the agreement, the terms for contracted services or purchased products are individually negotiated and, if agreed upon by the parties, such terms are included in an SOW (with respect to services provided by Concentrix Solutions) or sales order/invoice (with respect to purchases made by Concentrix Solutions). In the fiscal year ended November 30, 2021, we paid an aggregate of approximately \$23.8 million to Concentrix and its affiliates.

Indemnification Agreements

We have entered into indemnification agreements with each of our current directors and executive officers. These agreements require us to indemnify these individuals to the fullest extent permitted under Delaware law against liabilities that may arise by reason of their service to us, and to advance expenses incurred as a result of any proceeding against them as to which they could be indemnified. We also intend to enter into indemnification agreements with our future directors and executive officers.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information as of January 11, 2022, as to shares of our common stock beneficially owned by: (i) each person who is known by us to own beneficially more than 5% of our common stock, (ii) each of our executive officers listed in the 2021 Summary Compensation Table on page 49, (iii) each of our directors and (iv) all our current directors and executive officers as a group. Unless otherwise stated below, the address of each beneficial owner listed on the table is c/o TD SYNEX Corporation, 44201 Nobel Drive, Fremont, California 94538. The percentage of common stock beneficially owned is based on 96,390,211 shares outstanding as of January 11, 2022.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership		Total	Percentage Beneficially Owned(1)(2)
	Shares Beneficially Owned(1)	Right To Acquire Beneficial Ownership within 60 days of January 11, 2022(2)		
5% Stockholders:				
Tiger Parent Holdings, L.P. (“Tiger Holdings”) and related parties (3)				
See note (3) for address	43,352,965(3)	—	43,352,965	45%
MiTAC International Corporation and related parties(4)				
See note (4) for address	9,758,296	—	9,758,296	10%
FMR LLC(5)				
245 Summer Street				
Boston, MA 02210	4,537,674	—	4,537,674	5%
Directors and Named Executive Officers:				
Fred Breidenbach	18,230	—	18,230	*
Richard Hume	157,747	—	157,747	*
Robert Kalsow-Ramos	—	—	—	*
Peter Larocque	53,945	23,691	77,636	*
Hau Lee	20,543	6,000	26,543	*
Simon Leung	39,210	19,176	58,386	*
Matthew Miao (4)(6)	598,428	—	598,428	*
Nayaki Nayyar	2,497	—	2,497	*
Matthew Nord	—	—	—	*
Dennis Polk	140,775	187,083	327,858	*
Merline Saintil	768	—	768	*
Michael Urban	19,393	40,912	60,305	*
Ann Vezina	4,285	—	4,285	*
Marshall Witt	45,523	66,132	111,655	*
Patrick Zammit	65,166	—	65,166	*
Duane Zitzner(7)	24,849	—	24,849	*
All current directors and executive officers as a group (17 persons)	1,224,017	342,994	1,567,011	1.6%

* Amount represents less than 1% of our common stock.

- (1) We have determined beneficial ownership in accordance with the SEC rules. To our knowledge, the persons named in the table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them, subject to community property laws, where applicable, and the information contained in the footnotes to this table.
- (2) For purposes of computing the percentage of outstanding shares held by each person or group of persons named above, shares which such person or group has the right to acquire upon exercise of stock options within 60 days of January 11, 2022 are deemed to be outstanding, but are not deemed to be outstanding for the purposes of computing the percentage ownership of any other person.
- (3) Based on information reported on Amendment No. 1 to Schedule 13D (“13D/A”) filed with the SEC on October 13, 2021 by Tiger Parent Holdings, L.P. (“Tiger Holdings”) and the other Reporting Persons therein.
 - (a) Tiger Parent Holdings, L.P. shares dispositive and voting power as to 38 of the shares.
 - (b) Tiger Parent Holdings GP, LLC shares dispositive and voting power as to 751,380 of the shares.
 - (c) AP IX Tiger Holdings, L.P. shares dispositive and voting power as to 27,402,932 of the shares.
 - (d) AP IX Tiger Co-Invest, L.P. shares dispositive and voting power as to 5,640,450 of the shares.
 - (e) AP IX Tiger Co-Invest (ML), L.P. shares dispositive and voting power as to 10,309,583 of the shares.
 - (f) AP IX Tiger Co-Invest (ML) GP, LLC shares dispositive and voting power as to 10,309,583 of the shares.
 - (g) AP IX Tiger Holdings GP, LLC shares dispositive and voting power as to 43,352,965 of the shares.
 - (h) Apollo Management IX, L.P. shares dispositive and voting power as to 43,352,965 of the shares.
 - (i) AIF IX Management, LLC shares dispositive and voting power as to 43,352,965 of the shares.
 - (j) Apollo Management, L.P. shares dispositive and voting power as to 43,352,965 of the shares.
 - (k) Apollo Management GP, LLC shares dispositive and voting power as to 43,352,965 of the shares.
 - (l) Apollo Management Holdings, L.P. shares dispositive and voting power as to 43,352,965 of the shares.
 - (m) Apollo Management Holdings GP, LLC shares dispositive and voting power as to 43,352,965 of the shares.

Tiger Holdings, AP IX Tiger Holdings, L.P. (“AP IX Tiger”), AP IX Tiger Co-Invest, L.P. (“Tiger Co-Invest”), AP IX Tiger Co-Invest (ML), L.P. (“Tiger Co-Invest ML”) collectively hold the shares. Tiger Parent Holdings GP, LLC (“Tiger GP”) is the general partner of Tiger Holdings. AP IX Tiger is the sole member of Tiger GP. AP IX Tiger Co-Invest (ML) GP, LLC (“Tiger Co-Invest ML GP”) is the general partner of Tiger Co-Invest ML. AP IX Tiger Holdings GP, LLC (“AP IX Tiger GP”) is the general partner of AP IX Tiger and Tiger Co-Invest, and the sole member of Tiger Co-Invest ML GP. Apollo Management IX, L.P. (“Management IX”) is the non-member manager of AP IX Tiger GP. The general partner of Management IX is AIF IX Management, LLC (“AIF IX LLC”). Apollo Management, L.P. (“Apollo LP”) is the sole member and manager of AIF IX LLC. Apollo Management GP, LLC (“Management GP”) is the general partner of Apollo LP. Apollo Management Holdings, L.P. (“Management Holdings”) is the sole member of Management GP. Apollo Management Holdings GP, LLC (“Management Holdings GP”) is the general partner of Management Holdings. Each of the entities listed herein, other than Tiger Holdings, AP IX Tiger, Tiger Co-Invest, and Tiger Co-Invest ML, disclaims beneficial ownership of any shares of the common stock owned of record by Tiger Holdings, AP IX Tiger, Tiger Co-Invest, and Tiger Co-Invest ML, except to the extent of any pecuniary interest therein,

The address of the principal office of Tiger GP, Tiger Co-Invest ML GP, and AP IX Tiger GP is One Manhattanville Road, Suite 201, Purchase, New York 10577. The address of the principal office of Tiger Holdings, AP IX Tiger, Tiger Co-Invest, Tiger Co-Invest ML, Management IX, AIF IX LLC, Apollo LP, Management GP, Management Holdings, and Management Holdings GP is 9 West 57th Street, New York, NY 10019.

- (4) Based on information reported on a Schedule 13G/A filed with the SEC on February 9, 2021 and subsequent Form 4s filed with the SEC on March 31, 2021, this amount represents 5,299,980 shares held by Silver Star Developments Ltd. and 3,859,888 shares held by Peer Developments Ltd. Silver Star Developments Ltd. is a wholly-owned subsidiary of MiTAC International Corporation. The principal business office for MiTAC International Corporation and Silver Star Developments Ltd. is No. 200 Wenhua 2nd Road, Guishan Dist., Taoyuan City 333, Taiwan. Jhi-Wu Ho and Hsiang-Yun Yang, the directors of Silver Star Developments Ltd., hold shared voting and dispositive power over the shares held by Silver Star Developments Ltd. Peer Developments Ltd. is a wholly-owned subsidiary of Synnex Technology International Corporation. The principal business office for Synnex Technology International Corporation and Peer Developments Ltd. is 4th Floor, No. 75 Sec. 3, Minsheng East Road, Zhongshan Dist., Taipei City 104, Taiwan. Matthew F.C. Miao and Shu-Wu Tu, the directors of Peer Developments Ltd., hold shared voting and dispositive power over the shares held by Peer Developments Ltd. Matthew F.C. Miao is the Chairman of the board of directors of MiTAC International Corporation and Synnex Technology International Corp. and a director of TD SYNEX. Each of the reporting persons disclaims membership in a group. The beneficial ownership of the 598,428 shares Matthew F.C. Miao claims includes 191,775 shares directly held by Mr. Miao, 217,050 shares indirectly held by MASJ Holding Charitable Remainder Trust, and 189,603 shares indirectly held by Mr. Miao's spouse. In addition, MiTAC International Corporation disclaims beneficial ownership of the 3,859,888 shares directly held by Peer Developments Ltd. and disclaims beneficial ownership of the 598,428 shares by Mr. Miao. Synnex Technology International Corporation disclaims beneficial ownership of the 5,299,980 shares directly held by Silver Star Developments Ltd. and disclaims beneficial ownership of the 598,428 shares by Mr. Miao. Mr. Miao disclaims beneficial ownership of the 5,299,980 shares directly held by Silver Star Developments Ltd. and disclaims beneficial ownership of the 3,859,888 shares directly held by Peer Developments Ltd.
- (5) Based solely on information reported on a Schedule 13G/A filed with the SEC on February 8, 2021 by FMR LLC, this amount reflects securities beneficially owned, or that may be deemed to be beneficially owned, by FMR LLC, certain of its subsidiaries and affiliates, and other companies. Members of the Johnson family, including Abigail P. Johnson, are the predominant owners, directly or through trusts, of Series B voting common shares of FMR LLC, representing 49% of the voting power of FMR LLC. The Johnson family group and all other Series B shareholders have entered into a shareholders' voting agreement under which all Series B voting common shares will be voted in accordance with the majority vote of Series B voting common shares. Accordingly, through their ownership of voting common shares and the execution of the shareholders' voting agreement, members of the Johnson family may be deemed, under the Investment Company Act of 1940, to form a controlling group with respect to FMR LLC. Neither FMR LLC nor Abigail P. Johnson has the sole power to vote or direct the voting of the shares owned directly by the various investment companies registered under the Investment Company Act advised by Fidelity Management & Research Company, a wholly owned subsidiary of FMR LLC, which power resides with the Fidelity Funds' Boards of Trustees. Fidelity Management & Research Company carries out the voting of the shares under written guidelines established by the Fidelity Funds' Boards of Trustees. FMR reports sole voting power with respect to 507,801 shares and sole dispositive power with respect to 4,537,674.
- (6) Mr. Miao's share ownership total includes indirect beneficial ownership of 217,050 shares held by MASJ Holding Charitable Remainder Trust, for which his wife serves as trustee, and 189,603 shares held by his wife.
- (7) Mr. Zitzner's share ownership total includes indirect beneficial ownership of 3,000 shares held by the Zitzner 1998 Revocable Trust.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Two transformative events for our Company occurred during fiscal year 2021. On December 1, 2020, we completed the separation of our Concentrix business from our Company (the “Spin-off”), which resulted in two independent, publicly traded companies: SYNnex Corporation and Concentrix Corporation. Then, on September 1, 2021, pursuant to the terms of the Merger Agreement, SYNnex acquired Tech Data Corporation through a series of mergers, following which, Tech Data became an indirect subsidiary of ours. Pursuant to the acquisition, we acquired all the outstanding shares of common stock of Tiger Parent (AP) Corporation (“Tiger Parent”), the parent company of Tech Data, for consideration of \$1.61 billion in cash (\$1.11 billion in cash after giving effect to the \$500 million equity contribution by Tiger Holdings to Tiger Parent prior to the effective time of the Mergers) and 44 million shares of common stock of the Company, valued at approximately \$5,614,400,000. The combined company was renamed TD SYNnex Corporation. The Mergers created a leading global distributor and solutions aggregator for the IT ecosystem. Following the Mergers, the stockholders of Tiger Parent own approximately 45% of TD SYNnex common stock on a fully diluted basis, based on our shares outstanding as of January 11, 2022. Also, following the Mergers, Richard Hume became our Chief Executive Officer, and our team of executive officers became comprised of legacy SYNnex and legacy Tech Data officers.

The Compensation Committee has overall responsibility for TD SYNnex’ executive compensation policies as provided in a written charter adopted by the Board. The Compensation Committee is empowered to review and approve the compensation and compensation procedures for the executive officers. In addition, in June 2017, the Board determined that, consistent with the stockholders’ advisory vote in March 2017, it will include in our proxy materials a stockholder vote on executive compensation every year until the next required stockholder vote on the frequency of stockholder votes concerning executive compensation.

At last year’s Annual Meeting, our stockholders approved our executive compensation programs, as disclosed in last year’s proxy statement, in an advisory “say on pay” vote, with 46,119,910 votes cast in favor of approval and approximately 516,282 votes cast against. As the Compensation Committee evaluated our compensation principles and policies during fiscal 2021, it was mindful of this favorable outcome and the stockholders’ strong support of our compensation objectives and compensation programs.

The Compensation Committee has maintained its general approach to executive compensation of legacy SYNnex executive officers and, due to the timing of the Mergers during the fourth quarter of fiscal 2021, has continued legacy Tech Data executive compensation programs for legacy Tech Data executive officers. The Compensation Committee has taken a blended approach for the Chief Executive Officer due to the nature of the role and per the terms of his employment agreement. The Compensation Committee currently is reviewing both legacy executive compensation programs as well as current market and competitive trends with the support of its independent compensation advisor, Compensia, to implement an integrated approach to compensation starting with our fiscal year 2023.

Objectives and Philosophy of Our Compensation Program

Our compensation philosophy is to pay for performance as well as to offer competitive compensation in order to attract and retain talented executive officers. With respect to “pay for performance,” our program is designed to align the interests of our executive officers with those of our stockholders, for whom they work. A significant portion of an executive officer’s total compensation depends on the executive officer’s performance relative to operational and financial objectives. In particular, in determining total compensation, we stress a compensation philosophy that is performance-driven, with relatively moderate base salaries and with bonuses through our Management Incentive Plan that are performance-based and equity compensation where value depends on stock price performance.

We believe that the compensation of our executive officers should reflect their success as a management team, as well as on an individual basis, in attaining key operating objectives, such as growth of sales, growth of operating earnings and earnings per share, return on invested capital, growth or maintenance of market share, long-term competitive advantage, and, ultimately, an increased market price for our common stock. We believe that the performance of our executive officers in managing TD SYNEX, considered in light of general economic conditions, our company and industry, and competitive conditions, should be the basis for determining their overall compensation.

We also believe that their compensation should not be based on the short-term performance of our stock, whether favorable or unfavorable, as we expect the long-term performance of our stock to be reflective of our operating performance and the management of TD SYNEX by our executive officers. We seek to have the long-term performance of our stock be a factor in our executive compensation through our stock option, restricted stock, restricted stock unit and other equity incentive programs.

Competitive compensation is important if we are to attract and retain the talent necessary to lead TD SYNEX in the competitive and changing business environment in which we operate. In this regard, we are mindful of the median level of compensation of our competitors as well as of the median level of compensation in the local area in which the executive is located. We strive for internal equity among co-workers according to job responsibilities, experience, capability, and individual performance. Our executive compensation program impacts all co-workers by setting general levels of compensation and helping to create an environment of goals, rewards and expectations. As we believe the performance of every co-worker is important to our success, we are mindful of the effect that our executive compensation and incentive program has on all of our co-workers.

The differences in compensation between the various executive officers are based primarily upon individual differences in job responsibility, contribution, performance and increase in the global scope of the business and complexity and demands of understanding, managing and influencing global operations and integrated success. An executive with responsibility over a broader, more difficult or more profitable business unit or corporate division will have potential for greater compensation than an executive with responsibility over a narrower, less complex or less profitable business unit or corporate division.

Our compensation philosophy emphasizing performance permeates total compensation for both executive officers and non-executive co-workers. While we do not have an exact formula for allocating between cash and non-cash compensation, we try to balance long-term equity versus short-term cash compensation and variable compensation versus fixed compensation. As noted above, executive officers who have greater ability to influence the overall performance of TD SYNEX receive more long-term equity as a percentage of total compensation than non-executive co-workers who have less ability to influence the overall performance of TD SYNEX. Similarly, performance-related cash compensation for such executive officers as a percentage of total compensation is greater than performance-related cash compensation of non-executive co-workers. The goal is to create a balanced culture of high performance without undue risk assumption.

The Mergers and Legacy Tech Data Executive Compensation.

Pursuant to the terms of the Mergers agreements, during fiscal year 2021, we continued the pre-merger base salaries of legacy Tech Data executive officers and have continued the pre-merger Tech Data annual cash bonus program for executive officers who were legacy Tech Data executive officers. We also agreed to continue certain legacy benefits, such as the Executive Choice program, as well as basic health and welfare benefits that are generally the same as those made available to other salaried employees located in the same jurisdiction.

Elements of Our Compensation Program

Last year, following review by our Compensation Committee, we continued a compensation program for legacy SYNEX executive officers that consists of four compensation components:

- (1) base salary;

- (2) Management Incentive Plan bonus;
- (3) equity grants; and
- (4) performance-based, long-term incentives (LTI).

Our equity grants during fiscal 2021 also included special restricted stock awards, with special vesting terms, for recognition of work related to the spin-off of Concentrix and for retention and a special equity grant and cash bonus for recognition of work related to the Mergers.

We and the Compensation Committee believe that the LTI program ties executive compensation to long-term business performance and also aligns total compensation closer to the market comparatives in value and in form.

The compensation elements are usually administered in four cycles. Merit raises for base salaries are generally considered and implemented in the April-May period. Annual equity grants in the form of stock options, restricted stock awards or restricted stock units (RSUs), other than LTI awards, are generally awarded in the September-October period. Management Incentive Plan bonuses are generally paid in the December-January period and LTI awards in the form of performance-based RSUs are generally granted in the January-February period. However, all of the above elements are reviewed and determined on at least an annual basis by the Compensation Committee.

The components of the legacy SYNnex compensation program are described as follows:

Base Salary. Base salaries are designed to provide a consistent cash flow throughout the year as compensation for day-to-day responsibilities. In prior years, we maintained relatively low base salaries to incentivize executive officers to achieve the Management Incentive Plan targets and thus create a performance-driven environment. Base salaries generally remain near the 25th percentile for the Chief Executive Officer position and near the 50th-75th percentile for the other comparable positions in our peer group.

Base salaries for our executive officers are reviewed and, if deemed appropriate, adjusted on an annual basis. Merit increases are based on, among other things, individual performance, any new responsibilities assumed and the overall financial forecast that helps define the ability to provide a merit increase budget for the year. With respect to each executive's individual performance, we assess the breadth and complexity of the area of responsibility and the individual contributions and seek to quantify the same. Determination of base salary is not made in accordance with a strict formula that measures weighted qualitative and quantitative factors, but rather is based on objective data synthesized to competitive ranges and to internal policies and practices.

Management Incentive Plan. Management Incentive Plan bonuses reward individuals for achieving operating and financial goals, in keeping with a performance-driven environment conducive to increasing stockholder value. Bonuses granted to executive officers under our Management Incentive Plan are determined by the Compensation Committee based upon both qualitative and quantitative considerations. The Compensation Committee establishes in writing specific performance goals for each participant, which must be achieved in order for an award to be earned under our Management Incentive Plan for that fiscal year. Performance goals under the Management Incentive Plan may be based upon any one or more of the following: net income per share, revenue, cash flow, earnings per share, return on equity, total stockholder return, share price performance, return on capital, return on assets or net assets, income or net income, operating income or net operating income, operating profit or net operating profit, operating margin or profit margin, return on operating revenue, return on invested capital, sales productivity, sales growth, market segment share or similar financial performance measures as may be determined by the Compensation Committee. The Compensation Committee set reasonably stringent minimum Management Incentive Plan hurdles and performance metrics. The Compensation Committee is also authorized to recoup any bonuses or portion thereof to mitigate the potential for undue risk assumption.

Only legacy SYNEX executive officers participated in the Management Incentive Plan for fiscal year 2021. Management Incentive Plan bonuses for fiscal year 2021 to the executive officers were based upon a combination of, depending on the officer: (1) our achievement of non-GAAP net income target performance with adjustments based upon achievement of average return on invested capital (“ROIC performance”) of our Distribution business (the Distribution target metric) and (2) the achievement of non-GAAP net income target performance by our entire business (the TD SYNEX target metric) with adjustments based upon ROIC performance. For all executive officers as of the beginning of the fiscal year, other than Messrs. Urban and Larocque, the Distribution target performance metric accounts for 75% of the officer’s bonus measurement, and the TD SYNEX target performance metric accounts for 25%. For Mr. Urban, as President, Americas, and Mr. Larocque, as President, North American Technology Solutions, the Distribution target performance metric accounts for 100% of his bonus measurement. The net income and ROIC targets were increased from fiscal year 2020. Executive officers are not eligible for bonuses unless we meet or exceed the target performance percentages of the internally established net income goals. The minimum threshold target performance percentage is 75% and the maximum target performance percentage is 133.3% for all executive officers.

The actual bonus payable, if the applicable minimum threshold percentages are met, is paid on a sliding scale of the target performance actually achieved and dollar limits pre-established by the Compensation Committee for each individual executive officer. This amount then is adjusted by the percentage increase or decrease corresponding with our performance as measured by the ROIC performance metric. In addition, our President and Chief Executive Officer has discretion to recommend to the Compensation Committee that it decrease bonuses for all other executive officers.

If the minimum threshold target performance percentage of the internally established net income goal is not achieved, no bonuses would be paid to the executive officers, regardless of the achievement of the ROIC performance metrics. The minimum threshold target performance percentage of the Distribution component was based on the previous year’s internally established net income per share goal plus a reasonable “stretch” goal taking into account the then economic environment. Alternatively, if the maximum target performance percentage of the internally established net income goal is exceeded, no incremental bonuses beyond the maximum award would be paid to the executive officers. The Management Incentive Plan bonus for each executive officer is based upon a certain percentage of their annual base salary for the applicable fiscal year.

In the event that the minimum threshold performance target is met, then our executive officers would receive a bonus based on the following approximate percentage of the fiscal year base salary for fiscal 2021, as applicable:

Name(1)	Minimum Payment (if Threshold is Met) as Percentage of Base Salary(1)(%)	Target Payment as Percentage of Base Salary(1)(%)	Maximum Payment as Percentage of Base Salary(1)(%)
Dennis Polk	125	250	375
Marshall Witt	62.5	125	187.5
Michael Urban	100	200	300
Peter Larocque	100	200	300
Simon Leung	62.5	125	187.5

(1) The applicable base salary is each officer’s then-current base salary at the end of the fiscal year.

There is potential for actual awards under the Management Incentive Plan to be less than such minimum targets depending upon corporate performance, as well as the executive officer’s performance of certain individual goals that were predetermined by our then President and Chief Executive Officer. In addition, the Compensation Committee has discretion to decrease the bonus for all executive officers. The Compensation Committee’s discretion is exercised based upon discussions with our President and Chief Executive Officer, taking into account his ability to manage and monitor the performance of the other named executive officers.

For the fiscal year ended November 30, 2021, we achieved the maximum performance target and as a result the following executive officers received the following bonuses:

Name	Management Incentive Plan Bonuses
Dennis Polk	\$2,786,719
Marshall Witt	\$960,938
Michael Urban	\$1,691,250
Peter Larocque	\$1,660,500
Simon Leung	\$595,783

In addition, as a special recognition of the effort and work of the following executive officers related to the Mergers they each received the following special cash bonuses:

Name	Special Merger Bonuses
Dennis Polk	\$581,000
Marshall Witt	\$150,000
Michael Urban	\$225,000
Peter Larocque	\$200,000
Simon Leung	\$125,000

Based on comparable peer companies, the total cash compensation targets, including both base salary and Management Incentive Plan bonus, excluding any recommended adjustments by the Compensation Committee, for our executive officers for comparable positions in our peer group for fiscal year 2021 were as follows:

Name	Total Cash Compensation Target Percentile
Dennis Polk	Near 50th Percentile
Marshall Witt	Below 25th Percentile
Michael Urban	Above 75th Percentile
Peter Larocque	Above 75th Percentile
Simon Leung	Below 25 th Percentile

Annual Cash Bonus Opportunities for Messrs. Hume and Zammit

Per the Mergers agreement, we continued the annual cash bonus opportunities determined pre-merger for legacy Tech Data executive officers through the end of the fiscal year with achievement determined based upon our fiscal year 2021 results but payout through January 31 to occur in the February - March 2022 time frame. The target bonus opportunities as a percentage of base salary are 130% for Mr. Hume and 100% for Mr. Zammit. Each officer's bonus opportunity ties to the achievement of specified performance measures. Payment of the bonus is conditioned on achievement of performance targets that were specified in advance for each officer. The selected performance measures and weightings for the Tech Data year ending January 31, 2022 were: (1) for Mr. Hume, 40% Tech Data worldwide adjusted EBITDA, 20% worldwide Next Generation adjusted EBITDA, and 40% Tech Data worldwide ROWC; and (2) for Mr. Zammit, 20% Tech Data worldwide adjusted EBITDA, 20% Tech Data worldwide Next Generation adjusted EBITDA, 40% Tech Data Europe ROWC, and 20% Tech Data Europe adjusted EBITDA. The target bonus amount is subject to acceleration or deceleration depending upon the level of achievement for each performance measure, with 70% achievement requirement for any payout, which is at 30%. To incentivize overachievement, 100% achievement results in 100% payout and 110% achievement results in 200% payout.

For the fiscal year ended November 30, 2021, we achieved the maximum performance target payout and as a result the following executive officers received the following bonuses:

Name	Legacy Tech Data Plan Bonuses
Richard Hume	\$2,496,000
Patrick Zammit	\$1,108,235

Equity Grants. Only legacy SYNEX executive officers participated in the equity grants program for fiscal year 2021, except that the Compensation Committee approved restricted stock and stock option awards for Mr. Hume pursuant to the terms of his employment agreement as Chief Executive Officer starting September 1, 2021. Long-term incentives involve equity grants and performance grants, including restricted stock awards, RSUs and stock options. Restricted stock and RSUs help us to retain key personnel, whereas stock options provide incentive for creating incremental stockholder value. The value of equity grants and performance grants derives from stock price, which aligns executive compensation with stockholder value.

Equity grants are based on a number of considerations. The Compensation Committee considered the following principal elements:

- corporate performance;
- dilution to stockholders;
- related expense to our company;
- job responsibilities and past performance of the executive officer;
- likely future contributions by the executive officer;
- potential reward to the executive officer if the stock price appreciates in the public market;
- management tier classification;
- equity grants made by competitors; and
- existing vested and unvested equity holdings.

Determination of equity grant amounts is not made in accordance with a strict formula that measures weighted qualitative and quantitative factors, but rather is based on objective data synthesized to competitive ranges and to internal policies and practices, including an overall review of both employee and corporate performance and the value of equity grants of comparable officers at comparable companies. We evaluate our corporate performance objective primarily by our financial performance, including growth, return on equity, ROIC, and diluted earnings per share, or EPS. Equity grants may also be made to new executive officers upon commencement of employment and, on occasion, to executive officers in connection with a significant change in job responsibility. In addition, we made an equity grant in fiscal 2021 to recognize the contributions of both executive officers and non-executive co-workers in the completion of the Mergers agreement. We also distinguish between equity grants of stock options, restricted stock awards or RSUs based upon the officer's position. We believe that stock options carry more risk than restricted stock. As such, we expect certain officers with the most direct impact on our overall performance to accept more equity risk and their grants are more heavily weighted towards stock options rather than restricted stock awards or RSUs.

To further ensure that the long-term interests of executive officers are closely aligned with those of stockholders, we request that they, except our President and Chief Executive Officer, hold an equity position in TD SYNEX of the lesser of the following: (1) at least two times annual base salary or (2) \$1,000,000. This

equity position can be satisfied by holding shares of common stock, whether vested or unvested, or vested in-the-money stock options. With respect to our President and Chief Executive Officer, we request that he hold an equity position in TD SYNEX of the lesser of the following: (1) at least two times the sum of annual base salary plus target bonus as in effect from time to time or (2) \$2,000,000. Stock ownership for our President and Chief Executive Officer includes common stock owned personally or in trust for his benefit, but does not include unvested restricted stock or stock units, or stock options that are not vested in-the-money.

In addition, to avoid any impropriety or even the appearance of such, the Compensation Committee in most cases times the equity grants to be valued only during open trading windows. If the date of an equity grant falls within a trading black-out period, then the effective grant date is upon the expiration of the third trading day after the trading black-out period ends. The exceptions to this standard procedure are the granting of Long-Term Incentive RSUs, as discussed below, which are valued as of the first business day of the fiscal year. The exercise price for all stock option grants is the market closing price of our common stock on the effective grant date. In addition, annual equity grants to executive officers are generally awarded each year in the September-October period. For the fiscal year ended November 30, 2020, however, annual equity grants to executive officers were structured so that the officers had no vested right to underlying equity before January 2021, although they received service credit from October 2020.

Special Grants Related to the Spin-off. Following the Spin-off and particularly due to their efforts related to the Spin-off, the following named executive officers on January 20, 2021 were granted special one-time restricted stock awards to acquire the number of shares of our common stock equivalent in approximate value to the amount next to the officer's name:

Dennis Polk	\$2,500,000
Marshall Witt	\$500,000
Simon Leung	\$500,000

With respect to the restricted stock grant to Mr. Polk, one-third of the shares vest on the first anniversary of the grant date and two-thirds of the shares vest on the second anniversary of the grant date. With respect to the restricted stock grants to Messrs. Witt and Leung, all of the shares vest on the first anniversary of the grant date.

Section 16(b) Officer Retention Grants. On January 20, 2021, the following named executive officers were granted special one-time restricted stock awards to acquire the number of shares of our common stock equivalent in approximate value to the amount next to the officer's name:

Dennis Polk	\$3,500,000
Peter Larocque	\$2,000,000
Marshall Witt	\$1,000,000
Simon Leung	\$1,000,000

With respect to the restricted stock grant to Mr. Polk, all of the shares vest on the second anniversary of the grant date. With respect to the restricted stock grant to Mr. Larocque, all of the shares vest on the third anniversary of November 30, 2020. With respect to the restricted stock grants to Messrs. Witt and Leung, all of the shares vest on the third anniversary of the grant date.

Special Merger Performance Grants. On October 5, 2021, the following named executive officers were granted special one-time restricted stock awards to acquire the number of shares of common stock equivalent in approximate value to the amount next to the officer's name:

Dennis Polk	\$581,000
Michael Urban	\$225,000
Peter Larocque	\$200,000
Marshall Witt	\$150,000
Simon Leung	\$125,000

Performance-Based, Long-Term Equity Incentives. Only legacy SYNEX executive officers participated in the fiscal year 2021 long-term equity incentive program. Our annual long-term incentive (“LTI”) program, currently implemented through our 2020 Stock Incentive Plan, is designed to provide long-term retention incentives for our executive officers, and also to create an alignment between the interests of our executive officers and those of our stockholders because appreciation in the stock price of our shares will benefit both our executive officers and our stockholders. Under the 2020 Stock Incentive Plan, the Compensation Committee may grant LTI awards that require, as a condition to vesting, the attainment of one or more performance targets specified by the Compensation Committee from the list of possible financial and operational performance metrics specified in the 2020 Stock Incentive Plan.

We and the Compensation Committee believe that the LTI program ties executive compensation to business performance and also aligns total compensation closer to the market comparatives in value and in form.

The Compensation Committee generally considers LTI program awards during the meeting held following the end of a fiscal year; however, for fiscal year 2020, due to the then impending Spin-off during that fiscal year, the Compensation Committee determined to consider any LTI program awards only after the Spin-off and did not approve a 2020-2022 LTI program during fiscal year 2020. Because the Spin-off occurred on December 1, 2020 and to account for last year, the Compensation Committee on January 21, 2021 approved a 2021-2022 LTI program along with the 2021-2023 LTI program. There are separate performance measures and metrics for each LTI program. The RSUs under both programs will vest based upon (1) achievement, on a cumulative basis, of the applicable minimum threshold financial performance measure based on a formula derived from EPS target performance (“EPS Formula”) and (2) the achievement of ROIC target performance, with performance metrics measured over a 2-year period ending November 30, 2022 or a 3-year period ending November 30, 2023, as applicable. The minimum threshold EPS Formula percentage is 75% and the maximum target performance percentage is 166.7% for all executive officers.

The actual number of performance-based RSUs, if the applicable minimum threshold EPS Formula percentage is met, vest on a sliding scale of the EPS Formula target performance percentage actually achieved. This amount is then adjusted by the percentage increase or decrease corresponding with our performance as measured by the ROIC performance percentage, provided that in no event will an executive officer be entitled to receive more than the maximum award (as set forth in table below). To the extent that we fail to meet our performance targets for the applicable 2-year or 3-year period, then that portion of the shares underlying the performance-based RSUs are canceled and do not vest, regardless of the achievement of the ROIC target performance. If, for example, we achieve 75% of the EPS target Formula and ROIC performance, then our executive officers would receive 50% of the targeted shares. Similarly, if we achieve 166.67% of EPS target Formula and ROIC performance, then our executive officers would receive 200% of the targeted shares.

In order to allow for vesting of 200% of the target performance-based RSUs (pursuant to the vesting criteria discussed above), each executive officer is granted a number of performance-based RSUs equal to two times the target grant. For fiscal year 2021 for the 2-Year LTI Program, based upon the per share price on the first business day of fiscal 2021 (December 1, 2020) of \$76.02, the executive officers who were employed by the Company at that time were granted performance-based RSUs as follows:

	Number of RSUs granted (represents maximum award of 200% of target award)	Value of LTIs at maximum award of 200% of target award	Number of RSUs vesting at 100% target performance	Value of LTIs at 100% target performance (represents 100% of target award)	Number of RSUs vesting at 75% of target performance	Value of LTIs at 75% target performance (represents 50% of target award)
Dennis Polk	15,894	\$1,208,262	7,947	\$604,131	3,973	\$302,027
Marshall Witt	5,480	\$416,590	2,740	\$208,295	1,370	\$104,147
Michael Urban	9,646	\$733,289	4,823	\$366,644	2,411	\$183,284
Peter Larocque	9,470	\$719,909	4,735	\$359,955	2,367	\$179,939
Simon Leung	3,398	\$258,316	1,699	\$129,158	849	\$64,541

For fiscal year 2021 for the 3-Year LTI Program, based upon the per share price on the first business day of fiscal 2021 (December 1, 2020), of \$76.02, the executive officers were granted performance-based RSUs as follows:

	Number of RSUs granted (represents maximum award of 200% of target award)	Value of LTIs at maximum award of 200% of target award	Number of RSUs vesting at 100% target performance	Value of LTIs at 100% target performance (represents 100% of target award)	Number of RSUs vesting at 75% of target performance	Value of LTIs at 75% target performance (represents 50% of target award)
Dennis Polk	15,894	\$1,208,262	7,947	\$604,131	3,973	\$302,027
Marshall Witt	5,480	\$416,590	2,740	\$208,295	1,370	\$104,147
Michael Urban	9,646	\$733,289	4,823	\$366,644	2,411	\$183,284
Peter Larocque	9,470	\$719,909	4,735	\$359,955	2,367	\$179,939
Simon Leung	3,398	\$258,316	1,699	\$129,158	849	\$64,541

In addition, the vesting of the LTI awards is contingent upon the executive officer still being employed by us on the date of vesting.

In considering the appropriate performance metric for the LTI awards for fiscal year 2021, the Compensation Committee, with the assistance of senior management, concluded that applicable EPS and ROIC performance metrics be the same for all executive officers. The Compensation Committee also considered the aggregate projected cost of the equity grants to the executive officers under FASB ASC Topic 718.

With respect to both our equity grants and the LTI program, the Compensation Committee considers at least annually whether to approve specific long-term equity awards based on the recommendations of our President and Chief Executive Officer (except with respect to his own awards). When determining awards, the Compensation Committee considers factors such as the individual's position with us, their prior and expected future performance and responsibilities, our retention and succession needs, and the long-term incentive award levels for comparable executives and key co-workers at companies that compete with us for executive and managerial talent. The Compensation Committee also considers the total value of equity awards previously granted and the existing equity ownership of each executive officer when determining restricted stock award levels, with particular attention paid to the value of unvested awards. In addition, the Compensation Committee considers the potential dilution and accounting costs of long-term equity awards as compared to those granted at other publicly traded companies that compete with us for business and executive talent. The 2020 Stock Incentive Plan does not state a formulaic method for weighing these factors, nor does the Compensation Committee employ one.

Deferred Compensation Plan. Our deferred compensation plan permits designated co-workers to accumulate income for retirement and other personal financial goals by deferring present income through a nonqualified plan. Our deferred compensation plan became effective on January 1, 1994 and was amended on January 7, 2008 to conform with changes required by Section 409A of the Code. Currently, none of our executive officers participate in this plan.

Benefits, Perquisites and Other. Other benefits to our executive officers include medical, dental and life insurance, as well as 401(k) plan participation. These benefits are generally available to all our co-workers.

Executive Compensation by TD SYNEX for the Named Executive Officers

President and Chief Executive Officer. Richard Hume is our President and Chief Executive Officer and has served in this capacity since September 1, 2021. Mr. Hume's base salary was \$258,462 for the three-month period of fiscal year 2021 he was with us. Mr. Hume also received a sign-on stock option grant of 56,848 shares, a sign-on grant of 14,349 time-based RSUs, a bonus of \$2,496,000 under the Tech Data bonus plan, and as a

result of a pre-existing long-term incentive cash award that was triggered by the change of control of Tech Data on September 1, 2021 due to the Mergers, he received \$3,115,000 paid by us. Some of the primary factors affecting Mr. Hume's compensation include, among other things, our combined company performance during fiscal year 2021 compared to our pre-established financial goals, comparative compensation of competitor companies, his contribution to the Mergers, his responsibility for the strategy of our Company, and his overall leadership responsibility of our Company.

Executive Chair. Dennis Polk is our current Executive Chair and has served in this position since September 2021. He is also a Director and has served in this capacity since February 2012. Mr. Polk previously served as President and Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Senior Vice President of Corporate Finance since joining us in February 2002. Mr. Polk's annual base salary was \$735,457 in fiscal year 2021. Mr. Polk also received a bonus of \$2,786,719 under our Management Incentive Plan, a special Merger transaction bonus of \$581,000, a stock option grant of 94,154 shares, a restricted stock award of 16,061 shares, a grant of 15,894 performance-based RSUs, a second grant of 15,894 performance-based RSUs, a Spin-off related restricted stock award of 27,618 shares, a retention restricted stock award of 38,665 shares, and a special Merger transaction related grant of 5,413 shares. Some of the primary factors affecting Mr. Polk's compensation include, among other things, our fiscal year 2021 financial performance that exceeded our pre-established financial goals, comparative compensation of competitor companies, his responsibility for the strategy of our Company, and his overall leadership of our Company.

Chief Financial Officer. Marshall Witt has served as our Chief Financial Officer since April 2013. Mr. Witt's annual base salary was \$502,212 in fiscal year 2021. For fiscal 2021, Mr. Witt also received a bonus of \$960,938 under our Management Incentive Plan, a special Merger transaction bonus of \$150,000, a stock option grant of 21,299 shares, a restricted stock award of 5,591 shares, a grant of 5,480 performance-based RSUs, a second grant of 5,480 performance-based RSUs, a Spin-off related restricted stock award of 5,523 shares, a retention restricted stock award of 11,047 shares, and a special Merger transaction related grant of 1,397 shares. Some of the primary factors affecting Mr. Witt's compensation include, among other things, our performance toward our pre-established financial goals, his contribution to the overall leadership of our Company, his contribution to the Mergers effort and related financings, and his leadership of the worldwide finance organization.

President, Americas. Michael Urban has served as our President, Worldwide Technology Solutions Distribution since February 2019 and is President, Americas since September 2021. Mr. Urban currently is responsible for our Americas distribution business. Mr. Urban's base salary was \$557,933 in fiscal year 2021. For fiscal 2021, Mr. Urban also received a bonus of \$1,691,250 under our Management Incentive Plan, a special Merger transaction bonus of \$225,000, a stock option grant of 30,389 shares, a restricted stock award of 9,350 shares, a grant of 9,646 performance-based RSUs, a second grant of 9,646 performance-based RSUs and a special Merger transaction related grant of 2,096 shares. Some of the primary factors affecting Mr. Urban's compensation include, among other things, our performance toward our pre-established financial goals, the strong performance of his division within our company, his contribution to the overall leadership of our Company, and his leadership of the distribution function of our Company worldwide.

President, Europe and APJ. Patrick Zammit has served as our President, Europe and APJ since September 2021. Mr. Zammit's base salary was \$145,021 in fiscal year 2021 for the three-month period he was with us, using a weighted average Euro-to-Dollar exchange rate for the three months ended November 30, 2021. For fiscal 2021, Mr. Zammit also received a bonus of \$1,108,235 under the Tech Data bonus plan and, as a result of a long-term incentive cash award granted pre-merger that was triggered by the change of control of Tech Data on September 1, 2021 due to the Mergers, Mr. Zammit received \$1,048,558 paid by us, using a weighted average Euro-to-Dollar exchange rate for the three months ended November 30, 2021. Some of the primary factors affecting Mr. Zammit's compensation include, among other things, our performance toward our pre-established financial goals, the strong performance of his division within our company, his contribution to the overall leadership of our Company, and his leadership of the Europe and APJ distribution function of our Company.

President, North America Technology Solutions. Peter Larocque has served as our President, North America Technology Solutions since November 2013 and previously served as President, U.S. Distribution from July 2006 through November 2013, as Executive Vice President of Distribution from June 2001 to July 2006, and as Senior Vice President of Sales and Marketing from September 1997 until June 2001. Mr. Larocque is responsible for our North America Technology Solutions. Mr. Larocque's annual base salary was \$547,789 in fiscal year 2021. For fiscal 2021, Mr. Larocque also received a bonus of \$1,660,500 under our Management Incentive Plan, a special Merger transaction bonus of \$200,000, a stock option grant of 28,300 shares, a restricted stock award of 8,081 shares, a grant of 9,470 performance-based RSUs, a second grant of 9,470 performance-based RSUs, a retention restricted stock award of 22,094 shares and a special Mergers transaction related grant of 1,863 shares. Some of the primary factors affecting Mr. Larocque's compensation include, among other things, our performance toward our pre-established financial goals, the strong performance of his division within our Company, his contribution to the overall leadership of our Company, and his leadership of the sales and marketing function of our Company in North America. In addition, Mr. Larocque contributed substantially to Share the Magic, our charitable fundraising efforts.

Chief Business Officer. Simon Leung has served as our Chief Business Officer since September 2021 and prior to that time served as our Senior Vice President, General Counsel and Corporate Secretary since May 2001. Mr. Leung joined us in November 2000 as Corporate Counsel. Mr. Leung's annual base salary was \$314,471 in fiscal year 2021. For fiscal 2021, Mr. Leung also received a bonus of \$595,783 under our Management Incentive Plan, a special Merger transaction bonus of \$125,000, a stock option grant of 8,030 shares, a restricted stock award of 5,434 shares, a grant of 3,398 performance-based RSUs, a second grant of 3,398 performance-based RSUs, a Spin-off related restricted stock award of 5,523 shares, a retention restricted stock award of 11,047 shares, and a special Mergers transaction related grant of 1,164 shares. Some of the primary factors affecting Mr. Leung's compensation include, among other things, our performance toward our pre-established financial goals, his contribution to the overall leadership of our Company, his leadership of the legal and compliance functions of our Company while he was our General Counsel, his leadership in Company-wide education of best practices and ethical standards, his management of litigation within our expectations, his efficient discharge of corporate governance responsibilities, and his leadership of our operations that comprise the Chief Business Office. In addition, Mr. Leung contributed substantially to the Mergers and related integration efforts.

Risk Assessment of Our Compensation Program

Consistent with SEC disclosure requirements, we have assessed our compensation programs and have concluded that our compensation policies and practices do not create risks that are reasonably likely to have a material adverse effect on our company. The risk assessment process included a review of program policies and practices; program analysis to identify risk and risk control related to the programs; and determinations as to the sufficiency of risk identification, the balance of potential risk to potential reward, risk control and the support of the program and their risks to our company strategy. Although we reviewed all compensation programs, we focused primarily on the programs with variability of payout, with the ability of an executive officer to directly affect payout and the controls on executive officer action and payout. By way of examples, we reviewed our compensation programs for certain design features that have been identified by experts as having the potential to encourage excessive risk-taking, including:

- too much focus on equity;
- compensation mix overly weighted toward annual incentives;
- highly leveraged payout curve and uncapped payouts;
- unreasonable goals or thresholds; and
- steep payout cliffs at certain performance level that may encourage short-term business decisions to meet payout thresholds.

We are satisfied that these potential pitfalls have been avoided or mitigated, as listed below. We continue to monitor our compensation programs and reserve the right to adjust them as we judge necessary to avoid creating undue risk.

- In addition, we have internal controls over financial reporting and the measurement and calculation of compensation goals, and other financial, operational, and compliance policies and practices that are designed to keep our compensation programs from being susceptible to manipulation by any employee, including our executive officers. Other risk-mitigating factors considered by the Compensation Committee include the following: the use of different types of compensation that provide a balance of short-term and long-term incentives with fixed and variable components;
- our minimum equity holding guidelines;
- our clawback policy which, in the event of a restatement of our financial results allows the Compensation Committee to seek to recover or cancel Management Incentive Plan bonuses;
- our clawback provision in the 2020 Stock Incentive Plan that subjects the annual equity grants and LTI awards to Company clawback or recoupment arrangements or policies;
- our Insider Trading Policy prohibits our directors, officers, and all other co-workers from entering into hedging or monetization transactions with respect to our securities;
- caps on performance-based awards to limit windfalls;
- every executive officer must obtain permission from our Legal Department before the sale of any shares of our common stock, even during an open trading window;
- our prohibition of trading in our securities on a short-term basis, on margin, or in a short sale transaction;
- our policy against buying or selling puts or calls on our common stock;
- our Code of Ethical Business Conduct; and
- the Compensation Committee's consideration of ethical behavior as integral in assessing the performance of all executive officers.

Ultimately, our incentive compensation is designed to reward executive officers for committing to and delivering goals that are intended to be challenging yet provide them a reasonable opportunity to reach the threshold amount, while requiring meaningful growth to reach the target level and substantial growth to reach the maximum level. The amount of growth required to reach the maximum level of compensation is developed within the context of the normal business planning cycle and, while difficult to achieve, is not viewed to be at such an aggressive level that it would induce our executive officers to take inappropriate risks that could threaten our financial and operating stability.

Tax Deductibility Considerations

Section 162(m) of the Code, as amended by the Tax Cuts and Jobs Act of 2017, generally disallows a deduction for federal tax purposes to any publicly traded corporation for any remuneration in excess of \$1,000,000 paid in any taxable year to its chief executive officer, chief financial officer and other covered employees who are among the most highly compensated executive officers. While we consider the deductibility of awards in determining executive compensation, we also reserve the Compensation Committee's flexibility to

provide one or more covered executive officers with the opportunity to earn compensation that is nondeductible under Section 162(m) when the Compensation Committee believes that such compensation is appropriate to attract and retain executive talent.

Compensation Committee

The Compensation Committee has overall responsibility for our executive compensation policies as provided in a written charter adopted by the Board. The Compensation Committee is empowered to review and approve the annual compensation and compensation procedures for our executive officers. The Compensation Committee does not delegate any of its functions to others in setting compensation.

Compensation Consultant and Peer Group Analysis. To assist in this process, the Compensation Committee retained the services of Compensia, Inc. as its compensation consultant during fiscal year 2021. Compensia reported directly to the Compensation Committee and the Compensation Committee directly approved the Compensia fees. Management had no role in the selection of the compensation consultant. The Compensation Committee retained the services of Compensia to outline executive compensation trends and developments, review and analyze TD SYNnex' executive compensation philosophy and programs, and provide summary of findings and considerations for use in fiscal year 2021. Neither TD SYNnex nor the Compensation Committee engaged any compensation consultants during fiscal year 2021 whose fees exceeded \$120,000. The Compensation Committee believes that the Compensia advice was independent of management, and Compensia has certified the same in writing, and benefited our company and stockholders. In reaching this conclusion, the Compensation Committee considered all factors relevant to Compensia's independence from management, including factors suggested by the New York Stock Exchange in its rules related to compensation advisor independence.

Compensia provided the Compensation Committee with a review of the overall compensation climate in the United States, best practices, and trends specific to our industry. Compensia provided analyses of base salaries, bonuses, long-term incentives and benefit practices of comparable peer companies. Compensia's work did not raise any conflict of interest.

The following comparable technology distribution, electronic manufacturing services, IT consulting, and other peer companies were used in our competitive benchmarking for fiscal 2021 executive compensation. In the months leading up to the Mergers, due to the change in size and geographical scope of our Company upon the Mergers, the Compensation Committee used additional peer companies in our competitive benchmarking for fiscal 2021 executive compensation of newly-created roles following the Mergers—these companies are marked by an asterisk.

Arrow Electronics, Inc.
Avnet, Inc.
Cardinal Health, Inc.*
CDW Corporation
DXC Technology Company*
Hewlett Packard Enterprise Company*
Insight Enterprises, Inc.
Jabil Inc.
Western Digital Corporation*

In addition to talking to members of the Compensation Committee, Compensia also contacted certain of our executive officers and other co-workers in our human resources department to obtain historical data and insight into previous compensation practices. The Compensation Committee took information provided by Compensia into consideration when setting executive compensation for fiscal years 2019, 2020 and 2021.

Tally Sheets and the Role of President and Chief Executive Officer. In fiscal year 2021, the Compensation Committee continued the practice of reviewing the total remuneration of the executive officers using summary tables, or tally sheets. These tally sheets allowed the Compensation Committee to undertake a comprehensive review across all forms of compensation, and to understand the effect that changing profit and stock price scenarios could have on such remuneration forms.

Our then President and Chief Executive Officer also made recommendations to the Compensation Committee as to the compensation of the other named executive officers. The Compensation Committee can accept or adjust such recommendations for these officers. However, in general, the Compensation Committee considered the recommendations of our then President and Chief Executive Officer, the named executive officer's role, responsibilities and performance during the past year, and the amount of compensation paid to named executive officers in similar positions at comparable companies. These recommendations were considered in relation to annual performance reviews and played an important role in the compensation determinations by the Compensation Committee. For our current President and Chief Executive Officer Mr. Hume, the Compensation Committee solely determined the compensation of the President and Chief Executive Officer based on competitive benchmarking provided by Compensia.

In general, we believe that the current executive compensation program meets the objectives of rewarding executive officers for measurable results in meeting and exceeding goals.

Compensation Committee Report

The following report of the Compensation Committee does not constitute soliciting material and shall not be deemed filed or incorporated by reference into any other filing by TD SYNEX under the Securities Act of 1933 or the Securities Exchange Act of 1934.

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with TD SYNEX' management. Based on this review and these discussions, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in TD SYNEX' proxy statement on Schedule 14A and incorporated by reference into its Annual Report on Form 10-K for the fiscal year ended November 30, 2021.

Respectfully submitted by the members of the Compensation Committee of the Board:

Mr. Hau Lee, Chair
Mr. Fred Breidenbach
Ms. Nayaki Nayyar

2021 Summary Compensation Table

The table includes our former and current principal executive officer, our principal financial officer, the three highest compensated executive officers other than the principal executive officer and principal financial officer at the end of fiscal 2021 and any individuals who were executive officers at any point during fiscal 2021 and would otherwise qualify as one of the three highest compensated executive officers.

Name and Principal Position	Fiscal Year	Salary (\$)	Bonus (\$) ⁽¹⁾	Stock Awards (\$) ⁽²⁾⁽³⁾	Option Awards(\$) ⁽²⁾	Non-equity Incentive Plan Compensation Earnings (\$) ⁽⁴⁾	All Other Compensation (\$) ⁽⁵⁾	Total(\$)
Dennis Polk <i>Executive Chair and Former Chief Executive Officer (6)</i>	2021	735,457	581,000	9,368,964 (8)	3,159,964	2,786,719	71,933(9)	16,704,037
	2020	725,000	—	—	—	2,189,269	9,860	2,924,129
	2019	766,827(7)	—	1,496,740	1,549,983	2,358,112	31,333	6,202,995
Richard Hume <i>Chief Executive Officer (10)</i>	2021	258,462(9)	—	1,539,935	2,099,965	2,496,000	3,135,000(11)	9,529,362
Marshall Witt <i>Chief Financial Officer</i>	2021	502,212	150,000	2,616,361(8)	714,959	960,938	20,802(12)	4,965,272
	2020	500,000	—	—	—	611,247	4,535	1,115,782
	2019	500,000	—	468,992	349,967	603,957	13,258	1,936,174
Michael Urban <i>President, the Americas (13)</i>	2021	557,933	225,000	1,878,160(8)	1,019,960	1,691,250	10,336(14)	5,382,639
	2020	550,000	—	—	—	1,376,272	6,422	1,932,694
	2019	446,346	—	1,563,319	999,965	1,008,000	10,744	4,028,374
Patrick Zammit <i>President, Europe and APJ (15)</i>	2021	145,021	—	—	—	1,108,235	1,099,129(16)	2,352,385
Peter Larocque <i>President, North American Technology Solutions</i>	2021	547,789	200,000	3,714,675(8)	949,976	1,660,500	27,941(17)	7,100,881
	2020	540,000	—	—	—	1,351,249	5,912	1,897,161
	2019	568,932	—	820,046	464,982	1,568,963	18,435	3,441,358
Simon Leung <i>Chief Business Officer</i>	2021	314,471	125,000	2,418,080(8)	269,953	595,783	20,566(18)	3,743,853
	2020	310,000	—	—	—	409,972	4,482	724,454
	2019	324,308(7)	—	383,413	129,986	411,954	13,543	1,263,204

- (1) Amounts in this column represent the special cash bonus paid in special recognition of the effort and work related to the Mergers.
- (2) Amounts listed in these columns represent the grant date fair value of stock awards and option awards recognized by us under FASB ASC Topic 718, disregarding estimated forfeitures, rather than amounts realized by the named individuals. For valuation assumptions used to calculate the fair value of our stock and option awards, see Note 6 “Share-Based Compensation” included in our Annual Report on Form 10-K for fiscal year ended November 30, 2021.
- (3) Performance-based RSUs granted under our LTI program provide an opportunity for co-workers to receive common stock if a performance measure is met for the three-year or two-year performance period. If the minimum performance measure is not met, no award is earned. If at least the minimum performance measure is attained, awards can range from 50% of the target number of shares to 200% of the target number of shares underlying the performance-based RSUs. The amounts in the table above reflect the aggregate grant date fair values at the target number of the performance-based RSUs granted under our LTI program described in the 2021 Summary Compensation Table Narrative on page 49, calculated in accordance with accounting guidance. Messrs. Hume and Zammit did not participate in our LTI program for fiscal year 2021 due to their joining our company in September 2021 and their continued participation in legacy Tech Data compensation programs.

If our performance results in a future payout of the performance-based RSUs at the maximum level, the grant date fair value of the performance-based RSUs would have been as follows:

NEO	Fiscal Year 2021 (2-Year LTI)	Fiscal Year 2021 (3-Year LTI)	Fiscal Year 2019
Mr. Polk	\$1,208,262	\$1,208,262	\$1,443,567
Mr. Witt	\$416,590	\$416,590	\$398,155
Mr. Urban	\$733,289	\$733,289	\$877,055
Mr. Larocque	\$719,909	\$719,909	\$860,163
Mr. Leung	\$258,316	\$258,316	\$246,875

The aggregate grant date fair value of the stock awards granted (including performance-based RSUs *and* restricted stock) would have been as follows:

NEO	Fiscal Year 2021	Fiscal Year 2019
Mr. Polk	\$10,577,226	\$2,218,524
Mr. Witt	\$3,032,951	\$668,070
Mr. Urban	\$2,611,449	\$2,001,847
Mr. Larocque	\$4,434,584	\$1,250,127
Mr. Leung	\$2,676,396	\$506,851

Due to the impending spin-off of the Concentrix business, no LTI awards were granted in 2020. For additional information on grant date fair value and estimated future payouts of stock awards, see the 2021 Grants of Plan-Based Awards table on page 51, and to see the value of stock awards actually realized by the named executive officers in fiscal 2021, see the 2021 Option Exercises and Stock Vested table on page 57.

- (4) For each fiscal year, amounts in this column represent performance-based bonus awards under the Management Incentive Plan earned in that fiscal year, but paid in the subsequent fiscal year, as described in the Compensation Discussion and Analysis beginning on page 35.
- (5) The following outlines all other additional compensation for fiscal year 2021 required by SEC rules to be separately quantified. The dividend amounts in this column represent the dollar value of dividends paid during the fiscal year ended November 30, 2021 (as part of a dividend paid to all of our stockholders) on unvested restricted stock awards; such dividends were not factored into the grant date fair value of stock awards required to be reported in the stock awards column of the table.
- (6) Mr. Polk was our President and Chief Executive Officer from March 1, 2018 until September 1, 2021 and has been Executive Chair since September 1, 2021.
- (7) For fiscal year 2019, in the cases of Messrs. Polk and Leung, the amounts in this column include unused vacation payout.
- (8) Due to the Company's pending spin-off of the Concentrix business in December 2020, for our fiscal year ended November 30, 2020, annual equity grants to co-workers, including executive officers, were structured so that the co-workers had no vested right to underlying equity before January 2021, although they received service credit from October 2020. Therefore, these annual equity grants were not included in the Summary Compensation Table for fiscal 2020, but they are included in the Summary Compensation Table for fiscal 2021.
- (9) For Mr. Polk, Company contributions to 401(k) retirement savings plan of \$1,400 and dividend payments on unvested RSAs of \$70,533.
- (10) Mr. Hume became our President and Chief Executive Officer on September 1, 2021 and had served as President and Chief Executive Officer of Tech Data prior to that during the periods set forth in this table.
- (11) For Mr. Hume, Company contributions of \$20,000 to the legacy Tech Data Executive Choice Plan and long-term incentive cash award of \$3,115,000 paid by the Company, granted pre-merger by legacy Tech Data, triggered by the change of control of legacy Tech Data on September 1, 2021 due to the Mergers.
- (12) For Mr. Witt, Company contributions to 401(k) retirement savings plan of \$1,400 and dividend payments on unvested RSAs of \$19,402.
- (13) Mr. Urban became our President, Worldwide Technology Solutions Distribution, on February 1, 2019.
- (14) For Mr. Urban, Company contributions to 401(k) retirement savings plan of \$1,400 and dividend payments on unvested RSAs of \$8,936.
- (15) Mr. Zammit became President, Europe and APJ on September 1, 2021 and had served as President, Europe of Tech Data prior to that during the periods set forth in this table. The dollar value of Mr. Zammit's compensation has been calculated using a weighted average Euro-to-Dollar exchange rate for the three months ended November 30, 2021.

- (16) For Mr. Zammit, this amount is comprised of the Company's contribution to a French retirement insurance program on behalf of Mr. Zammit in the amount of \$12,638; premium payments by the Company to a third-party administrator for a retirement arrangement in Belgium in the amount of \$31,128; \$6,265 for use of a Company-provided vehicle; \$540 of medical/hospitalization insurance, and long-term incentive cash award of \$1,048,558 paid by the Company, granted pre-merger by legacy Tech Data triggered by the change of control; of legacy Tech Data on September 1, 2021 due to the Mergers.
- (17) For Mr. Larocque, Company contributions to 401(k) retirement savings plan of \$1,400 and dividend payments on unvested RSAs of \$26,541.
- (18) For Mr. Leung, Company contributions to 401(k) retirement savings plan of \$1,400 and dividend payments on unvested RSAs of \$19,166.

2021 Grants of Plan-Based Awards

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)(2)			Estimated Future Payouts Under Equity Incentive Plan Awards(2)			All Other Stock Awards: Number of Shares of Stock or Units (#)(3)	All Other Option Awards: Number of Securities Underlying Options (#)(3)	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards (\$)(4)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)				
Dennis Polk	1/20/21							8,561(5)	50,570(6)	90.52	1,549,971
	1/20/21							27,618(7)			
	1/20/21							38,665(8)			
	1/21/21	928,906	1,857,812	2,786,719	3,973	7,947	15,894				
	1/21/21				3,973	7,947	15,894				
	10/5/21							7,500	43,584	107.32	1,609,993
	10/5/21							5,413(9)			
Richard Hume	10/5/21							14,349(10)	56,848(11)	107.32	2,099,965
	4/5/21	374,400	1,248,000	2,496,000							
Marshall Witt	1/20/21							2,982(5)	11,419(6)	90.52	349,992
	1/20/21							5,523(13)			
	1/20/21							11,047(14)			
	1/21/21	320,313	640,625	960,938	1,370	2,740	5,480				
	1/21/21				1,370	2,740	5,480				
	10/5/21							2,609	9,880	107.32	364,967
	10/5/21							1,397(9)			
Michael Urban	1/20/21							4,971(5)	16,313(6)	90.52	499,993
	1/21/21	563,750	1,127,500	1,691,250	2,411	4,823	9,646				
	1/21/21				2,411	4,823	9,646				
	10/5/21							4,379	14,076	107.32	519,967
	10/5/21							2,096(9)			
Patrick Zammit	4/5/21	171,377	571,255	1,142,510							
Peter Larocque	1/20/21							4,308(5)	15,171(6)	90.52	464,991
	1/20/21							22,094(12)			
	1/21/21	553,500	1,107,000	1,660,500	2,367	4,735	9,470				
	1/21/21				2,367	4,735	9,470				
	10/5/21							3,773	13,129	107.32	484,985
	10/5/21							1,863(9)			
Simon Leung	1/20/21							2,872(5)	4,241(6)	90.52	129,987
	1/20/21							5,523(13)			
	1/20/21							11,047(14)			
	1/21/21	198,594	397,188	595,783	849	1,699	3,398				
	1/21/21				849	1,699	3,398				
	10/5/21							2,562	3,789	107.32	139,966
	10/5/21							1,164(9)			

- (1) The target incentive amounts shown in this column reflect our annual bonus awards originally provided under our Management Incentive Plan and represents pre-established target awards as a percentage of base salary for fiscal year ended November 30, 2021, with the potential for actual awards under the plan to either exceed or be less than such funding target depending upon corporate performance. Actual award amounts are not guaranteed and are determined at

the discretion of the Compensation Committee, which may consider an individual's performance during the period. For additional information, please refer to the Compensation Discussion and Analysis section. Actual Management Incentive Plan payouts are reflected in the Non-Equity Incentive Plan Compensation column of the 2021 Summary Compensation Table.

- (2) The Compensation Committee generally considers LTI RSU program awards during the first quarter of a fiscal year; however, due to the then impending Spin-off during fiscal year 2020, the Compensation Committee determined to consider any LTI RSU program awards only after the Spin-off and did not approve a 2020-2022 LTI program during fiscal year 2020. The Compensation Committee approved a 2021-2022 LTI RSU along with the 2021-2023 LTI program.
- (3) For the fiscal year ended November 30, 2020, annual equity grants to co-workers, including executive officers, were structured so that the co-workers had no vested right to underlying equity before January 2021, although they received service credit from October 2020. Therefore, they are included in the Grants of Plan-Based Awards Table for fiscal 2021.
- (4) Fair value of performance-based RSU grants are calculated using the closing stock price on the date of the grant, based on the probable outcome of the performance conditions, adjusted for the exclusion of dividend equivalents. We pay dividends on restricted stock awards, and, accordingly, no adjustment is required to the stock price of the restricted stock awards.
- (5) Represents shares of restricted stock that vest as to 20% of the shares on each of the first five anniversaries of October 7, 2020.
- (6) This stock option vests as to 20% of the shares on the first anniversary of October 7, 2020 and vests as to 1/60th of the shares monthly thereafter.
- (7) Represents shares of restricted stock that vest as to one-third of the shares on the first anniversary of the date of grant and two-thirds of the shares on the second anniversary of the date of grant.
- (8) Represents shares of restricted stock that vest on the second anniversary of the date of grant.
- (9) Represents shares of restricted stock that vest as to one-third of the shares on each of December 1, 2021, December 1, 2022 and December 1, 2023.
- (10) Represents shares of common stock issuable upon settlement of restricted stock units. The restricted stock units vest as to 25% of the shares on each of the first four anniversaries of September 1, 2021.
- (11) This stock option vests as to 25% of the shares on the first anniversary of September 1, 2021 and vests as to 1/48th of the shares monthly thereafter.
- (12) Represents shares of restricted stock that vest on the third anniversary of November 30, 2020.
- (13) Represents shares of restricted stock that vest on the first anniversary of the date of grant.
- (14) Represents shares of restricted stock that vest on the third anniversary of the date of grant.

Narrative to 2021 Summary Compensation Table and 2021 Grants Plan-Based Awards Table

See Compensation Discussion and Analysis above for a complete description of compensation plans pursuant to which the amounts listed under the 2021 Summary Compensation Table and 2021 Grants of Plan-Based Awards Table were paid or awarded and the criteria for such payment, including targets for payment of annual incentives, as well as performance criteria on which such payments were based. The Compensation Discussion and Analysis also describes the options, restricted stock awards and RSU grants.

Except as otherwise noted, all stock awards vest as to 20% of the shares on each of the first five anniversaries of the grant date and stock options vest as to 20% of the shares on the first anniversary of the date of grant and vests as to 1/60th of the shares monthly thereafter. Beginning with the grants in October 2021, all stock awards vest as to 25% of the shares on each of the first four anniversaries of the grant date, except as otherwise noted.

2021 Outstanding Equity Awards at Fiscal Year-End Table

The following table sets forth information regarding outstanding equity-based awards, including the potential dollar amounts realizable with respect to each award.

Name	Option Awards(1)				Stock Awards(2)			
	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock that have not Vested (#)	Market Value of Shares or Units of Stock that have not Vested (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that have not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights that have not Vested (\$)
Richard Hume	—	56,848(3)	107.32	10/5/2031	—	—	—	—
	—	—	—	—	—	—	14,349(4)	1,484,548
	—	—	—	—	162,389(5)	16,800,766	—	—
Total	—	56,848	—	—	162,389	16,800,766	14,349	1,484,548
Dennis Polk	10,098	—	32.18	10/7/2024	—	—	—	—
	11,235	—	45.64	10/6/2025	—	—	—	—
	13,778	—	57.34	10/4/2026	—	—	—	—
	9,954	2,234	65.83	10/3/2027	—	—	—	—
	30,912	6,939	49.35	4/9/2028	—	—	—	—
	43,786	27,217	38.89	10/11/2028	—	—	—	—
	19,413	27,175	56.50	10/2/2029	—	—	—	—
	10,957	39,613(6)	90.52	1/20/2031	—	—	—	—
	—	43,584	107.32	10/5/2031	—	—	—	—
	—	—	—	—	582	60,214	—	—
	—	—	—	—	777	80,388	—	—
	—	—	—	—	4,078	421,910	—	—
	—	—	—	—	4,209	435,463	—	—
	—	—	—	—	6,848(7)	708,494	—	—
	—	—	—	—	27,618(8)	2,857,358	—	—
	—	—	—	—	38,665(9)	4,000,281	—	—
	—	—	—	—	5,413(10)	560,029	—	—
	—	—	—	—	7,500	775,950	—	—
	—	—	—	—	—	—	30,404(11)	3,145,598
	—	—	—	—	—	—	15,894(12)	1,644,393
	—	—	—	—	—	—	15,894(12)	1,644,393
Total	150,133	146,762	—	—	95,690	9,900,087	62,192	6,434,384
Marshall Witt	11,635	—	32.18	10/7/2024	—	—	—	—
	8,426	—	45.64	10/6/2025	—	—	—	—
	10,333	—	57.34	10/4/2026	—	—	—	—
	7,465	1,676	65.83	10/3/2027	—	—	—	—
	9,887	6,145	38.89	10/11/2028	—	—	—	—
	4,383	6,136	56.50	10/02/2029	—	—	—	—
	2,474	8,945(5)	90.52	1/20/2031	—	—	—	—
	—	9,880	107.32	10/5/2031	—	—	—	—
	—	—	—	—	408	42,212	—	—
	—	—	—	—	1,420	146,913	—	—
	—	—	—	—	1,466	151,672	—	—
	—	—	—	—	2,385(7)	246,752	—	—

Name	Option Awards(1)				Stock Awards(2)			
	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock that have not Vested (#)	Market Value of Shares or Units of Stock that have not Vested (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that have not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights that have not Vested (\$)
	—	—	—	—	5,523(13)	571,410	—	—
	—	—	—	—	11,047(14)	1,142,923	—	—
	—	—	—	—	1,397(10)	144,534	—	—
	—	—	—	—	2,609	269,927	—	—
	—	—	—	—	—	—	8,386(11)	867,616
	—	—	—	—	—	—	5,480(12)	566,961
	—	—	—	—	—	—	5,480(12)	566,961
Total	54,603	32,782	—	—	26,255	2,716,343	19,346	2,001,538
Michael Urban	9,412	7,699	49.69	2/1/2029	—	—	—	—
	6,263	8,765	56.5	10/2/2029	—	—	—	—
	3,535	12,778(5)	90.52	1/20/2031	—	—	—	—
	—	14,076	107.32	10/5/2031	—	—	—	—
	—	—	—	—	2,778	287,412	—	—
	—	—	—	—	2,444	252,856	—	—
	—	—	—	—	3,976(7)	411,357	—	—
	—	—	—	—	2,096(10)	216,852	—	—
	—	—	—	—	4,379	453,051	—	—
	—	—	—	—	—	—	18,472 (11)	1,911,113
	—	—	—	—	—	—	9,646 (12)	997,975
	—	—	—	—	—	—	9,646 (12)	997,975
Total	19,210	43,318	—	—	15,673	1,621,528	37,764	3,907,063
Patrick Zammit	—	—	—	—	70,400(5)	7,283,584	—	—
Total	—	—	—	—	70,400	7,283,584	—	—
Peter Larocque	203	2,234	65.83	10/3/2027	—	—	—	—
	710	8,165	38.89	10/11/2028	—	—	—	—
	233	8,152	56.50	10/2/2029	—	—	—	—
	253	11,883(5)	90.52	1/20/2031	—	—	—	—
	—	13,129	107.32	10/5/2031	—	—	—	—
	—	—	—	—	582	60,214	—	—
	—	—	—	—	2,052	212,300	—	—
	—	—	—	—	2,118	219,128	—	—
	—	—	—	—	3,446(7)	356,523	—	—
	—	—	—	—	22,094(15)	2,285,845	—	—
	—	—	—	—	1,863(10)	192,746	—	—
	—	—	—	—	3,773	390,355	—	—
	—	—	—	—	—	—	18,117 (11)	1,874,385
	—	—	—	—	—	—	9,470 (12)	979,766
	—	—	—	—	—	—	9,470 (12)	979,766
Total	1,399	43,563	—	—	35,928	3,717,111	37,057	3,833,917
Simon Leung	3,827	—	57.34	10/4/2026	—	—	—	—
	2,764	621	65.83	10/3/2027	—	—	—	—
	3,672	2,283	38.89	10/11/2028	—	—	—	—

Name	Option Awards(1)				Stock Awards(2)			
	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock that have not Vested (#)	Market Value of Shares or Units of Stock that have not Vested (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that have not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights that have not Vested (\$)
	1,629	2,278	56.50	10/2/2029	—	—	—	—
	920	3,321(5)	90.52	1/20/2031	—	—	—	—
	—	3,789	107.32	10/5/2031	—	—	—	—
	—	—	—	—	388	40,142	—	—
	—	—	—	—	1,368	141,533	—	—
	—	—	—	—	1,412	146,086	—	—
	—	—	—	—	2,297(7)	237,648	—	—
	—	—	—	—	5,523(13)	571,410	—	—
	—	—	—	—	11,047(14)	1,142,923	—	—
	—	—	—	—	1,164(10)	120,427	—	—
	—	—	—	—	2,562	265,065	—	—
	—	—	—	—	—	—	5,199(11)	537,889
	—	—	—	—	—	—	3,398(12)	351,557
	—	—	—	—	—	—	3,398(12)	351,557
Total	12,812	12,292	—	—	25,761	2,665,234	11,995	1,241,003

- (1) Unless otherwise noted, all option awards listed in these columns vest and become exercisable as to 20% of the shares on the first anniversary of the grant date and the remaining vest 1/60th of the shares monthly thereafter over the remaining four-year period. The exercise prices of the awards stated in the table are as of 2021 fiscal year end. Option awards were bifurcated as of the Spin-off at the beginning of the 2021 fiscal year to become options for common stock of both TD SYNEX and Concentrix Corporation, in each case subject to the same terms as applied prior to the Spin-off. As a result, the exercise prices of stock options in the table were adjusted in fiscal year 2021 in accordance with the terms of the Employee Matters Agreement related to the Spin-off and the 2020 Stock Incentive Plan and are lower, reflecting the bifurcation of TD SYNEX options.
- (2) Unless otherwise noted, all stock awards listed in this table vest as to 20% of the shares on each of the first five anniversaries of the grant date. Market value was determined by multiplying the number of shares of stock or units, as applicable, by \$103.46, the closing price of our Common Stock on November 30, 2021, the last trading day of our last completed fiscal year. Except as otherwise noted, stock awards were bifurcated as of the Spin-off to become stock awards for common stock of both TD SYNEX and Concentrix Corporation, in each case subject to the same terms as applied prior to the Spin-off.
- (3) This stock option vests as to 25% of the shares on the first anniversary of September 1, 2021 and vests as to 1/48th of the shares monthly thereafter.
- (4) Represents shares of common stock issuable upon settlement of restricted stock units awarded under the 2020 Stock Incentive Plan. The restricted stock units vest as to 25% of the shares on each of the first four anniversaries of September 1, 2021.
- (5) Represents the legacy Tech Data management member's portion of shares of common stock that Tiger Holdings placed in an escrow account administered by Tiger GP of 751,342 shares, which would be distributed to certain legacy Tech Data management members pending satisfaction of certain time-based

vesting requirements. Fifty percent of the escrowed shares vest one year following the closing date of the Mergers and fifty percent vest on the second anniversary of the closing date so long as the management member remains employed by TD SYNEX for the period. If the management member's employment terminates as a result of a not-for-cause termination by TD SYNEX or as a result of a good reason departure by the management member, then the escrowed shares vest pro rata based upon the number of days since the closing date or the last anniversary over 365 days.

- (6) This stock option vests as to 20% of the shares on the first anniversary of October 7, 2020 and vests as to 1/60th of the shares monthly thereafter.
- (7) Represents shares of restricted stock awarded under the 2020 Stock Incentive Plan. The restricted stock vests as to 20% of the shares on each of the first five anniversaries of October 7, 2020.
- (8) Represents shares of restricted stock awarded under the 2020 Stock Incentive Plan. The restricted stock vests as to one-third (1/3) of the shares on the first anniversary of the date of grant and two-thirds (2/3) of the shares on the second anniversary of the date of grant.
- (9) Represents shares of restricted stock awarded under the 2020 Stock Incentive Plan. The restricted stock vests on the second anniversary of the date of grant.
- (10) Represents shares of restricted stock awarded under the 2020 Stock Incentive Plan. The restricted stock vests as to 1/3 of the shares on December 1, 2021, December 1, 2022 and December 1, 2023.
- (11) These RSUs granted on February 1, 2019 cliff vest on November 30, 2021. The actual number of RSUs that will vest is based upon (1) the achievement of certain threshold EPS target performance percentages and (2) the achievement of certain ROIC performance percentages with both performance metrics measured over a 3-year period. The vesting is contingent upon the officer remaining in continuous employment by TD SYNEX through the vesting date provided, however, that in the event of an officer's death prior to November 30, 2021, TD SYNEX will transfer to such officer's estate the number of shares that would have vested on an annual basis on or prior to such officer's death.
- (12) These RSUs under either program will vest based upon (1) the achievement, on a cumulative basis, of the applicable minimum threshold financial performance measure based on a formula derived from earnings per share ("EPS Formula") target performance and (2) the achievement of an average return on invested capital ("ROIC") target performance, with both performance metrics measured over a two-year period ending November 30, 2022 or a three-year period ending November 30, 2023, as applicable. The minimum threshold EPS Formula target performance percentage is 75% and the maximum target performance percentage is 166.7% for each Officer under each program. The actual number of RSUs, if the applicable minimum threshold EPS Formula percentage is met, will vest on a sliding scale of the EPS Formula target performance percentage actually achieved. The resulting number of shares that will vest under either program based on the EPS Formula metric will then be adjusted by a percentage increase or decrease corresponding with TD SYNEX' performance as measured by the ROIC performance percentages, but in no event will an Officer be entitled to receive more than the number of shares set forth in the table above (the "Maximum Amount"). If the minimum threshold EPS Formula target performance is not achieved, no RSUs will vest, regardless of the achievement of the ROIC performance.

At 100% target EPS Formula and ROIC performance, the Officers' RSUs will vest as to 50% of the Maximum Amount. Any unvested shares underlying the RSUs will not vest and will be canceled. In addition, the vesting of the RSUs is contingent upon the Officer still being employed by TD SYNEX on the date of vesting. In the event of an Officer's death prior to the vesting date, TD SYNEX will transfer to such Officer's estate the number of shares that would have vested on or prior to such Officer's death.

- (13) Represents shares of restricted stock awarded under the 2020 Stock Incentive Plan. The restricted stock vests on the first anniversary of the date of grant.
- (14) Represents shares of restricted stock awarded under the 2020 Stock Incentive Plan. The restricted stock vests on the third anniversary of the date of grant.
- (15) Represents shares of restricted stock awarded under the 2020 Stock Incentive Plan. The restricted stock vests on the third anniversary of November 30, 2020.

2021 Option Exercises and Stock Vested Table

The following table sets forth the dollar amounts realized pursuant to the vesting or exercise of equity-based awards during the latest fiscal year.

Name	Option Awards		Stock Awards	
	Acquired on Exercise (#)	Value Realized On Exercise \$(1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting \$(2)
Dennis Polk	16,000	1,333,781	31,248	3,086,613
Richard Hume	—	—	97,671	12,462,820
Marshall Witt	—	—	14,874	1,509,404
Michael Urban	—	—	4,269	402,418
Patrick Zammit	—	—	42,342	5,402,839
Peter Larocque	15,282	703,064	19,049	1,887,189
Simon Leung	—	—	11,280	1,154,347

- (1) Amounts reflect the difference between the exercise price of the option and the market price at the time of exercise.
- (2) Amounts reflect the aggregate market value of shares on the vesting date.

Pension Benefits

None of our named executive officers participate in qualified or non-qualified defined benefit plans sponsored by us. The Compensation Committee may elect to adopt qualified or non-qualified defined benefit plans if the Compensation Committee determines that doing so is in our best interests. For Mr. Zammit during the period from September 1, 2021 to November 30, 2021, the Company contributed to a French retirement insurance program on behalf of Mr. Zammit in the amount of \$12,638 and made premium payments by the Company to a third-party administrator for a retirement arrangement in Belgium in the amount of \$31,128.

Nonqualified Deferred Compensation Plans

As discussed above, we maintain a deferred compensation plan, which became effective on January 1, 1994. The deferred compensation plan is designed to permit designated officers and directors to accumulate additional income for retirement and other personal financial goals through a nonqualified deferred compensation plan that enables the officer or director to make elective deferrals of a specified amount of salary or bonus to which he or she will become entitled in the future. The balance in a participant's account will be distributed in full after the earlier of their termination of employment with us or upon attaining the age of 65. The distribution may be paid in one lump sum or in equal monthly or annual installments over a period not to exceed 15 years. Under certain circumstances, a participant may receive an early distribution in the form of a lump sum payment, subject to certain penalties. As noted above, this plan was amended effective January 1, 2005 to conform with changes required under Section 409A of the Code. As a result, for account balances earned after 2004, distributions to officers upon termination of employment are generally subject to a six-month delay, and accelerated distributions are generally prohibited. None of our named executive officers participate in or have account balances under the nonqualified deferred compensation plan.

Employment Contracts, Termination of Employment and Change-of-Control Arrangements

The following summarizes our employment arrangements with our executive officers, including potential payments payable to our executive officers upon termination of employment or a change of control of us under their current employment agreements and our other compensation programs. The Compensation Committee may in its discretion revise, amend or add to these benefits if it deems advisable. Although much of the compensation for our executive officers is performance-based and largely contingent upon achievement of aggressive financial goals, we believe our change of control arrangements provide important protection to our executive officers, are consistent with practice of our peer companies, and are appropriate for the attraction and retention of executive talent.

Dennis Polk. In connection with Mr. Polk's employment with TD SYNEX, on January 4, 2018, Mr. Polk and our company executed an employment offer letter which provided for certain severance benefits. If Mr. Polk's employment with us is terminated without cause within two months before or 12 months after a change of control of us (including a voluntary termination because of a reduction in salary or position or a relocation) and signs a standard release of claims, Mr. Polk will receive salary continuation at a rate equal to the average of total salary and bonus over the prior three years for up to 24 months, and will be paid COBRA for up to two years. On January 25, 2021, Mr. Polk's offer letter was amended, outlining the terms of the vesting of his unvested equity awards in the event that he terminates his employment with us for a reason other than for cause (as such term is defined in the amendment), disability (as such term is defined in the amendment) or death. The amendment provides for acceleration of the vesting of eighty percent (80%) of his unvested equity awards as of the date of his termination, except any unvested long-term performance-based RSU awards and any unvested equity awards that were granted less than three (3) months prior to termination, subject to conditions outlined in the amendment.

On September 28, 2021, we entered into a second amendment to Mr. Polk's January 4, 2018 offer letter. The amendment provides that, for the period of September 1, 2021 through November 30, 2022 (the "Initial Transition Period"), we would continue to pay Mr. Polk the same base salary then in effect, and he would be eligible to be considered for an incentive bonus for the Initial Transition Period, as determined by the Compensation Committee, in its sole discretion. We agreed not to change Mr. Polk's target bonus already set for the fiscal year ending November 30, 2021, and his target bonus for the fiscal year ending November 30, 2022 will be \$1,812,500 with the same performance metrics as the Chief Executive Officer of TD SYNEX, provided Mr. Polk remain employed through November 30, 2022. The amendment further provides that, effective December 1, 2022 through November 30, 2023 (the "Final Transition Period"), TD SYNEX will pay Mr. Polk an annual base salary of \$800,000. After expiration of the Final Transition Period, his cash compensation will be the same as other non-employee directors of the Board or as otherwise determined by the Board, but commensurate with his expected role as non-executive Chair of the Board. In addition, the amendment provides that, for the Initial Transition Period, Mr. Polk will be granted (i) two options to purchase shares of TD SYNEX common stock with grant dates on or around October 5, 2021 and January 4, 2022, respectively, and grant date fair values of approximately \$1,610,000 and \$333,333, respectively and (ii) two restricted stock awards for shares of TD SYNEX common stock with grant dates on or around September 21, 2021 and January 4, 2022, respectively, and fair market values of approximately \$805,000 and \$333,333, respectively. The options will each vest over five years with 20% of the underlying shares vesting on the one-year anniversary of the grant date, and the remainder vesting monthly thereafter. The restricted stock awards will vest over five years with 20% vesting on each one-year anniversary of the grant date. For the Final Transition Period, Mr. Polk will be granted TD SYNEX restricted stock as part of our annual equity grant cycle, which is estimated to be in September or October of 2022, with a fair market value of approximately \$700,000, which shall vest over four years with 25% vesting on each one-year anniversary of the grant date.

Richard Hume. In connection with Mr. Hume's appointment as President and Chief Executive Officer, we entered into an offer letter with him dated August 31, 2021 which provided for certain severance benefits. If Mr. Hume's employment with us is terminated without "cause," "disability," or death, or by Mr. Hume for "good

reason” (as such terms are defined in the offer letter) or within two months before or 12 months after a change of control of us and signs a standard release of claims, Mr. Hume (A) will receive salary continuation for up to 24 months at a rate equal to the greater of (i) the average of total salary and bonus over the prior three years or, if employed less than three years, the average of total salary and bonus over the lesser number of years or (ii) the total amount of the annual base salary and target bonus in effect, and (B) will be paid COBRA for up one year. Pursuant to the terms of the offer letter, Mr. Hume will receive a starting annualized base salary of \$960,000 and will be eligible to receive an annual cash bonus targeted at 2.5 times his base salary beginning in the fiscal year ending November 30, 2022 (but which shall be pro-rated for the fiscal year ending November 30, 2022) with the actual amount of the bonus based on the achievement of performance metrics established by the Compensation Committee of the Board. Mr. Hume will be eligible to receive his existing Tech Data bonus with respect to the 12-month period ending January 31, 2022, which shall be determined by the Compensation Committee of the Board based on the Tech Data annual bonus plan for its fiscal year ending January 31, 2022 calculated based upon achievement as the Company’s fiscal year end. In addition, the offer letter provides that Mr. Hume will be granted (i) an option to purchase shares of our common stock with a grant date fair value of approximately \$2,100,000 and (ii) restricted stock or restricted stock unit awards for shares of our common stock with a fair market value of approximately \$1,540,000. The offer letter contains certain restrictive covenants, including a non-competition and non-solicitation provision, for the benefit of TD SYNEX.

Patrick Zammit. Mr. Zammit is based in Europe and the terms of his potential separation from the Company are subject to his Manager’s Agreement and local law in Europe. In the event of his termination, Mr. Zammit’s Manager’s Agreement provides for payment to him of a six-month notice period, a severance payment equal to his total annual compensation inclusive of base salary and performance bonus at target, ongoing insurance benefits and car allowance for 18.5 months plus one additional month for every fully completed year measured from October 2016. In addition, if the Company does not elect to waive its rights under the Manager’s Agreement to have Mr. Zammit’s agreement not to compete with the Company apply, Mr. Zammit will receive a lump-sum payment of one year of Mr. Zammit’s then base salary or a lesser prorated amount if the Company elects to reduce the number of months of Mr. Zammit’s agreement not to compete.

Peter Larocque. On January 25, 2021, Mr. Larocque and our company, entered into an offer letter, which outlines the terms of the vesting of his unvested equity awards in the event that he terminates his employment with us on or after December 1, 2023 for a reason other than cause (as such term is defined in the letter), disability (as such term is defined in the letter) or death. The letter provides for the acceleration to the termination date of the vesting of all of his then unvested equity grant awards, except any unvested long-term performance-based RSU awards and any unvested equity grant awards with an effective date less than three (3) months prior to termination, subject to conditions outlined in the letter. The letter also contains certain restrictive covenants, including a non-competition and confidentiality provision, for the benefit of the Company.

Other Named Executive Officers. If any of Peter Larocque, Michael Urban, Marshall Witt, or Simon Leung is terminated without cause within two months before or 12 months after a change of control of us (including a voluntary termination because of a reduction in salary or position or a relocation) and signs a standard release of claims, the officer is entitled to salary continuation at a rate equal to the average of total salary and bonus over the prior three years for a minimum of 18 months plus one month per year of employment after the eighteenth year of employment, up to a maximum of 24 months, and paid COBRA for two years. Severance payments will be delayed for six months following termination of employment to the extent required by Section 409A. For these officers, we believe that structuring their severance benefits in the above described fashion in connection with a change of control and tying each individual’s severance payment with his length of service with us, encourages their retention, rewards them for their individual contributions, loyalty, teamwork and integrity, and motivates them to achieve returns for our stockholders. For each of these officers, if their employment with us terminates other than as a result of termination without cause within two months before or 12 months after a change of control of us, then they will not be entitled to receive the above severance benefits. They are entitled to receive compensation and benefits through the date of termination in accordance with our established plans.

Potential Payments upon Termination or Change of Control

The following table sets forth potential payments payable to our current executive officers upon termination of employment or a change in control if the triggering event were to have occurred on November 30, 2021. For accelerated stock options, the amounts reflect the difference between the per share exercise price as of fiscal year end and the closing market price per share as of fiscal year end, \$103.46. The Compensation Committee may in its discretion revise, amend or add to the benefits if it deems advisable. The severance payment to Mr. Zammit assumes that the Company opted for the full 12 months of Mr. Zammit's agreement not to compete as governed by his Manager's Agreement which calls for a lump sum payment of \$563,400. The dollar value has been calculated using the spot exchange rate for Euros to U.S. dollars as of November 30, 2021.

Name	Benefit	Termination for Good Reason/Without Cause; No Change of Control (\$)	Termination for Good Reason Without Cause with Change of Control (\$)
Dennis Polk	Salary	—	6,761,589
	Bonus	—	—
	Option acceleration	10,055,820	10,055,820
	Benefits continuation	—	65,400
	Total value	10,055,820	16,882,809
Richard Hume	Salary	2,754,462	4,131,693
	Bonus	—	—
	Option acceleration	—	—
	Benefits continuation	12,745	25,489
	Total value	2,767,207	4,157,182
Marshall Witt	Salary	—	1,914,177
	Bonus	—	—
	Option acceleration	—	—
	Benefits continuation	—	37,920
	Total value	—	1,952,097
Michael Urban	Salary	—	2,927,401
	Bonus	—	—
	Option acceleration	—	—
	Benefits continuation	—	22,008
	Total value	—	2,949,409
Patrick Zammit	Salary	3,333,450	3,333,450
	Bonus	—	—
	Option acceleration	—	—
	Benefits continuation	469,756	469,756
	Total value	3,803,206	3,803,206
Peter Larocque	Salary	—	4,291,622
	Bonus	—	—
	Option acceleration	—	—
	Benefits continuation	—	65,400
	Total value	—	4,357,022
Simon Leung	Salary	—	1,241,244
	Bonus	—	—
	Option acceleration	—	—
	Benefits continuation	—	65,400
	Total value	—	1,306,644

Chief Executive Officer Pay Ratio

Pursuant to Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, we are providing the following information about the relationship of the annual total compensation of our co-workers (other than our Chief Executive Officer) and the annual total compensation of our Chief Executive Officer, Richard Hume. The pay ratio included in this information is a reasonable estimate calculated in a manner consistent with Item 402(u) of SEC Regulation S-K. In our calculation, we did not include any independent contractors and we did not include the approximately 15,000 employees of Tech Data, which business we acquired on September 1, 2021.

To determine the median employee, we considered the base salary paid to each of the employees, not including our Chief Executive Officer, for the 12-month period ending September 1, 2021. We used exchange rates in effect as of September 1, 2021 to convert the base salaries of our non-U.S. employees to U.S. dollars, and we did not make any cost-of-living adjustments. Using this approach, we selected the individual at the median of the employee population. We then calculated total compensation for this individual using the same methodology we use for our named executive officers as set forth in our Summary Compensation Table. Of the more than 7,000 co-workers included in our analysis, approximately 53% were located outside the United States. The compensation elements and pay levels of our co-workers differ from country to country based on market trends as well as fluctuations in currency exchange rates. For the fiscal year ended November 30, 2021, the annual total compensation of our median employee was approximately \$56,410, calculated using the same methodology we use for our named executive officers set forth in our Summary Compensation Table.

For the year ended November 30, 2021, the total compensation for our CEO, Mr. Hume, was \$9,529,362 as reported in the “SEC Total” column of the Summary Compensation Table. Since Mr. Hume was appointed CEO effective September 1, 2021, we annualized his Salary, as disclosed in the Summary Compensation Table, to \$960,000, and added the disclosed values of his Stock Awards, Option Awards, and other components of All Other Compensation to arrive at a value of \$10,230,900, used for the ratio of annual total compensation for our CEO to the annual total compensation for our median employee. All Other Compensation includes a non-recurring, pre-merger long-term incentive cash award of \$3,115,000 paid by the Company, granted pre-merger by legacy Tech Data, triggered by the change of control of legacy Tech Data on September 1, 2021 due to the Mergers. The annual compensation of our Chief Executive Officer, Mr. Hume, was approximately 181 times that of the median of the annual total compensation of all co-workers, as discussed above. The form and amount of our Chief Executive Officer’s annual total compensation is largely influenced by prevailing compensation practices in the United States and the competitive market for senior executive talent, as well as by the value of certain one-time equity grants made when he accepted our offer to become CEO.

Because SEC rules for identifying the median of our annual total compensation of all co-workers of our company and calculating the pay ratio based on that employee’s annual total compensation allow companies to adopt a variety of methodologies, to apply certain exclusions and to make reasonable estimates and assumptions that reflect their employee population and compensation practices, the pay ratio reported by other companies may not be comparable to our pay ratio, as other companies have different employee populations and compensation practices and may have used different methodologies, exclusions, estimates and assumptions in calculating their pay ratios. As explained by the SEC when it adopted these rules, the rule was not designed to facilitate comparisons of pay ratios among different companies, even companies within the same industry, but rather to allow stockholders to better understand and assess each particular company’s compensation practices and pay-ratio disclosures.

PROPOSAL 2

ADVISORY VOTE TO APPROVE OUR EXECUTIVE COMPENSATION

General

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 requires us to obtain an advisory vote (non-binding) from our stockholders on our executive compensation as disclosed in this Proxy Statement, which is often referred to as a “say on pay” proposal. Consistent with the stockholders’ 2021 advisory vote on the frequency of holding an advisory vote on TD SYNEX’ executive compensation, we are seeking an advisory vote on executive compensation every year until the next required stockholder vote on the frequency of stockholder votes on executive compensation.

As described in the “Executive Compensation — Compensation Discussion and Analysis” section of this Proxy Statement, our executive compensation programs and policies play an important role in achieving our objective of sustainable long-term growth in stockholder value. As a guiding principle, our executive compensation programs and policies are designed to motivate, retain and reward our executives for superior short- and long-term performance for our company and our stockholders.

We are asking that our stockholders indicate their support of our executive compensation as described in this Proxy Statement. While this advisory vote on executive compensation is non-binding, the Board and the Compensation Committee will review the outcome of this vote and take the vote into consideration when reviewing our compensation policies and procedures. This is not intended to address specific items of compensation, but rather the overall compensation of our named executive officers and our executive compensation policies and procedures as described in this proxy statement. Stockholders who want to communicate with the Board should refer to “Communications with the Board of Directors” in this Proxy Statement for additional information.

At the Annual Meeting we will ask our stockholders to approve the following resolution:

“RESOLVED, that the Company’s stockholders approve, on an advisory basis, the compensation of the named executive officers, as described in the Company’s proxy statement for the 2022 Annual Meeting of Stockholders pursuant to Item 402 of Regulation S-K and other compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the 2021 Summary Compensation Table and the other compensation related tables and disclosure.”

Required Vote

Approval of our executive compensation, including the Compensation Discussion and Analysis, the 2021 Summary Compensation Table and the other compensation related tables and disclosure as described in the “Executive Compensation — Compensation Discussion and Analysis” section of this Proxy Statement requires the affirmative vote of a majority of the shares present and voting at the Annual Meeting in person or by proxy. Unless marked to the contrary, proxies received will be voted “FOR” approval.

The Board recommends a vote “FOR” the approval of our executive compensation as described in this Proxy Statement.

PROPOSAL 3

RATIFICATION OF THE APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

The Audit Committee, which is composed entirely of non-employee independent directors, has selected KPMG LLP as independent registered public accountants to audit our books, records and accounts and our subsidiaries for the fiscal year ending November 30, 2022. Representatives of KPMG LLP are expected to be present at the Annual Meeting. They will have an opportunity to make a statement, if they desire to do so, and will be available to respond to appropriate questions.

The Board has endorsed the appointment of KPMG LLP. Ratification of the selection of KPMG LLP by stockholders is not required by law. However, as a matter of good corporate practice, such selection is being submitted to the stockholders for ratification at the Annual Meeting. If the stockholders do not ratify the selection, the Board and the Audit Committee will reconsider whether or not to retain KPMG LLP, but may retain KPMG LLP. Even if the selection is ratified, the Audit Committee in its discretion may change the appointment at any time during the year if it determines that such change would be in the best interests of TD SYNEX and our stockholders.

Audit and Non-Audit Fees

The following table presents the aggregate fees for professional services rendered for us by KPMG LLP for the fiscal years ended November 30, 2021 and 2020:

Services Provided	2021	2020
Audit	\$5,301,000	\$9,499,729
Audit Related	—	\$34,400
Tax	\$1,101,000	\$2,165,000
All Other	—	—
Total	\$6,402,000	\$11,699,129

Audit Fees. The aggregate fees billed for the fiscal years ended November 30, 2021 and 2020, were for professional services rendered for the audits of our consolidated financial statements, statutory audits of our subsidiaries, reviews of our interim consolidated financial statements, and services provided in connection with statutory and regulatory filings. Audit fees for fiscal 2021 and fiscal 2020 included fees for audit services provided in connection with the Mergers and the Spin-off.

Audit Related Fees. The aggregate fees billed for the fiscal year ended November 30, 2020 were for professional services rendered relating to attestation and compilation services for our subsidiaries in connection with statutory and regulatory filings.

Tax Fees. The aggregate fees billed for the fiscal years ended November 30, 2021 and 2020 were primarily for professional services rendered relating to domestic and foreign tax compliance and consulting services.

All Other Fees. Not applicable.

Audit Committee Pre-Approval Policies and Procedures

The Audit Committee has implemented pre-approval policies and procedures related to the provision of audit and non-audit services. Under these procedures, the Audit Committee pre-approves both the type of services to be provided by KPMG LLP and the estimated fees related to these services. All of the services presented in the table above were approved in conformity with the Audit Committee's pre-approval policies and procedures.

During the approval process, the Audit Committee considers the impact of the types of services and the related fees on the independence of the registered public accountants. The services and fees must be deemed compatible with the maintenance of such accountants' independence, including compliance with SEC rules and regulations.

Throughout the year, the Audit Committee will review any revisions to the estimates of audit and non-audit fees initially approved.

Required Vote

Ratification of the appointment of KPMG LLP requires the affirmative vote of a majority of the shares present and voting at the Annual Meeting in person or by proxy. Unless marked to the contrary, proxies received will be voted "FOR" ratification of the appointment. In the event ratification is not obtained, your Audit Committee will review its future selection of our independent registered public accountants.

The Board recommends a vote "FOR" the ratification of KPMG LLP as our independent registered public accountants.

PROPOSAL 4

CORPORATE OPPORTUNITY CHARTER AMENDMENT PROPOSAL

Under the Investor Rights Agreement, we have agreed to waive the corporate opportunity doctrine to the extent permitted under the Delaware General Corporation Law with respect to the Apollo Directors and certain other entities and investment funds affiliated with Tiger Holdings, so long as such person is not an employee of ours or our subsidiaries (the “Covered Persons”). Specifically, we agreed that, among other things, the Covered Persons do not have a duty to refrain from: (i) investing in or conducting any business of any kind, (ii) doing business with any client, customer, vendor or lessor of ours or any of our affiliates, or (iii) making any investments in any kind of property in which we may make investments. Further, we agreed, among other things, subject to any express agreement otherwise that may from time to time be in effect, that if a Covered Person acquires knowledge of a potential transaction which may constitute a corporate opportunity for both (a) the Covered Person outside of his or her capacity as a member of the Board and (b) TD SYNEX, then the Covered Person shall not have any duty to offer or communicate information regarding such corporate opportunity to us, and we renounced any interest or expectancy in any potential transaction or matter of which the Covered Person acquires knowledge, except for any corporate opportunity which is expressly offered to a Covered Person in writing solely in his or her capacity as a member of the Board, or as expressly agreed otherwise.

Pursuant to our obligations under the Merger Agreement, we are asking TD SYNEX’ stockholders to consider and vote on a proposal to adopt an amendment to the TD SYNEX Certificate of Incorporation, pursuant to which TD SYNEX shall waive the corporate opportunity doctrine with respect to certain directors and certain other parties. The proposed amendment to the TD SYNEX Certificate of Incorporation is attached as Annex A to this proxy statement. The proposed amendment is intended to regulate and define the conduct of certain affairs of the Company with respect to certain classes of business opportunities as they may involve (i) Apollo Global Management, Inc. and its subsidiaries (collectively, “Apollo”), and investment funds managed, sponsored or advised by affiliates of Apollo (collectively, the “Apollo Entities”), and their affiliates, or (ii) any person or entity who, while a stockholder, director, officer, or agent of the Company, is a director, officer, principal, partner, member, manager, employee, agent or other representative of the Apollo Entities and their affiliates (collectively, (i) and (ii), the “Identified Persons”). The proposed amendment acknowledges that (a) to the fullest extent permitted by law, the Identified Persons currently do, and shall have the continuing right to, engage in similar business activity as the Company and to compete with the Company, with no obligation to offer the Company the right to participate therein and (b) the Identified Persons shall have the right to invest in, or provide services to, any person that is engaged in the same or similar business as the Company or that competes with the Company. The proposed amendment also provides that if an Identified Person acquires knowledge of a matter which may be an opportunity in which the Company may have an interest, the Company will not have an interest in such opportunity or expectation that such opportunity first be offered to it, to the fullest extent permitted by law. Pursuant to the terms of the Merger Agreement, because the proposed amendment to the TD SYNEX Certificate of Incorporation was not approved at the special meeting of stockholders held on June 30, 2021, we are resubmitting the proposal to our stockholders as part of our annual meeting.

The Board unanimously recommends that TD SYNEX’ stockholders vote “**FOR**” the proposal to adopt the amendment to the TD SYNEX Certificate of Incorporation to waive the corporate opportunity doctrine with respect to its directors and certain other parties. The approval of this proposal requires the affirmative vote of the holders of a majority of the outstanding shares of TD SYNEX common stock. This means that of the outstanding shares of common stock, a majority of them must be voted “for” the proposal for it to be approved. Abstentions and broker non-votes will have the effect of a vote “**AGAINST**” this proposal.

REPORT OF THE AUDIT COMMITTEE

The following report of the Audit Committee does not constitute soliciting material and shall not be deemed filed or incorporated by reference into any other filing by TD SYNEX under the Securities Act of 1933 or the Securities Exchange Act of 1934.

The Audit Committee provides assistance to the Board in fulfilling its legal and fiduciary obligations in matters involving TD SYNEX' accounting, auditing, financial reporting, internal control and legal compliance functions by approving the services performed by TD SYNEX' independent registered public accountants and reviewing their reports regarding TD SYNEX' accounting practices and systems of internal accounting controls as set forth in a written charter adopted by the Board. TD SYNEX' management is responsible for preparing TD SYNEX' financial statements and the independent registered public accountants are responsible for auditing those financial statements. The Audit Committee is responsible for overseeing the conduct of these activities by TD SYNEX' management and the independent registered public accountants.

In this context, the Audit Committee has met and held discussions with management and the independent registered public accountants. Management represented to the Audit Committee that TD SYNEX' consolidated financial statements were prepared in accordance with generally accepted accounting principles, and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent registered public accountants.

The Audit Committee reviewed with the independent registered public accountants their judgments as to the quality, not just the acceptability, of its accounting principles and has discussed with the independent registered public accountants the matters required to be discussed pursuant to the Public Company Accounting Oversight Board Auditing Standard No. 1301 "Communications with Audit Committees" and the SEC. The Audit Committee has also received the written disclosures from the independent registered public accountants as required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accountants' communications with the Audit Committee concerning independence, and has discussed with the independent registered public accountants the independence of that firm. Additionally, the Audit Committee considered whether the provision of non-audit services was compatible with maintaining such accountants' independence. The Audit Committee has discussed with management the procedures for selection of consultants and the related competitive bidding practices and fully considered whether those services provided by the independent registered public accountants are compatible with maintaining such accountant's independence.

The Audit Committee has discussed with TD SYNEX' internal auditors and independent registered public accountants, with and without management present, their evaluations of TD SYNEX' internal accounting controls and the overall quality of TD SYNEX' financial reporting.

In reliance on the reviews and discussions with management and the independent registered public accountants referred to above, the Audit Committee recommended to the Board, and the Board has approved, the inclusion of the audited financial statements in TD SYNEX' Annual Report on Form 10-K for the fiscal year ended November 30, 2021, for filing with the SEC.

Respectfully submitted by the members of the Audit Committee of the Board:

Mr. Duane Zitzner, Chair
Ms. Ann Vezina
Ms. Merline Saintil

DELINQUENT SECTION 16(a) REPORTS

To our knowledge, based solely on a review of the copies of Section 16 reports furnished to us and written representations that no other reports were required, during the fiscal year ended November 30, 2021, all Section 16(a) filing requirements applicable to directors, executive officers and greater than ten percent beneficial owners were complied with by such persons, except as follows: Form 4s for Dennis Polk, Marshall Witt, and Simon Leung were one day late due to a technical glitch to report stock withheld for taxes upon vesting of restricted stock on October 11, 2021 and for Mr. Witt and Mr. Leung were one day late due to a technical glitch to report grants on January 20, 2021.

STOCKHOLDER PROPOSALS FOR THE 2023 ANNUAL MEETING OF STOCKHOLDERS

If a stockholder wishes to present a proposal to be included in our Proxy Statement for the 2023 Annual Meeting of Stockholders, the proponent and the proposal must comply with the proxy proposal submission rules of the SEC. One of the requirements is that the proposal be received by the Corporate Secretary no later than October 13, 2022. Proposals we receive after that date will not be included in the Proxy Statement. We urge stockholders to submit proposals by Certified Mail—Return Receipt Requested.

A stockholder proposal not included in our proxy statement for the 2023 Annual Meeting of Stockholders will be ineligible for presentation at the 2023 Annual Meeting of Stockholders unless the stockholder gives timely notice of the proposal in writing to the Corporate Secretary of TD SYNEX at the principal executive offices of TD SYNEX. Under our Bylaws, in order for a matter to be deemed properly presented by a stockholder, timely notice must be delivered to, or mailed and received by, us not less than 50 nor more than 75 days prior to the next Annual Meeting of Stockholders; provided, however, that in the event that less than 65 days' notice or prior public disclosure of the date of the next Annual Meeting of Stockholders is given or made to stockholders, notice by the stockholder to be timely must be so received not later than the earlier of (a) the close of business on the 15th day following the day on which such notice of the date of the next Annual Meeting of Stockholders was mailed or such public disclosure was made, whichever first occurs, and (b) two (2) days prior to the date of the next Annual Meeting of Stockholders.

The stockholder's notice must set forth, as to each proposed matter, the following: (a) a brief description of the business desired to be brought before the meeting and reasons for conducting such business at the meeting; (b) the name and address, as they appear on our books, of the stockholder proposing such business; (c) the class and number of shares of our securities that are beneficially owned by the stockholder; (d) any material interest of the stockholder in such business; and (e) any other information that is required to be provided by such stockholder pursuant to proxy proposal submission rules of the SEC. The presiding officer of the meeting may refuse to acknowledge any matter not made in compliance with the foregoing procedure.

You may obtain a copy of the current rules for submitting stockholder proposals from the SEC at:

U.S. Securities and Exchange Commission
Division of Corporation Finance
100 F Street, N.E.
Washington, DC 20549

or through the Commission's Internet web site: www.sec.gov. Request SEC Release No. 34-40018, May 21, 1998.

OTHER MATTERS

The Board does not know of any other business that will be presented at the Annual Meeting. If any other business is properly brought before the Annual Meeting, your proxy holders will vote on it as they think best unless you direct them otherwise in your proxy instructions.

Whether or not you intend to be present at the Annual Meeting of Stockholders, we urge you to vote or submit your proxy promptly.

By Order of the Board,



David R. Vetter
Chief Legal Officer and Corporate Secretary

Fremont, California
February 1, 2022

TD SYNEX' 2021 Annual Report has been made available to all stockholders entitled to vote at the Annual Meeting. We will provide copies of exhibits to the Annual Report on Form 10-K, but will charge a reasonable fee per page to any requesting stockholder. Stockholders may make such request in writing to TD SYNEX Corporation at 44201 Nobel Drive, Fremont, California 94538, Attention: Investor Relations. The request must include a representation by the stockholder that as of January 21, 2022, the stockholder was entitled to vote at the Annual Meeting of Stockholders. Our Annual Report on Form 10-K and exhibits are also available at www.TD SYNEX.com.

ANNEX A

CERTIFICATE OF AMENDMENT TO CERTIFICATE OF INCORPORATION OF TD SYNnex CORPORATION

TD SYNnex Corporation, a corporation organized and existing under the General Corporation Law of the State of Delaware, hereby certifies as follows:

FIRST: The name of the corporation is TD SYNnex Corporation (the “*Company*”). The original Certificate of Incorporation of the Company was filed with the Secretary of State of Delaware on September 4, 2003 under the name SYNnex Corp.

SECOND: This amendment to the Certificate of Incorporation of the Company as set forth below has been duly adopted in accordance with the provisions of Sections 242 of the General Corporation Law of the State of Delaware by the stockholders and directors of the Company.

THIRD: A new Article XI of the Certificate of Incorporation is hereby added as follows:

ARTICLE XI

A. Recognition of Corporate Opportunities. In recognition and anticipation that (i) certain directors, officers, principals, partners, members, managers, employees, agents and/or other representatives of the Apollo Entities (as defined below) and their respective Affiliates (as defined below) may serve as directors, officers or agents of the Corporation and its Affiliates, and (ii) the Apollo Entities and their respective Affiliates may now engage and may continue to engage in the same or similar activities or related lines of business as those in which the Corporation and Affiliates, directly or indirectly, may engage and/or other business activities that overlap with or compete with those in which the Corporation and its Affiliates, directly or indirectly, may engage, the provisions of this Article XI are set forth to regulate and define the conduct of certain affairs of the Corporation and its Affiliates with respect to certain classes or categories of business opportunities as they may involve the Apollo Entities and their respective Affiliates and any person or entity who, while a stockholder, director, officer or agent of the Corporation or any of its Affiliates, is a director, officer, principal, partner, member, manager, employee, agent and/or other representative of the Apollo Entities and their respective Affiliates (each, an “Identified Person”), on the one hand, and the powers, rights, duties and liabilities of the Corporation and its Affiliates and its and their respective stockholders, directors, officers, and agents in connection therewith, on the other. To the fullest extent permitted by law (including, without limitation, the Delaware General Corporation Law), each Identified Person (i) shall have the right to, directly or indirectly, engage in and possess interests in other business ventures of every type and description, including those engaged in the same or similar business activities or lines of business as the Corporation or any of its Affiliates or deemed to be competing with the Corporation or any of its Affiliates, whether on its own account or as a partner, equity holder, controlling person, stockholder, director, officer, employee, agent, Affiliate (including any portfolio company), member, financing source, investor, manager, or assignee of any other person or entity, with no obligation to offer to the Corporation or its subsidiaries or other Affiliates the right to participate therein and (ii) shall have the right to invest in, or provide services to, any person that is engaged in the same or similar business activities as the Corporation or its Affiliates or that directly or indirectly competes with the Corporation or any of its Affiliates.

B. Competitive Opportunities. In the event that any Identified Person acquires knowledge of a potential transaction or matter which may be an investment, corporate or business opportunity or prospective

economic or competitive advantage in which the Corporation or its Affiliates could have an interest or expectancy (contractual, equitable or otherwise) (a “Competitive Opportunity”) or otherwise is then exploiting any Competitive Opportunity, to the fullest extent permitted under the Delaware General Corporation Law, the Corporation and its Affiliates will have no interest in, and no expectation that such Competitive Opportunity be offered to it, except as may be otherwise agreed in writing between the Corporation and the Apollo Entities. To the fullest extent permitted by law, any such interest or expectation (contractual, equitable or otherwise) is hereby renounced so that such Identified Person shall (i) have no duty to communicate or present such Competitive Opportunity to the Corporation or its Affiliates, (ii) have the right to either hold any such Competitive Opportunity for such Identified Person’s own account and benefit or the account of the Apollo Entities and their respective Affiliates or Identified Person’s Affiliates or to direct, recommend, assign or otherwise transfer such Competitive Opportunity to persons or entities other than the Corporation or any of its subsidiaries, Affiliates or direct or indirect equity holders and (iii) notwithstanding any provision in this Restated Certificate of Incorporation, as amended, to the contrary, not be obligated or liable to the Corporation, any stockholder, director or officer of the Corporation or any other person or entity by reason of the fact that such Identified Person, directly or indirectly, took any of the actions noted in the immediately preceding clause (ii), pursued or acquired such Competitive Opportunity for itself or any other person or entity or failed to communicate or present such Competitive Opportunity to the Corporation or its Affiliates.

C. Acknowledgement. Any person or entity purchasing or otherwise acquiring or holding any interest in any shares of capital stock of the Corporation or any other interest in the Corporation shall be deemed to have notice of and to have consented to the provisions of this Article XI.

D. Interpretation; Duties. In the event of a conflict or other inconsistency between this Article XI and any other Article or provision of this Restated Certificate of Incorporation, as amended, this Article XI shall prevail under all circumstances. Notwithstanding anything to the contrary herein, under no circumstances shall (i) an employee of the Corporation or any of its subsidiaries be deemed to be an “Identified Person”, and (ii) the Corporation be deemed to have waived or renounced any interest or expectancy of the Corporation in, or in being offered any opportunity to participate in, any Competitive Opportunity that is presented to an employee of the Corporation or any of its subsidiaries, irrespective of whether such employee (a) is a director or officer of the Corporation or any of its subsidiaries or their respective affiliates or (b) otherwise would be an Identified Person absent being an employee of the Corporation or any of its subsidiaries.

E. Section 122(17) of the Delaware General Corporation Law. For the avoidance of doubt, subject to paragraph D of this Article XI, this Article XI is intended to constitute, with respect to the Identified Persons, a disclaimer and renunciation, to the fullest extent permitted under Section 122(17) of the Delaware General Corporation Law, of any right of the Corporation or any of its Affiliates with respect to the matters set forth in this Article XI, and this Article XI shall be construed to effect such disclaimer and renunciation to the fullest extent permitted under the Delaware General Corporation Law.

F. Definitions. Solely for purposes of this Article XI, “Affiliate” shall mean (i) with respect to the Apollo Entities, any person or entity that, directly or indirectly, is controlled by an Apollo Entity, controls an Apollo Entity, or is under common control with an Apollo Entity, but excluding (a) the Corporation, and (b) any entity that is controlled by the Corporation (including its direct and indirect subsidiaries), and (ii) in respect of the Corporation, any person or entity that, directly or indirectly, is controlled by the Corporation; and “Apollo Entities” shall mean, collectively, Apollo Global Management, Inc., its subsidiaries (collectively, “Apollo”), and investment funds managed, sponsored or advised by affiliates of Apollo, including Apollo Management IX, L.P.

G. Amendment. Notwithstanding any other provision of this Restated Certificate of Incorporation, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66-2/3%) of the voting power of all of the then outstanding shares of the stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend in any respect or repeal this Article XI.

FOURTH: All other provisions of the Certificate of Incorporation remain in full force and effect.

IN WITNESS WHEREOF, the Company has caused this Certificate of Amendment to be signed by its duly authorized officer this ____ day of _____, 2022.

TD SYNnex CORPORATION

By: _____

Name:

Title:

