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 December 31, 2024**

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: 0-25092



INSIGHT ENTERPRISES, INC.
(Exact name of registrant as specified in its charter)

Delaware	**86-0766246**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

2701 E. Insight Way, Chandler, Arizona 85286
(Address of principal executive offices, Zip Code)

Registrant's telephone number, including area code: **(480) 333-3000**

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, par value $0.01	**NSIT**	**The NASDAQ Global Select Market**

Securities registered pursuant to Section 12(g) of the Act:
n/a
(Title of Class)

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. o

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. x

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b).

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant, based upon the closing price of the registrant's common stock as reported on The Nasdaq Global Select Market on June 28, 2024, the last business day of the registrant's most recently completed second fiscal quarter, was $5,614,142,218.

The number of shares outstanding of the registrant's common stock on February 7, 2025 was 31,777,678.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement relating to its 2025 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission within 120 days after December 31, 2024 have been incorporated by reference into Part III, Items 10, 11, 12, 13 and 14 of this Annual Report on Form 10-K.

INSIGHT ENTERPRISES, INC.

ANNUAL REPORT ON FORM 10-K
Year Ended December 31, 2024

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FORWARD-LOOKING STATEMENTS

References to "the Company," "Insight," "we," "us," "our" and other similar words refer to Insight Enterprises, Inc. and its consolidated subsidiaries, unless the context suggests otherwise. Certain statements in this Annual Report on Form 10-K, including statements in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of this report, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may include: projections of, and matters that affect, net sales, gross profit, gross margin, operating expenses, earnings from operations, non-operating income and expenses, net earnings or cash flows, cash needs and the payment of accrued expenses and liabilities; our expectations regarding supply constraints, including our belief that remaining supply constraints have normalized back to near historic levels; our belief that the general slowdown in our clients' decision making will continue in the short term; our expectations regarding certain trends for our business, including that lower sales of devices and infrastructure could continue into 2025 and that gross margin expansion could continue into future periods as we focus on selling solutions and increasing our services net sales; our expectation that transformation costs are not expected to recur in the longer term; the expected effects of seasonality on our business, including as a result of recent acquisitions; expectations of further consolidation and trends in the Information Technology ("IT") industry; our business strategy and our strategic initiatives, including our efforts to grow our core business in the current environment, develop and grow our global cloud business and build scalable solutions; expectations regarding the impact of partner incentives and changes to partner incentive programs, including our belief that we may not experience significant growth in cloud gross profit in 2025 compared to 2024 as a result of certain partner program changes; our expectations about future benefits of our acquisitions and our plans related thereto, including potential expansion into wider regions; the increasing demand for big data solutions; the availability of competitive sources of products for our purchase and resale; our intentions concerning the payment of dividends; our acquisition strategy and our expectation that we will incur additional acquisition expenses in executing such strategy; our expectations regarding the impact of inflation, including our expectation that while interest rates will eventually decrease, we anticipate higher than historical interest rates will continue throughout most of 2025, and our ability to offset the effects of inflation and manage any increase in interest rates; projections of capital expenditures; our plans to continue to evolve our IT systems; our expectation that our gross margins will improve as our mix of services and solutions increase; plans relating to share repurchases; our liquidity and the sufficiency of our capital resources, the availability of financing and our needs or plans relating thereto; our expectation that we have sufficient funds available from capacity under our senior secured revolving credit facility (the "ABL facility"), as well as cash we expect to generate from operations, to fund the settlement upon maturity of our convertible senior notes (the "Convertible Notes"); the effects of new accounting principles and expected dates of adoption; the effect of indemnification obligations; projections about the outcome of ongoing tax audits; our expectations regarding future tax rates and the impact of domestic and global tax legislation, including our expectation that our effective tax rate will return to more typical levels in the foreseeable future; adequate provisions for and our positions and strategies with respect to ongoing and threatened litigation and expected outcomes; our ability to expand our client relationships; our expectations that pricing pressures in the IT industry will continue; our intention to use cash generated in 2025 in excess of working capital needs to pay down our ABL facility and inventory financing facilities, to settle a portion of the warrants (the "Warrants") relating to the Call Spread Transactions (as defined below) in cash, and for strategic acquisitions; our expectation that the planned cash settlement of a portion of the Warrants will occur in February or March 2025; our belief that our office facilities are adequate and that we will be able to extend our current leases or locate substitute facilities on satisfactory terms; our belief that we have adequate provisions for losses; our expectation that we will not incur interest payments under our inventory financing facilities; our expectations that future income will be sufficient to fully recover deferred tax assets; our exposure to off-balance sheet arrangements; statements of belief; and statements of assumptions underlying any of the foregoing. Forward-looking statements are identified by such words as "believe," "anticipate," "expect," "estimate," "intend," "plan," "project," "will," "may" and variations of such words and similar expressions and are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Future events and actual results could differ materially from those set forth in, contemplated by, or underlying the forward-looking statements. There can be no assurances that results described in forward-looking statements will be achieved, and actual results could differ materially from those suggested by the forward-looking statements. Some of the important factors that could cause our actual results to differ

materially from those projected in any forward-looking statements include, but are not limited to, the following, which are discussed in "Risk Factors" in Part I, Item 1A of this report:

- actions of our competitors, including manufacturers and publishers of products we sell;
- our reliance on our partners for product availability, competitive products to sell and marketing funds and purchasing incentives, which can and do change significantly in the amounts made available and in the requirements year over year;
- our ability to keep pace with rapidly evolving technological advances and the evolving competitive marketplace;
- general economic conditions, economic uncertainties and changes in geopolitical conditions, including the possibility of a recession or a decline in market activity as a result of the ongoing conflicts in Ukraine and Gaza;
- changes in the IT industry and/or rapid changes in technology;
- our ability to provide high quality services to our clients;
- our reliance on independent shipping companies;
- the risks associated with our international operations;
- supply constraints for products;
- natural disasters or other adverse occurrences, including public health issues such as pandemics or epidemics;
- disruptions in our IT systems and voice and data networks;
- cyberattacks, outages, or third-party breaches of data privacy as well as related breaches of government regulations;
- intellectual property infringement claims and challenges to our copyrights, patents, trademarks and trade names;
- potential liability and competitive risk based on the development, adoption, and use of Generative Artificial Intelligence ("Gen AI");
- legal proceedings, client audits and failure to comply with laws and regulations;
- risks of termination, delays in payment, audits and investigations related to our public sector contracts;
- exposure to changes in, interpretations of, or enforcement trends related to tax rules and regulations;
- our potential to draw down a substantial amount of indebtedness;
- the Company is subject to counterparty risk with respect to certain hedge and warrant transactions entered into in connection with the issuance of the Convertible Notes (the "Call Spread Transactions");
- increased debt and interest expense and the possibility of decreased availability of funds under our financing facilities;
- possible significant fluctuations in our future operating results as well as seasonality and variability in client demands;
- potential contractual disputes with our clients and third-party suppliers;
- our dependence on certain key personnel and our ability to attract, train and retain skilled teammates;
- risks associated with the integration and operation of acquired businesses, including achievement of expected synergies and benefits; and
- future sales of the Company's common stock or equity-linked securities in the public market could lower the market price for our common stock.

Additionally, there may be other risks described from time to time in the reports that we file with the Securities and Exchange Commission (the "SEC"). Any forward-looking statements in this report are made as of the date of this filing and should be considered in light of various important factors, including the risks and uncertainties listed above, as well as others. We assume no obligation to update, and, except as may be required by law, do not intend to update, any forward-looking statements. We do not endorse any projections regarding future performance that may be made by third parties.

PART I

Item 1. *Business*

Our Company

Today, every business is a technology business. We help our clients accelerate their digital journey to modernize their businesses and maximize the value of technology. We serve these clients in North America; Europe, the Middle East and Africa ("EMEA"); and Asia-Pacific ("APAC"). As a Fortune 500-ranked solutions integrator, we enable secure, end-to-end digital transformation and meet the needs of our clients through a comprehensive portfolio of solutions, far-reaching partnerships and 36 years of broad IT expertise. We amplify our solutions and services with global scale, local expertise and our e-commerce experience, enabling our clients to realize their digital ambitions in multiple ways.

The Company is organized in the following three operating segments, which are primarily defined by their related geographies:

Operating Segment*	Geography	Percent of 2024 Consolidated Net Sales
North America	United States and Canada	81%
EMEA	Europe, Middle East and Africa	16%
APAC	Asia-Pacific	3%

* Additional detailed segment and geographic information can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 and in Note 19 to the Consolidated Financial Statements in Part II, Item 8 of this report.

Insight began operations in Arizona in 1988, incorporated in Delaware in 1991 and completed its initial public offering in 1995. Our corporate headquarters are located in Chandler, Arizona. From our original location in the United States, we expanded nationwide and then entered Canada in 1997 and the United Kingdom in 1998. Through a combination of acquisitions and organic growth, we continued to increase our geographic coverage and expand our technical capabilities. Our acquisitions were as follows:

Prior to 2019, we acquired Software Spectrum, Inc. (2006), Calence, LLC (2008), MINX Limited (2008), Ensynch, Inc. (2011), Inmac GmbH (2012), Micro Warehouse BV (2012), BlueMetal Architects, Inc. (2015), Ignia, Pty Ltd (2016), Datalink Corporation (2017), Caase Group B.V. (2017), and Cardinal Solutions Group, Inc. (2018).

Our acquisitions from 2019 through today included:

- 2019 – PCM, Inc. ("PCM"), a provider of multi-vendor technology offerings, including hardware, software and services which complemented our supply chain expertise, adding scale and clients in the commercial space primarily in North America;
- 2020 – vNext SAS ("vNext"), a French digital consulting services and managed services provider, increasing our capacity to deliver consulting and implementation services to support clients' digital transformation initiatives to our clients in EMEA;
- 2022 - Hanu Software Solutions, Inc. and Hanu Software Solutions (India) Private Ltd. (collectively, "Hanu"), a global leading cloud technology services and solutions provider, which increased our capacity to provide cloud solutions to clients. Hanu also has a recruiting and development academy which expanded our technical expertise in India;
- 2023 - Amdaris Group Limited ("Amdaris"), a service provider with core expertise in providing software application and development services for clients, which added to

Insight's global application and Data & AI practices. Amdaris also specializes in customized solutions for cloud, mobile, data analytics and web application development helping clients digitally transform faster;

- 2023 - SADA Systems, LLC ("SADA"), a Google cloud service provider with engineering capabilities across the entire Google Cloud stack specializing in Google Cloud priority workloads. The SADA acquisition positioned Insight to further benefit from the growing trend of multicloud adoption and Gen AI, accelerating Insight's progress toward its strategic objective of growing cloud services and solutions; and
- 2024 - Infocenter.io ("Infocenter"), is a leader in digital transformation, leveraging their deep expertise in ServiceNow's comprehensive suite of capabilities. The Infocenter acquisition increases our relevance to our clients driving digital transformation in their organizations.

Our Purpose and Values

Our purpose: We accelerate digital transformation by unlocking the power of people and technology. We live by our core values of hunger, heart and harmony, which guide how we act as an organization and as a team, capturing the essence of our culture, and reminding us of what we've promised to live up to every day.

Our core values are:

Hunger – We are change agents, driven to improve every day.

Heart – We are teammates. We take care of each other, our clients and our communities.

Harmony – We are a team of individuals who work well together, seek out unique perspectives and value differences and diversity.

We believe that these values strengthen the overall Insight experience for our clients, partners and teammates. We refer to our customers as "clients," our suppliers as "partners" and our employees as "teammates".

Our Market

The worldwide total addressable market for enterprise IT spend is forecasted to be $4.9 trillion by 2027 according to Gartner, a leading IT research and advisory company. We believe our addressable market represents approximately $780 billion in annual sales and for the year ended December 31, 2024, our net sales of $8.7 billion represented approximately 1% of that highly diverse market. We believe that we are well positioned in this highly fragmented global market with sales locations in 20 countries and our deep experience delivering IT solutions across the globe.

Our Strategy

Our ambition is clear — we aspire to be the leading solutions integrator, setting the pace and defining a new category in our industry. Building upon the strong foundation of our traditional technology business, we bring innovative and scalable solutions — a combination of services and products — that accelerate transformation and produce meaningful outcomes for our clients.

To achieve our ambition, teammates are focused on our strategic objectives — put clients first, deliver differentiation, champion our culture, and drive profitable growth.

Put Clients first

Our primary goal is to put our clients first, becoming the partner they cannot live without, by delivering essential value for their technology transformation needs. We help our clients make the complex simple and look beyond the problems they are facing today to drive outcomes that energize future success. We help them modernize their business by offering solutions that

maximize the value of technology and enable secure, end-to-end transformation solutions and services.

Deliver differentiation

We deliver differentiation through our innovative and scalable solutions, exceptional technical talent and a compelling portfolio built on over 36 years of IT experience. Combined with thoughtful strategic acquisitions, differentiated expertise and deep partner relationships, we deliver a compelling client experience driving faster outcomes. Our simple and strong portfolio of offerings and our robust roster of technical experts and industry leaders help us deliver client value efficiently and with the accountability our clients expect.

Champion our culture

We see our strong culture as a driver for growth. We are purpose-driven and values-led and are focused on championing our teammates to deliver exceptional client experience. We are building on this foundation, developing a culture of high performance, and continuing to push forward our culture of harmony, diversity and inclusion.

Drive profitable growth

We relentlessly pursue high performance, operational excellence and profitable growth. We are transforming our sales capabilities and aligning our incentives to focus on our solutions portfolio. We continue to streamline our account coverage to match skills with client needs and propensity to buy services. We believe the key to our success is focusing on doing a finite number of things and doing them really well. This leads to successful outcomes with our clients and will drive profitable growth for our shareholders.

Our Solutions Expertise

We are differentiated in our ability to combine our expertise in technology integration with our technical services to create solutions that deliver meaningful client outcomes at scale. We adapt quickly to innovative technology trends such as Gen AI. We invest internally as well as through acquisitions to advance our technical capabilities and better serve the needs of our clients. We have strong solutions expertise in high growth areas of the IT market that allows us to drive digital transformation and business outcomes for our clients. Our most recent acquisitions of Amdaris, SADA and Infocenter enhance our areas of expertise and expand the capabilities of our services, creating the opportunity to deliver more value for our clients.

We believe our key areas of solutions expertise are critical to our clients' success and to our identity as a solutions integrator:

- Hybrid Multicloud
- Cybersecurity
- Data & Artificial Intelligence ("AI")
- Digital Workplace
- Intelligent Applications

Each of the key areas of solutions expertise are described below:

Hybrid Multicloud – Architect and modernize multicloud and networking solutions.

Our hybrid multicloud solutions are about adopting and building modern platforms from edge to data center to cloud (multicloud and hybrid). We architect and deliver modern infrastructure solutions, provide management and support spanning multiple cloud and data center platforms, modern networks, and edge technologies, to enable our clients to digitally transform their businesses. Typical outcomes for our clients include scaling their infrastructure foundation for innovation, increasing workload agility, resiliency and flexibility, improving visibility and control of

data assets, delivering better user and customer experiences, and enabling purposeful digital transformation.

Cybersecurity – Enhance resilience, mitigate risk and safeguard critical assets.

Our cybersecurity solutions focus on automating and securely connecting modern platforms, including networks, security systems, and automation tools. We prioritize security in our architecture design and deployment for cloud services and IT transformations, enabling clients to integrate security seamlessly across platforms, business units, and operations. Our expertise extends to managing essential security initiatives that protect businesses. We excel in threat protection, incident response, and compliance, offering rapid and effective incident response services to mitigate security breaches and minimize impact. Our clients typically benefit from enhanced threat detection, streamlined security management, effective governance and compliance, improved risk management, and comprehensive responses to security incidents.

Data and AI – Drive more value, faster, with integrated AI, data platforms and business intelligence.

Insight's data and AI solutions leverage our deep expertise in data readiness and both traditional and generative AI to help clients innovate and grow. We excel in planning, building, and optimizing modern data platforms and architectures, ensuring effective data analytics and AI solutions. We deliver strategic and secure solutions, enhanced through our intellectual property, that transform business operations and user experiences. Clients working with Insight benefit from rapid scalability, well-prepared data estates for Gen AI adoption, increased visibility and informed decision-making, optimized resources and costs, and new revenue opportunities. We are differentiated by our repeatable methodologies and agile, user-centric approach, which consistently enable clients to achieve their business goals and find greater value from their AI investments.

Digital Workplace – Create a productive, flexible and secure workplace.

Our digital workplace solutions focus on helping clients navigate workplace changes and meeting employee needs for seamless work experiences. We offer a range of services, including endpoint management, identity and access controls, and organizational change management. Our solutions elevate employee and user experiences, increase return on workplace technology investments, enhance data protection, boost productivity and mobile capabilities, and simplify IT lifecycle management. Insight excels in providing excellent collaborative experiences through technology, leading through change, and enabling secure work from anywhere operations.

Intelligent Applications – Improve developer productivity and application scalability and maintenance with enhanced software quality and speed to market.

Our intelligent applications solutions address our clients' unique business challenges by transforming and modernizing applications. Our approach focuses on enhancing the developer experience, integrating applications seamlessly, and infusing AI to drive innovation. We help clients navigate the complexities of app modernization, ensuring their legacy systems are updated and optimized for today's digital landscape. By leveraging our expertise, clients benefit from improved application performance, streamlined development processes, and cutting-edge AI capabilities that enhance functionality and user experience. We empower businesses to achieve greater efficiency, organizational agility, and competitive advantage through intelligent application solutions.

Our Solutions Mix

Our solutions generally include hardware, software and services, including cloud solutions. On a consolidated basis, product (hardware and software) and services (including cloud solutions) represented approximately 81% and 19%, respectively, of our consolidated net sales in 2024. This compares to 83% and 17%, respectively, of our consolidated net sales in 2023 and 86% and 14%, respectively, of our consolidated net sales in 2022. On a consolidated basis, product (hardware and software) and services represented approximately 43% and 57%, respectively, of our gross profit in 2024. This compares to 46% and 54%, respectively, of our gross profit in 2023 and 51% and 49%, respectively, of our gross profit in 2022. Additional detailed sales mix information by

operating segment can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 and in Note 19 to the Consolidated Financial Statements in Part II, Item 8 of this report.

Our Competition

The IT industry is very fragmented and highly competitive. Our competition primarily includes:

- Systems integrators and digital consultants such as ePlus, Presidio, World Wide Technology, EPAM, Accenture, Atos and Capgemini; and
- Technology providers, value-added resellers and direct marketers such as CDW, Cognizant, Zones, Connection, SHI, Softchoice, Computacenter, Bechtle, and SoftwareONE.

The competitive landscape in the industry is continually changing as various companies expand their product and services offerings. In addition, the shift to digital business such as data analytics, edge computing, hybrid infrastructure, modern workplace, cybersecurity, and other similar service offerings, has led to the emergence of new competitive players and opportunities through emerging models like AI and X as-a-service. As with other areas, we compete with solutions providers, systems integrators, value-added resellers, and hyperscale vendors. We sometimes compete directly with publishers and manufacturer partners for many of these offerings, including Microsoft, Cisco Systems, Dell, HP Inc. and Adobe Systems. They sell products and services directly to business customers, particularly large enterprise and corporate customers.

For a discussion of risks associated with the actions of our competitors, see "Risk Factors – Risks related to Our Business, Operations and Industry – The IT hardware, software and services industry is intensely competitive, and actions of our competitors, including manufacturers and publishers of products we sell, can negatively affect our business," in Part I, Item 1A of this report.

Our Partners

We partner with market leaders offering the top technology brands as well as emerging entrants in the marketplace. During 2024, we purchased and resold products and software from over 6,000 partners. The majority (based on dollar volume) of these purchases were directly from manufacturers or software publishers, with the remaining balance purchased through distributors. Purchases from Microsoft and TD Synnex accounted for approximately 27% and 10%, respectively, of our aggregate purchases in 2024. No other partner accounted for more than 10% of purchases in 2024. Our top five partners as a group for 2024 were Microsoft, TD Synnex (a distributor), Google, Cisco Systems and Ingram Micro (a distributor), and approximately 55% of our total purchases during 2024 came from this group of partners. Although brand names and individual products are important to our business, we believe that competitive sources of supply are available in substantially all of our product categories such that, with the exception of Microsoft, we are not dependent on any single partner for sourcing products.

During 2024, sales of Microsoft and Cisco Systems products accounted for approximately 18% and 11% of our consolidated net sales, respectively. No other manufacturer's or publisher's products represented 10% or more of our consolidated net sales in 2024. Sales of product from our top five manufacturers/publishers as a group (Microsoft, Cisco Systems, Dell, HP Inc. and Lenovo) accounted for approximately 50% of our consolidated net sales during 2024.

We obtain incentives from certain product manufacturers, software publishers and distribution partners based typically upon our volume of sales or purchases of their products and services. In other cases, such incentives may be in the form of participation in our partner programs, which may require specific services or activities with our clients, discounts, marketing funds, price protection or rebates. Manufacturers and publishers may also provide mailing lists, contacts or leads to us. We believe that these incentives (or partner funding) and other marketing assistance allow us to increase our marketing reach and strengthen our relationships with leading manufacturers and publishers.

We are always focused on understanding our partners' changing objectives and developing plans and programs to grow our mutual businesses. We have invested in our digital marketing capabilities over the past few years and plan to continue investing in such capabilities moving forward. We believe these digital marketing investments increase the effectiveness of our marketing campaigns and client interactions. We believe we are emerging as a leader in our industry in digital marketing, striving to deliver an outstanding service experience to our clients. We implemented business intelligence tools that enable us to track performance in this area and demonstrate the return on our partners' investments with us. We measure partner satisfaction regularly and hold quarterly business reviews with our largest partners to review business results, discuss plans for the future and obtain feedback. Additionally, we host annual partner forums in North America, EMEA and APAC to articulate our plans for the upcoming year.

As we move into new service areas, we may become even more reliant on certain partner relationships. For a discussion of risks associated with our reliance on partners, see "Risk Factors – Risks related to Our Business, Operations and Industry – We rely on our partners for product availability, competitive products to sell and marketing funds and purchasing incentives, which can and do change significantly in the amounts made available and the requirements year over year," in Part I, Item 1A of this report.

Our Teammates

Successful execution of our business strategy and strategic initiatives involves attracting, developing and retaining teammates who share our core values of hunger, heart and harmony. We are shaping the future of work at Insight with a focus on (1) enhancing teammate engagement and culture, (2) attracting and developing top technical and strategic talent globally, (3) developing a high-performance culture, and (4) driving diversity programs that enhance teammate inclusion globally.

Various ways that we attract, develop and retain qualified and motivated teammates include:

- Insight offers robust leadership training for teammate managers and aspiring leaders. Our training is centered around our Leadership Commitments where we enhance our leaders' skills in the following areas: (1) Creating clarity; (2) Inspiring people; (3) Demonstrating thought leadership; and (4) Delivering results.
- An important part of the Company's culture is its commitment to diversity and inclusion. Insight supports eleven teammate resource groups, which represent various diverse groups of teammates and boast 1,600+ active members.
- Our leaders carefully review and monitor our annual Teammate Pulse Survey results and create action plans to increase teammate engagement.
- A charitable foundation funded by the Company, its teammates and its partners provides financial support in crisis situations to support impacted teammates and their families.
- Insight offers teammates paid days off to either volunteer their time to charitable organizations in the communities where they live and work or to use for mental health.

Insight continues to receive recognitions that we believe demonstrate the success of our strategy to attract, develop, and retain qualified and motivated teammates.

- Insight was recognized in Forbes World's Best Employers List (2024);
- We were also named one of Forbes' Best Large Employers for 2024;
- We achieved a perfect score on the Human Rights Campaign Foundation's Corporate Equality Index and the Disability Equality Index (2023-2024); and
- Additionally, we received numerous Great Place to Work recognitions globally.

As of December 31, 2024, we employed 14,324 teammates. The number of teammates by operating segment were as follows:

Operating Segment	Number of Teammates
North America	11,019
EMEA	2,809
APAC	496

Certain of our teammates provide services to clients and/or provide back-office support in offshore locations such as Armenia, India, Moldova, the Philippines, and Romania. These teammates are included in the above table on the basis of the primary operating segment for which they provide direct services or back office support.

Our teammates in the United States are not represented by a labor union. Our work forces in certain foreign countries, such as Germany, have worker representative committees or work councils with which we maintain strong relationships. We believe our relations with our teammates are good, and we have never experienced a labor related work stoppage.

Our teammates by job function were as follows:

Job Function	Number of Teammates
Sales	3,722
Skilled, certified consulting and service delivery professionals	6,415
Total sales and client facing teammates	10,137
Management, support services and administration	3,705
Distribution	482

For a discussion of risks associated with our dependence on certain personnel, including sales personnel, see "Risk Factors – General Risk Factors – We depend on certain key personnel," in Part I, Item 1A of this report.

Our Seasonality

We experience some seasonal trends in our net sales. For example:

- software and certain cloud sales are typically higher in our second and fourth quarters;
- business clients, particularly larger enterprise businesses in the United States, tend to spend more, particularly on product, in our fourth quarter;
- sales to the federal government in the United States are often stronger in our third quarter, while sales in the state and local government and education markets are also often stronger in our second quarter; and
- sales to public sector clients in the United Kingdom are often stronger in our first quarter.

These trends create overall variability in our consolidated results.

Our Backlog

We do not believe that backlog as of any particular date is predictive of future results. Our backlog has fluctuated significantly in the past few years, primarily due to the mix of products available and our client's responses to supply chain constraints. The supply chain constraints that previously existed in recent years have largely normalized across all product categories.

Our Intellectual Property

We do not maintain a traditional research and development group, but we recognize the importance of intellectual property and its ability to differentiate us from our competitors. As part of our business, we provide value to clients based, in part, on our technical innovations, methodologies, know-how, and other reusable proprietary assets that we protect through different forms of intellectual property protection, including trademarks, patents, copyrights, and trade secrets in the United States and select foreign jurisdictions where we believe it is appropriate to seek such legal protection. We also seek to maintain our trade secrets and confidential information by non-disclosure policies and agreements, with teammates, clients, partners, and other third parties. There can be no assurance, however, that the rights obtained can be successfully enforced against infringers in every jurisdiction. Although we believe the protection afforded by our trademarks, patents, copyrights and trade secrets has value, the rapidly changing technology in our industry and uncertainties in the legal process make our future success dependent primarily on the innovative skills, technological expertise, and management capabilities of our teammates. Our Insight brand is a valuable intangible asset that is protected using common law and registered trademark rights. We also license our intellectual property rights to third parties. We have registered our key domain names and brands in the United States and in certain relevant foreign jurisdictions, and, from time to time, filed patent applications for our qualifying technical solutions. Our intellectual property assets are important to us, and we continue to invest in their promotion and protection.

For a discussion of risks associated with our intellectual property, see "Risk Factors – We may not be able to protect our intellectual property adequately, and we may be subject to intellectual property infringement claims," in Part I, Item 1A of this report.

Our Information Technology Systems

We have committed significant resources to the digital systems that we develop, deploy and use to manage our business. Our success, in part, depends on our ability to provide prompt and efficient service and support to our clients based on the accuracy, quality and utilization of these systems. Because our digital systems and platforms impact our ability to manage our sales, client service, partner relationships, distribution, inventories, accounting systems and internal networks, we continue to mature our global cybersecurity, risk, and compliance programs with automation, additional skillsets, and an integrated tech platform.

We are focused on driving improvements in sales productivity and client experience through increased innovation and enhancements to our customer-facing e-commerce, cloud and managed services platforms and internal systems with the goals of continuously improving client satisfaction, consistently attracting new clients and increasing overall business efficiency.

We use a common set of core applications to run our business, across all operating segments.

For a discussion of risks associated with our internal and customer-facing systems, see "Risk Factors – Risks related to Our Technology, Data and Intellectual Property – Disruptions in our systems and voice and data networks could affect our ability to service our clients and cause us to incur additional expenses," in Part I, Item 1A of this report.

Information about our Executive Officers

The following are our current executive officers:

Dee Burger, President North America, Age 55

Mr. Burger joined Insight in May 2022 as President of the North America region. Prior to joining Insight, Mr. Burger worked at Capgemini, a global leader in consulting, technology services and digital transformation, for 29 years in a diverse range of roles. His responsibilities encompassed leading integration of mergers and acquisitions, digital and cloud solutions, business

applications, consulting, strategy, and transformation. Most recently, he led Capgemini's global business lines in the North America market, with prior leadership roles spanning business services and engineering, U.S. strategy and portfolio, consulting, and innovation and digital services.

Samuel C. Cowley, General Counsel and Secretary, Age 64

Mr. Cowley joined Insight in June 2016 as our General Counsel. Prior to joining Insight, Mr. Cowley served as General Counsel and Vice President, Business Development of Prestige Brands Holdings, Inc., a company that markets and distributes over-the-counter healthcare products, as Executive Vice President, Business Development and General Counsel of Matrixx Initiatives, Inc. and Executive Vice President and General Counsel of Swift Transportation Co., Inc. Prior to that, he practiced law in the business and finance groups with the law firms of Snell & Wilmer and Reid & Priest.

Rachael A. Crump, Chief Accounting Officer, Age 49

Ms. Crump joined Insight in December 2016 as Vice President of Finance, Controller – North America. She was appointed Principal Accounting Officer and Global Corporate Controller in September 2018, with her title being consolidated to Chief Accounting Officer in September 2023. Ms. Crump is a Certified Public Accountant. She began her career in public accounting in 1997 with Ernst & Young LLP. Ms. Crump has held controller positions with several public multinational companies in the software, medical services and semiconductor industries. Prior to joining Insight, Ms. Crump served as the Senior Director Controller, Global Accounting at Amkor Technology, Inc. a semiconductor product packaging and test services provider, from 2006 to 2016.

Rob Green, Chief Digital Officer, Age 57

Mr. Green was appointed Chief Digital Officer of Insight in December 2023. Mr. Green joined Insight in August 2021 as Senior Vice President, eCommerce and was appointed Senior Vice President, Digital Transformation in July 2023. Mr. Green had previously spent eight years in various roles with Amazon, an online retailer and web services provider, including as General Manager, Amazon Business Public Sector from December 2019 to June 2021 and General Manager, Amazon Business Marketplace from January 2016 to December 2019. Prior to joining Amazon, Mr. Green held various executive level roles at Oracle Corporation.

Adrian Gregory, President – Insight EMEA, Age 51

Mr. Gregory joined Insight in January 2023 as President of the EMEA region. Prior to joining the Company, he served as Chief Executive Officer for North Europe and APAC at Atos, an IT services and consulting company. Prior to being named Chief Executive Officer in February of 2022, Mr. Gregory spent 10 years in various other executive positions at Atos, including serving as Senior Executive Vice President, Global Head of Financial Services & Insurance, where he led the integration of Atos Syntel in India and served as Chief Executive Officer of Atos UK and Ireland. Prior to Atos, he held roles at Hewlett-Packard Development Company, L.P., Fujitsu ICL, and Petroleum Shipping Ltd.

James A. Morgado, Chief Financial Officer, Age 52

Mr. Morgado joined Insight in January 2022 as Senior Vice President of Finance and was promoted to Chief Financial Officer in January 2025. Prior to joining Insight, from November 2017 to December 2021, he served as the Vice President of Finance for Synopsys, Inc., an enterprise software engineering company focused on electronic design automation, where he was responsible for Corporate Planning, FP&A, Treasury, Procurement and Supply Chain Finance. Prior to Synopsys, Mr. Morgado worked for Juniper Networks, Inc., Cisco Systems, Inc., The Stephenz Group, Inc., Aramark Uniform Services, and Citigate Cunningham, Inc. in various leadership positions within Finance.

Joyce A. Mullen, President and Chief Executive Officer, Age 62

Ms. Mullen was appointed President and Chief Executive Officer and a director of Insight effective January 1, 2022. Ms. Mullen joined Insight in October 2020 as our President of the North America Region. Prior to joining Insight, Ms. Mullen spent 21 years at Dell Technologies, a technology company, in a variety of sales, service delivery, and IT solutions leadership roles. Ms. Mullen also serves on the board of directors as well as the nominating and governance and compensation & human resources committees of The Toro Company.

Jennifer Vasin, Chief Human Resources Officer, Age 50

Ms. Vasin was appointed Chief Human Resources Officer of Insight in February 2022. Ms. Vasin joined Insight as a Director of Human Resources in April 2008 when Insight acquired Calence LLC, a professional services consulting firm where Ms. Vasin had served as a Leader of Human Resources since March 2002. Ms. Vasin was named a Vice President of Human Resources in February 2012 and Senior Vice President of Human Resources in January 2019. Prior to Calence, Ms. Vasin worked in the airline industry in a variety of roles, including human resources leadership positions.

Available Information

Our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to such reports filed pursuant to Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), proxy statements and the reports filed pursuant to Section 16(a) of the Exchange Act are available free of charge on our web site at www.insight.com, as soon as reasonably practicable after we electronically file them with, or furnish them to, the SEC. The information contained on our web site is not included as a part of, or incorporated by reference into, this Annual Report on Form 10-K.

The SEC also maintains an internet site that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC at www.sec.gov.

Item 1A. *Risk Factors*

Risks Related to Our Business, Operations and Industry

The IT hardware, software and services industry is intensely competitive, and actions of our competitors, including manufacturers and publishers of products we sell, can negatively affect our business. Competition in the industry is based on price, product availability, speed of delivery, credit availability, quality and breadth of product lines, and, increasingly, on the ability to provide services and tailor specific solutions to meet client needs. Many of our manufacturer and publisher partners are also our competitors, as many sell directly to business customers, particularly large enterprise and corporate customers. In addition to the manufacturers and publishers of products we sell, we compete with a large number and wide variety of providers and resellers of IT hardware, software and services. We believe our industry will see further consolidation as product resellers and direct marketers combine operations or acquire or merge with other resellers, service providers and direct marketers to increase efficiency, service capabilities and market share. Moreover, current and potential competitors have established or may establish cooperative relationships among themselves or with third parties to enhance their product and service offerings. Accordingly, it is possible that new competitors or alliances among competitors may emerge and acquire significant market share.

The competitive landscape in which we operate continues to change as new technologies are developed. While innovation helps our business as it creates new offerings for us to sell, it can also disrupt our business model and create new and stronger competitors. For instance, while cloud-based solutions present an opportunity for us and make up a significant part of our business and future, cloud-based solutions and technologies developed by manufacturer and publisher partners are alternatively marketed directly to customers without utilizing solutions providers like

us, which can reduce the volume of hardware, software or services we sell, leading to a reduction in our sales and/or profitability. Accordingly, we are dependent on continued innovations by our current vendor partners and our ability to partner with new and emerging technology providers.

Generally, pricing competition is very aggressive in the industry, and we expect pricing pressures to continue. There can be no assurance that we will be able to negotiate prices as favorable as those negotiated by our competitors or that we will be able to offset the effects of price reductions with an increase in the number of clients, higher net sales, cost reductions or higher sales of services, which are typically at higher gross margins, or otherwise. Price reductions by our competitors that we either cannot or choose not to match could result in an erosion of our market share and/or reduced sales or, to the extent we match such reductions, could result in reduced operating margins or inventory impairment charges, any of which could have a material adverse effect on our business, financial condition and results of operations.

Some of our competitors in each of our operating segments may have greater technical, marketing and other resources than we do. In addition, some of these competitors may be able to respond more quickly to new or changing opportunities, technologies and client requirements. Many current and potential competitors also may have greater name recognition and engage in more extensive promotional activities, offer more attractive terms to their customers and adopt more aggressive pricing policies than we do. Additionally, some of our competitors have higher margins and/or lower operating cost structures, allowing them to price more aggressively. There can be no assurance that we will be able to compete effectively with current or future competitors or that the competitive pressures we face will not have a material adverse effect on our business, financial condition and results of operations.

We rely on our partners for product availability, competitive products to sell and marketing funds and purchasing incentives, which can and do change significantly in the amounts made available and the requirements year over year. We acquire products for resale both directly from manufacturers and publishers and indirectly through distributors, and the loss of a significant partner relationship could cause a disruption in the availability of products to us. We typically do not have long-term contracts with our vendor partners. As such, many of these arrangements with partners are easily terminable, and there can be no assurance that manufacturers and publishers will continue to sell or will not limit or curtail the availability of their product to resellers like us. The loss of, or change in business relationship with, any of our key vendor partners could negatively impact our business.

In addition, certain manufacturers, publishers and distributors provide us with substantial incentives in the form of rebates, marketing funds and other investments, purchasing incentives, early payment discounts, referral fees and price protections (collectively, "partner funding"). Partner funding is used to offset, among other things, inventory costs, costs of goods sold, marketing costs and other operating expenses. Certain of these funds are based on our volume of sales or purchases, growth rate of net sales, increases in client usage, or purchases and marketing programs. If we do not meet the goals of these programs or if we are not in compliance with the terms of these programs, there could be a material negative effect on the amount of incentives offered or paid to us by manufacturers and publishers. We regularly experience partner funding program changes that reduce the incentives many partners make available to us and that change the requirements for earning such incentives. If we are unable to react timely to remediate and effectively respond to these changes in the partner funding programs of publishers and manufacturers, including the elimination of, or significant reductions in, partner funding for some of the activities for which we have been compensated in the past, the changes could have a material adverse effect on our business, financial condition and results of operations. This is especially true in connection with the incentive programs of our largest partners: Microsoft, TD Synnex, Google, Cisco Systems, and Ingram Micro. There can be no assurance that we will continue to receive such incentives in the future.

We may not be able to keep pace with rapidly evolving technological advances and the evolving competitive marketplace in which we sell our service offerings. Our success depends on our ability to continue to develop and implement services and solutions that

anticipate and respond to rapid and continuing changes in technology and market demand to serve the needs of our clients. For example, cloud, security, and digital-related solutions are continuously evolving, and there is rapid development and technological evolution in areas such as IoT, edge-computing, computer vision, advanced machine learning and AI (including Gen AI), automation, augmented reality, blockchain and as-a-service solutions. If we do not invest sufficiently in new technologies, effectively market our capabilities with respect to such technologies, or successfully adapt to industry developments and evolving client demand at sufficient speed and scale, we may be unable to develop or maintain a competitive advantage in the market and execute on our growth strategy and initiatives, which could have a material adverse effect on our business.

General economic and political conditions, including unfavorable conditions in a particular region, business or industry sector, may lead our clients to delay or forgo investments in IT hardware, software and services. Weak economic conditions generally or any broad-based reduction in IT spending would adversely affect our business, operating results and financial condition. A prolonged slowdown in the global economy, including the possibility of recession or financial market instability or similar crisis, or in a particular region or business or industry sector, or the tightening of credit markets, could cause our clients to have difficulty accessing capital and credit sources, delay contractual payments, or delay or forgo decisions to upgrade or add to their existing IT environments, license new software or purchase products or services (particularly with respect to discretionary spending for hardware, software and services). Such events could have a material adverse effect on our business, financial condition and results of operations. Economic or industry downturns could result in longer payment cycles, increased collection costs and defaults in excess of our expectations. A significant deterioration in our ability to collect on accounts receivable could also impact the cost or availability of financing under our accounts receivable securitization program.

Our sales to public sector clients are also impacted by government spending policies, government shutdowns, budget priorities and revenue levels. An adverse change in government spending policies (including budget cuts at the federal, state and local level), budget priorities or revenue levels could cause our public sector clients to reduce their purchases or to terminate or not renew their contracts with us. These possible actions or the adoption of new or modified procurement regulations or practices could have a material adverse effect on our business, financial position and results of operations.

Worldwide economic conditions and market volatility as a result of political leadership in certain countries and other disruptions to global and regional economies and markets, including continuing increases in inflation and interest rates, the possibility of recession, or financial market instability, may impact future business activities. 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 in financial markets and in the economy, as well as other adverse impacts. Potential impacts related to conflicts, such as those ongoing in Ukraine and Gaza, include further market disruptions, including significant volatility in commodity prices, credit and capital markets, supply chain and logistics disruptions, adverse global economic conditions resulting from escalating geopolitical tensions, volatility and fluctuations in foreign currency exchange rates and interest rates, inflationary pressures on raw materials and heightened cybersecurity threats, all of which could adversely impact our business, particularly our European operations.

Changes in the IT industry and/or rapid changes in technology may reduce demand for the IT hardware, software and services we sell or change who makes purchasing decisions for IT hardware, software and services. Our results of operations are influenced by a variety of factors, including the condition of the IT industry, shifts in demand for, or availability of, IT hardware, software, peripherals and services, and industry innovation and the introduction of new products and technologies. The IT industry is characterized by rapid technological change and the frequent introduction of new products and changing delivery channels and models, which can decrease demand for current products and services and can disrupt purchasing patterns. If we fail to react effectively and in a timely manner to such changes, we may experience lower sales and, with respect to hardware, as has occurred we may have to record write-downs of obsolete inventory. In addition, in order to satisfy client demand, protect ourselves against product shortages, obtain greater purchasing discounts and react to changes in original equipment manufacturers' terms and conditions, we may decide to carry inventory of products that may have limited or no return privileges. There can be no assurance that we will be able to avoid losses related to inventory obsolescence on these products. Additionally, if purchasing power within our clients shifts from centralized procurement functions to business units or individual end users and we are unable to react timely to any such changes, these shifts in purchasing power could have a material adverse effect on our business, financial conditions and results of operations.

The cloud and "as-a-service" models are transforming the IT market and introducing new products, services and competitors to the market. In many cases, these new distribution models allow enterprises to obtain the benefits of commercially licensed, internally operated software with less complexity and lower initial set-up, operational and licensing costs, which increases competition for us. There can be no assurance that we will be able to adapt to, or compete effectively with, current or future distribution channels or competitors or that the competitive pressures we face will not have a material adverse effect on our business, financial condition and results of operations.

Failure to provide high quality services to our clients could adversely affect our reputation, brand, business, results of operations or cash flows. Our services include professional, managed, configuration and partner services as well as warranties. In addition, we deliver and manage mission critical software, systems and network solutions for our clients. We also offer certain services, such as implementation and installation services and repair services, to our clients through various third-party service providers engaged to perform these services on our behalf. If we or our third-party service providers fail to provide high quality services to our clients or such services result in an unplanned disruption of our clients' businesses, this could, among other things, result in legal claims and proceedings and liability for us. As we expand our services and solutions offerings and provide increasingly complex services and solutions, we may be exposed to additional operational, regulatory and other risks. We could also incur liability for failure to comply with the rules and regulations applicable to new services and solutions we provide to our clients. The occurrence of any of the aforementioned could adversely affect our reputation, brand, business, results of operations or cash flows.

We rely on independent shipping companies for delivery of products and are subject to price increases or service interruptions from these carriers. We generally ship hardware products to our clients by FedEx, United Parcel Service and other commercial delivery services and invoice clients for delivery charges. If we are unable to pass on to our clients current costs and future increases in the cost of commercial delivery services, our profitability could be adversely impacted. Additionally, strikes, inclement weather, natural disasters, public health issues such as pandemics or endemics, terrorist attacks or other service interruptions sustained by such shippers could adversely impact our ability to deliver products on a timely basis. Such events could have a material adverse effect on our business, financial condition and results of operations.

There are risks associated with our international operations that are different than the risks associated with our operations in the United States, and our exposure to the risks of a global market could hinder our ability to maintain and expand international operations. Outside of the United States, we have operation centers in Armenia,

Australia, Canada, France, Germany, India, the Netherlands, the Philippines, Ukraine and the United Kingdom, as well as sales offices throughout EMEA and APAC. In the regions in which we do not currently have a physical presence, we serve our clients through strategic relationships. In implementing our international strategy, we may face barriers to entry and competition from local companies and other companies that already have established global businesses, as well as the risks generally associated with conducting business internationally.

The success and profitability of international operations are subject to numerous risks and uncertainties, many of which are outside of our control, such as:

- political or economic instability, including the possibility of recession or financial market instability, or acts of war;
- changes in governmental regulation or taxation (foreign and domestic);
- currency exchange fluctuations;
- changes in import/export laws, regulations, customs, duties and tariffs (foreign and domestic);
- trade restrictions (foreign and domestic);
- difficulties of conducting business, managing operations, and costs of staffing in certain foreign countries;
- work stoppages or other changes in labor conditions;
- taxes and other restrictions on repatriating foreign profits back to the United States;
- extended payment terms;
- seasonal reductions in business activity in some parts of the world; and
- natural disasters, terrorism, civil unrest, public health issues such as pandemics or endemics and other geopolitical uncertainties.

In addition, changes in policies and/or laws of the United States or foreign governments, including data privacy restrictions such as the General Data Protection Regulation ("GDPR") resulting in, among other changes, higher taxation, tariffs or similar protectionist laws, currency conversion limitations, limitations on business operations, or the nationalization of private enterprises could reduce the anticipated benefits of international operations and could have a material adverse effect on our business, financial condition and results of operations.

We have currency exposure arising from both sales and purchases denominated in foreign currencies, including intercompany transactions outside the United States. International operations also expose us to currency fluctuations as we translate the financial statements of our foreign operations to the U.S. dollar, which has been very strong in recent years in foreign currency exchange rates and which has, at times, adversely impacted our results of operations and cash flows from our operations in EMEA. In addition, some currencies may be subject to limitations on conversion into other currencies, which can limit the ability to otherwise react to rapid foreign currency devaluations. While we currently engage in certain hedging activities to limit our exposure to currency fluctuations, we cannot predict with precision the effect of future exchange-rate fluctuations, and significant rate fluctuations could have a material adverse effect on our business, financial condition and results of operations.

The interruption of the flow of products from our suppliers could disrupt our supply chain. Our business depends on the timely supply of products in order to meet the demands of our clients. Manufacturing interruption or delays, including as a result of the financial instability or bankruptcy of manufacturer, labor and supply shortages, significant labor disputes such as strikes, natural disasters (which may increase in number or severity as a result of climate change), political or social unrest, public health issues, such as pandemics or endemics, or other adverse occurrences affecting our suppliers' facilities, could disrupt our supply chain. We have previously experienced and could in the future experience product constraints due to the failure of suppliers to accurately forecast demand, or to manufacture sufficient quantities of product to meet demand (including as a result of shortages of product components), among other reasons.

A natural disaster or other adverse occurrence at one of our primary facilities could damage our business. We have warehouse and distribution facilities in the United States and Canada and in the United Kingdom and Germany. If the warehouse and distribution equipment at one of our distribution centers were to be seriously damaged, or negatively impacted, by a natural disaster, act of terrorism, or public health issue or other adverse occurrence, we could utilize another distribution center or third-party distributors to ship products to our clients. However, this may not be sufficient to avoid interruptions in our service and may not enable us to meet all of the needs of our clients and would cause us to incur incremental operating costs. In addition, we operate numerous sales offices which may contain both business-critical data and confidential information of our clients. A natural disaster, act of terrorism, or public health issue or other adverse occurrence at any of our major sales offices could also negatively impact our business, results of operations or cash flows.

Risks Related to Our Technology, Data and Intellectual Property

Disruptions in our IT systems and voice and data networks could affect our ability to service our clients and cause us to incur additional expenses. We believe that our success to date has been, and future results of operations will be, dependent in large part upon our ability to provide prompt and efficient service to our clients. Our ability to provide that level of service is largely dependent on the ease of use, accuracy, quality and utilization of our IT systems, which impacts our ability to manage our sales, client service, distribution, inventories and accounting systems, and the reliability of our voice and data networks and managed services offerings. If our current technology is determined to have a shorter economic life or the value of our current system is impaired, or necessary improvements to our technology are significantly delayed, we could incur additional expense and/or charges. The continuing development of our IT systems is crucial for our success. Accordingly, some of our IT systems are subject to ongoing IT projects designed to streamline or optimize the information systems. In addition, a substantial interruption in our IT systems or in our voice and data networks, however caused, could occur and could have a material adverse effect on our business, financial condition and results of operations.

Cyberattacks, data incidents and breaches in the security (i) of our information systems and networks, (ii) of the products we sell and services we provide, and (iii) of the electronic and confidential information in our possession could materially adversely impact our financial condition, results of operations, reputation, and relationships with clients, partners, vendors, and teammates. We are dependent upon automated information technology processes. Privacy, security, and compliance concerns have continued to increase as technology has evolved to facilitate commerce and as cross-border commerce increases. As part of our normal business activities, we collect and store or have access to certain proprietary confidential, and personal information, including information about teammates and information about partners, vendors, and clients which may be entitled to protection under a number of regulatory regimes. In the course of normal and customary business practice, we may share some of this information with vendors and partners who assist us with certain aspects of our business. Moreover, the success of our operations depends upon the secure transmission of confidential and personal data over public networks, including the use of cashless payments. The protection and security of our network systems, our clients' systems, applications, and platforms to which we have access, and our own information, as well as information relating to our clients, partners, vendors, and teammates, is vitally important to us as the compromise, loss, theft, misuse, or unauthorized access to such networks or information could lead to significant reputational or competitive harm, result in litigation involving us or our business partners, expose us to regulatory proceedings, and cause us to incur substantial liability or expenses.

As with many other businesses, we, our third-party service providers and a number of our vendors have been and are continually subject to cyberattacks and the risk of data security incidents, the frequency, intensity, and sophistication of which continue to increase year over year. Due to the constant risk of these types of attacks and incidents, we expend significant resources on information technology and data security tools, measures, and processes designed to protect our networks, systems, services, and the personal, confidential or proprietary information in our possession, and to ensure an effective response to any cyber-attack or data security

incident. We have privacy and data security policies in place that are designed to detect, prevent, and/or mitigate cyberattacks and data security incidents. Whether or not these policies, tools, and measures are ultimately successful, the expenditures could have an adverse impact on our financial condition and results of operations, and divert management's attention from pursuing our strategic objectives. As newer technologies evolve, and the portfolio of the service providers we share confidential information with grows, we could be exposed to increased risks from cyberattacks, data security events, and data breaches, including those from human error, negligence or mismanagement or from illegal or fraudulent acts.

Although we take the security of our network systems and information very seriously, there can be no assurance that the security measures we employ will effectively prevent unauthorized persons from obtaining unauthorized access to our systems and information due to the evolving nature and intensity of cyberattacks and threats to data security. New and sophisticated tools and methods are constantly being developed by criminals and cyber terrorists to penetrate and compromise systems, including computer viruses, malware, ransomware, phishing, misrepresentation, social engineering and forgery, which make it increasingly challenging to anticipate, harder to detect, and more difficult to adequately mitigate these risks. Malicious individuals, organizations, and nation-state threat actors have and may continue to attempt to penetrate or compromise our network systems, the products we sell, or services we and our third-party contractors provide in order to access, acquire, misappropriate, disclose, alter, or otherwise compromise our teammates', clients', and partners' proprietary, confidential, technical business, and/or personal information in our possession or to which we have access, create system disruptions, cause system or operations shutdowns or perpetrate secondary attacks against our clients, partners, and teammates. Such individuals or organizations also may develop or deploy viruses, worms, ransomware or otherwise exploit security vulnerabilities of our systems or our product offerings, or attempt to fraudulently induce our employees, clients or others to disclose passwords or other sensitive information or unwittingly provide access to our systems, data, or client environments.

Any failure on the part of us, our third-party service providers or our vendors to maintain the security of our network systems and the proprietary, confidential, and personal data in our possession, including via the penetration of our network security and attempted or actual misappropriation, disclosure, alteration, or compromise of proprietary, confidential and personal information, could disrupt the security of our systems and business applications, as well as impair our ability to provide services to our clients and protect the privacy of their data. These disruptions could further result in costly investigations and remediation, business disruption, damage to our reputation, financial obligations to third parties, fines, penalties, regulatory proceedings and private litigation with potentially large costs, and also result in deterioration in our teammates', partners' and clients' confidence in us and other competitive disadvantages, and thus could have a material adverse effect on our business, financial condition and results of operations.

Some of the hardware and software products we resell could have defects, viruses, vulnerabilities, or otherwise be the subject of cyberattacks, data security events, or data breaches. We would consider the consequences of such attacks to be the responsibility of the respective manufacturers and publishers of such products, however, if such circumstances were to arise, we may be required to notify clients, regulators and individuals and thereby could be subject to litigation, regulatory inquiry, loss of business, and reputational harm.

We may not be able to protect our intellectual property adequately, and we may be subject to intellectual property infringement claims. To protect our intellectual property, we rely on copyright, trademark and trade secret laws, unpatented proprietary know-how, and patents, as well as confidentiality, invention assignment, non-solicitation and non-competition agreements. There can be no assurance that these measures will afford us sufficient protection of our intellectual property, and it is possible that third parties may copy or otherwise obtain and use our proprietary information without authorization or otherwise infringe on our intellectual property rights. The disclosure of our trade secrets could impair our competitive position and could have a material adverse effect on our business, financial condition and results of operations. In addition, our registered trademarks and trade names are subject to challenge by third parties. This may

impact our ability to continue using those marks and names. Likewise, many businesses are actively investing in, developing and seeking protection for intellectual property in the areas of search, indexing, e-commerce and other Web-related technologies, as well as a variety of on-line business models and methods, all of which are in addition to traditional research and development efforts for IT products and application software, and non-practicing entities continue to invest in acquiring patent portfolios for the purpose of turning the portfolios into income-generating assets, whether through licensing campaigns or litigation. If there is a determination that we have infringed the proprietary rights of others, we could incur substantial monetary liability, be forced to stop selling infringing products or providing infringing services, be required to enter into costly royalty or licensing agreements, if available, or be prevented from using the rights, which could force us to change our business practices or hardware, software or services offerings in the future. These types of claims and challenges could have a material adverse effect on our business, financial condition and results of operations.

The development, adoption and use of Gen AI may result in increased liability exposure and competitive risk. The development, adoption, and use of Gen AI technologies are complex and still in their early stages, and there are technical challenges associated with achieving the desired level of accuracy, efficiency, and reliability. For example, Gen AI systems that we deploy may be flawed or may be based on datasets that are biased or insufficient. In addition, any latency, disruption, or failure in our Gen AI systems could result in vulnerabilities, delays or errors in our offerings and compromise the integrity, security, or privacy of the generated content and applicable infrastructure. These limitations or failures could result in reputational damage, legal liabilities, increased regulatory scrutiny, or loss of client confidence which, in turn, could result in lower than anticipated demand and have a material adverse effect on our business, financial condition and results of operations.

Risks Related to Regulatory and Legal Matters

We are exposed to risks from legal proceedings and client audits and failure to comply with the laws and regulations applicable to our operations could adversely impact our business, results of operations or cash flows. We are party to various legal proceedings that arise in the ordinary course of our business, which include commercial, employment, tort and other litigation. Because of our significant sales to governmental entities, we also are subject to audits by federal, state, international, national, provincial and local authorities in the ordinary course of our business. We also are subject to and currently engaged in audits by various vendor partners and large clients, including government agencies, relating to purchases and sales under various contracts. In addition, we are subject to indemnification claims under various contracts. Current and future litigation, infringement claims, governmental proceedings and investigations, audits or indemnification claims that we face may result in substantial costs and expenses and significantly divert the attention of our management regardless of the outcome. Additionally, our operations are subject to numerous U.S. and foreign laws and regulations in a number of areas including areas of labor and employment, advertising, e-commerce, tax, import and export requirements, anti-corruption, data privacy requirements, including data privacy restrictions such as the GDPR or the California Consumer Privacy Act ("CCPA"), data breach notification laws, and certain data security regulations, anti-competition, and environmental, health, and safety. Compliance with these laws, regulations and similar requirements may be onerous and expensive, and they may be inconsistent from jurisdiction to jurisdiction, further increasing the cost of compliance and doing business, and the risk of noncompliance. We have implemented policies and procedures designed to help ensure compliance with applicable laws and regulations, but there can be no guarantee against teammates, contractors, or agents violating such laws and regulations or our policies and procedures.

Our public sector contracts are subject to unique risks and uncertainties, including termination rights, delays in payment, audits and investigations, any of which could have a material adverse effect on our business. Revenue from public sector contracts is derived from sales to federal, state and local governmental entities, as well as to educational institutions, through open market sales and various contractual frameworks and programs. Non-compliance with requisite procurement, billing or ordinance-specific administrative rules,

procedures, and processes could subject our contracts to protest or make them voidable regardless of whether we bear any responsibility for non-compliance. This could also subject us to debarment, suspension, or disqualification from doing business with governmental entities, and could also result in civil, criminal, and administrative liability. Public sector contracts can contain one-sided provisions and certifications in favor of public sector clients, including broad indemnification obligations, uncapped liability or liquidated damages obligations, which can impose financial risks that are beyond those associated with ordinary course commercial contracts with non-public sector clients. In addition, public sector contracts may be subject to audits and investigations by government agencies. Public sector contracts are generally terminable at any time for convenience and in some instances contracting agencies are subject to non-appropriation of funding which impairs their ability to pay us for multi-year contract obligations. Any of the foregoing or any other reduction in revenue from public sector clients could have a material adverse effect on our business, financial condition, and results of operations.

Changes in, interpretations of, or enforcement trends related to tax rules and regulations may adversely affect our effective income tax rates or operating margins and we may be required to pay additional tax assessments. We conduct business globally and file tax returns in various U.S. and foreign tax jurisdictions. Our effective income tax rate could be adversely affected by various factors, many of which are outside of our control, including:

- changes in pre-tax income in various jurisdictions in which we operate that have differing statutory tax rates;
- increases in corporate tax rates and the availability of deductions or credits in the United States and elsewhere;
- changes in tax laws, regulations, and/or interpretations of such tax laws in multiple jurisdictions, including but not limited to U.S. federal and state regulations or interpretations and enforcement trends;
- tax effects related to acquisition accounting; and
- resolutions of issues arising from tax examinations and any related interest or penalties.

The determination of our worldwide provision for income taxes and other tax liabilities requires estimation, judgment and complex calculations in situations where the ultimate tax determination may not be certain. Our determination of tax liabilities is always subject to review or examination by tax authorities in various jurisdictions. Any adverse outcome of such review or examination could have a material adverse effect on our financial condition and results of operations.

Risks Related to Our Indebtedness

We have a substantial amount of indebtedness, which could have important consequences to our business. We have a substantial amount of indebtedness. As of December 31, 2024, we had $864.1 million of total long-term debt outstanding, as defined by U.S. generally accepted accounting principles ("GAAP"), and an additional $217.6 million of obligations outstanding under our inventory financing agreements. At December 31, 2024, $332.9 million of our outstanding debt relates to the Convertible Notes that are convertible at the option of the holders and mature in February 2025, and as a result are classified as a current liability. Additionally, pursuant to an indenture, we issued an aggregate principal amount of $500.0 million in senior unsecured notes due 2032. We also have the ability to borrow an additional $1.8 billion under our senior secured credit facility. Our substantial indebtedness could have important consequences, that could have a material adverse effect on our business, financial condition and results of operations, including the following:

- requiring us to dedicate a substantial portion of our cash flow from operations to debt service payments on our and our subsidiaries' debt, which reduces the funds available for working capital, capital expenditures, acquisitions and other general corporate purposes;

- requiring us to comply with restrictive covenants in our senior secured debt facility, which limits the manner in which we conduct our business;
- limiting our flexibility in planning for, or reacting to, changes in the industry in which we operate;
- placing us at a competitive disadvantage compared to any of our less-leveraged competitors;
- increasing our vulnerability to both general and industry-specific adverse economic conditions; and
- limiting our ability to obtain additional debt or equity financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements and increasing our cost of borrowing.

We are subject to counterparty risk with respect to the Call Spread Transactions. The option counterparties are financial institutions or affiliates of financial institutions, and we are subject to the risk that one or more of such option counterparties may default under the Call Spread Transactions. Our exposure to the credit risk of the option counterparties will not be secured by any collateral. If any option counterparty becomes subject to insolvency proceedings, we will become an unsecured creditor in those proceedings with a claim equal to our exposure at that time under the Call Spread Transaction. Our exposure will depend on many factors but, generally, the increase in our exposure will be correlated to the increase in our common stock market price and in the volatility of the market price of our common stock. In addition, upon a default by the option counterparty, we may suffer adverse tax consequences and dilution with respect to our common stock.

Our acquisition strategy may increase our outstanding debt and interest expense and decrease the availability under our financing facilities, all of which could have a material adverse effect on our results of operations and financial condition. To fund our acquisition initiatives, we increase our total borrowings from time to time, such as with the recent acquisitions of SADA and Infocenter. These additional borrowings have the effect of increasing our future interest expenses and require escalating amortization payments. Additionally, certain of our financing facilities have interest rates that vary based on market conditions and on utilization, which increases our exposure to interest rate fluctuations and may result in greater interest expense than we have forecasted.

Our financing facilities contain covenants that we must comply with in order to avoid an occurrence of an event of default. The covenants include, among other things, limitations on the payment of dividends and compliance with certain minimum fixed charge ratio and minimum receivables requirements, as well as meeting monthly, quarterly and annual reporting requirements. Our ability to maintain compliance with our financial covenants and to make scheduled payments on our financing facilities depends on our financial and operating performance. If we were unable to maintain compliance or to repay the borrowed amounts, the lenders under our financing facilities could declare an event of default and demand payment within a specified period of time.

General Risk Factors

Our future operating results may fluctuate significantly. Our operating results are highly dependent upon our level of gross profit as a percentage of net sales, which fluctuates due to numerous factors, including changes in prices from partners, changes in the amount and timing of partner funding, volumes of purchases, changes in client mix, management of our cash conversion cycle, the relative mix of products and services sold during the period, general competitive conditions, and strategic product and services pricing and purchasing actions. As a result of significant price competition, our high mix of hardware sales, and our higher concentration of large enterprise clients, our gross margins have been relatively low. We expect our gross margins to improve as our mix of services and solutions increase. 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. In addition, our

expense levels are based, in part, on anticipated net sales and the anticipated amount and timing of partner funding, and a portion of our operating expenses are relatively fixed. Therefore, we may not be able to reduce spending quickly enough to compensate for any unexpected net sales shortfall, and we may not be able to reduce our operating expenses as a percentage of revenue to mitigate any further reductions in gross margins in the future. If we cannot proportionately decrease our cost structure, our business, financial condition and results of operations could be impacted. In addition, a reduction in the amount of credit granted to us by our partners could increase our need for and cost of working capital and have a material adverse effect on our business, financial condition and results of operations.

Contractual disputes with our clients and third-party suppliers could be costly, time-consuming, and harm our business and reputation. Our business is contract intensive and we are party to contracts with our clients and suppliers in all of our regions. Our contracts can contain a variety of terms, including passthrough terms from our suppliers, data security and privacy obligations, indemnification obligations, and regulatory requirements. Contract terms may not always be standardized across our clients and suppliers and can be subject to differing interpretations, which could result in disputes from time to time. Our contracts with clients may also include indemnification provisions under which we agree to indemnify for losses incurred as a result of claims of third-party intellectual property rights infringement or other violations of intellectual property rights, damages caused by us to property or persons, or other liabilities relating to or arising from sale of our solutions or the resale of our suppliers' hardware, cloud, software, and services. Large contract damages payments could harm our business, reputation, operating results, and financial condition. Any dispute with respect to such obligations could have adverse effects on our relationships with existing or potential clients and suppliers, and harm our business, financial condition, reputation, and operating results.

We depend on certain key management personnel and our ability to attract, train and retain skilled teammates to satisfy client demand, including highly skilled technical resources with experience in key digital areas. We rely on key management and qualified engineering, marketing, and sales teammates to execute our strategy to grow profitable market share. Competition for skilled and non-skilled workers in the IT industry is intense and there are risks of sustained labor shortages in key digital areas across various regions. If we are unable to continue to attract and retain highly qualified executives, management, sales, service and technical teammates, it could have a material adverse effect on our business, financial condition and results of operations. We make significant investments, and incur significant costs, in the recruitment and development of our leadership team, sales executives, solution architects, services engineers, project managers and other IT resources. If we are not able to retain such personnel or to train them quickly enough to meet changing market conditions, we could experience a drop in the overall quality and efficiency of our teammates, which could have a material adverse effect on our business, financial condition and results of operations. Furthermore, if we are unable to maintain an environment for teammates that is competitive and appealing, it could have an adverse effect on engagement and retention, and a material adverse effect on our business.

The acquisition, integration and operation of acquired businesses may disrupt our business and create additional expenses, and we may not achieve the anticipated benefits of the acquisitions. In connection with our strategic initiatives, we regularly acquire new businesses to expand our technical capabilities, product and service offerings and client base and to realize cost savings. All acquisitions entail various risks such as difficulties in realizing the intended benefits of the acquired business, exposure to unexpected liabilities, difficulties in retaining key employees and adverse client reactions. In addition, integration of an acquired business involves numerous risks, including assimilation of operations of the acquired business and difficulties in the convergence of IT systems, the diversion of management's attention from other business concerns, risks of entering markets in which we have had no or only limited direct experience, assumption of unknown or unquantifiable liabilities, the potential loss of key clients, difficulties assimilating and retaining teammates of those businesses into our culture and organizational structure, difficulties in completing strategic initiatives already underway in the acquired company, and unfamiliarity with partners of the acquired company, each of which could have a material adverse effect on our business, results of operations and financial condition. The continued integration activities of the acquired businesses into our business are difficult and time consuming, and we may be unable to achieve expected synergies and operating efficiencies over the long term. We cannot assure that these risks or other unforeseen factors will not offset the intended benefits of the acquisitions, in whole or in part.

Future sales of the Company's common stock or equity-linked securities in the public market could lower the market price for our common stock. In the future, we may sell additional shares of our common stock or equity-linked securities to raise capital. In addition, a substantial number of shares of our common stock are reserved for issuance upon the exercise of stock options, upon vesting of restricted stock units, upon conversion of the Convertible Notes and upon exercise of the Warrants. We cannot predict the size of future issuances or the effect, if any, that they may have on the market price for our common stock. The issuance and sale of substantial amounts of common stock or equity-linked securities, or the perception that such issuances and sales may occur, could adversely affect the market price of our common stock and impair our ability to raise capital through the sale of additional equity or equity-linked securities.

Item 1B. ***Unresolved Staff Comments***

Not applicable.

Item 1C. ***Cybersecurity***

Our information security program is managed by a dedicated Chief Information Security Officer ("CISO") who is responsible, along with his team, for leading enterprise-wide cybersecurity strategy, policy, standards, architecture, and processes. Our CISO has served in that role since 2021 and has been in cybersecurity related roles for more than 25 years, including with two publicly traded companies. Our Board of Directors has delegated oversight of risks from cybersecurity threats through our information security program to our Audit Committee, which receives updates twice a year on the program and on an as needed basis from our CISO regarding risks from cybersecurity threats. Our CISO additionally provides periodic updates to our Board of Directors, our Chief Executive Officer and other senior management members, including through our overall Enterprise Risk Management Program. These updates include, among other risk management issues, updates on the Company's cybersecurity risks and threats, the status of projects to strengthen our information security systems, assessments of the information security program, and the emerging threat landscape.

Our information security program leverages components from industry frameworks and generally recognized best practices, including International Organization for Standardization 27001 and National Institute of Standards and Technology ("NIST") standards, such as the NIST Cybersecurity Framework, which emphasizes identification, protection, detection, response and recovery. Our program is regularly evaluated by internal and external experts with the results of those reviews reported to senior management and the Board of Directors. We also collaborate with thought leaders in cybersecurity including with key vendors, clients, business partners, industry

participants, and intelligence and law enforcement communities as part of our continuing efforts to evaluate and improve the effectiveness of our information security policies and procedures. This collaboration allows us to rapidly adopt industry best practices developed through firsthand experience mitigating cyber incidents. Our program also includes processes to oversee and identify risks from cybersecurity threats associated with our use of third-party service providers.

As of the date of this report, we are not aware of any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected or are reasonably likely to materially affect us, including our overall business strategy, results of operations, or financial condition over the long term. For additional information regarding cybersecurity-related risks we face, see "Risk Factors – Risks Related to Our Technology, Data and Intellectual Property – Cyberattacks, data incidents and breaches in the security (i) of our information systems and networks, (ii) of the products we sell and services we provide, and (iii) of the electronic and confidential information in our possession could materially adversely impact our financial condition, results of operations, reputation, and relationships with clients, partners, vendors, and teammates," in Part I, Item 1A of this report.

Item 2. ***Properties***

Our principal executive office is located in Chandler, Arizona. At December 31, 2024, we owned or leased approximately 1.7 million square feet of office and warehouse space, and, while approximately 69% of the square footage is in the United States, we own or lease office and warehouse facilities in Canada and in 15 countries in EMEA and we lease office facilities in 7 countries in APAC. We believe that our facilities are suitable and adequate for our present purposes, and we anticipate that we will be able to extend our existing leases on terms satisfactory to us or, if necessary, to locate substitute facilities on acceptable terms. Information about significant sales, distribution, services and administration facilities in use as of December 31, 2024 is summarized in the following table:

Operating Segment	Location	Primary Activities	Own or Lease
North America	Chandler, Arizona, USA	Executive Office, Sales and Administration, Network Operations Center and Client Support Center	Own
	Hanover Park, Illinois, USA	Services, Distribution and Administration	Lease
	Conway, Arkansas, USA	Sales and Administration	Lease
	Fort Worth, Texas, USA	Services, Distribution and Administration	Lease
	Edmonton, Alberta, Canada	Sales, Distribution and Administration	Lease
	Winnipeg, Manitoba, Canada	Sales and Administration	Lease
	Montreal, Quebec, Canada	Sales and Administration	Lease
	Montreal, Quebec, Canada	Distribution	Lease
	Calgary, Alberta, Canada	Sales, Distribution and Administration	Lease
	Mississauga, Ontario, Canada	Sales and Administration	Lease
EMEA	Sheffield, United Kingdom	Sales and Administration	Lease
	Sheffield, United Kingdom	Distribution	Lease
	Uxbridge, United Kingdom	Sales and Administration	Lease
	Frankfurt, Germany	Sales and Administration	Lease
	Frankfurt, Germany	Distribution	Lease
	Paris, France	Sales and Administration	Lease
	Apeldoorn, Netherlands	Sales and Administration	Lease
	Chisinau, Moldova	Services	Lease
	Timisoara, Romania	Services	Lease
APAC	Sydney, Australia	Sales and Administration	Lease
	Perth, Australia	Sales and Administration	Lease
	Melbourne, Australia	Sales and Administration	Lease
	Auckland, New Zealand	Sales and Administration	Lease
	Hong Kong	Sales and Administration	Lease
	Shanghai, China	Sales and Administration	Lease
	Manila, Philippines	Operations Center	Lease

In addition to those listed above, we have leased sales offices in various cities across North America, EMEA and APAC. For additional information on property and equipment and operating leases, see Notes 4 and 9 to the Consolidated Financial Statements in Part II, Item 8 of this report.

Item 3. *Legal Proceedings*

For a discussion of legal proceedings, see "Legal Proceedings" in Note 16 to the Consolidated Financial Statements in Part II, Item 8 of this report, which is incorporated by reference herein.

Item 4. *Mine Safety Disclosures*

Not applicable.

PART II

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

Market Information

Our common stock trades under the symbol "NSIT" on The Nasdaq Global Select Market. As of February 7, 2025, we had 31,777,678 shares of common stock outstanding held by 36 stockholders of record. This figure does not include an estimate of the number of beneficial holders whose shares are held of record by brokerage firms and clearing agencies.

We have never paid a cash dividend on our common stock, and we currently do not intend to pay any cash dividends in the foreseeable future. Our senior secured revolving credit facility contains certain covenants that restrict the payment of cash dividends.

Issuer Purchases of Equity Securities

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
October 1, 2024 through October 31, 2024	—	$ —	—	$ 300,000,476
November 1, 2024 through November 30, 2024	—	—	—	300,000,476
December 1, 2024 through December 31, 2024	—	—	—	300,000,476
	—		—	

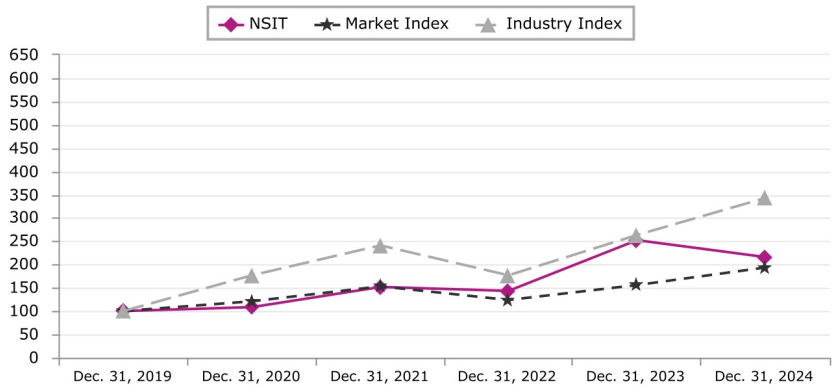
On May 18, 2023, we announced that our Board of Directors authorized the repurchase of up to $300.0 million of our common stock, including $100.0 million that remained available from prior authorizations. During 2024, this repurchase authorization was substantially exhausted. On September 11, 2024, we announced that our Board of Directors authorized the repurchase of up to $300.0 million of our common stock, in addition to any amount that remained from prior authorizations. As of December 31, 2024, approximately $300.0 million remained available for repurchases under our share repurchase plan.

In accordance with the share repurchase plan, share repurchases may be made on the open market, subject to Rule 10b-18 or in privately negotiated transactions, through block trades, through 10b5-1 plans or otherwise, at management's discretion. The number of shares purchased, and the timing of the purchases will be based on market conditions, working capital requirements, general business conditions and other factors. We intend to retire the repurchased shares.

See further information on our share repurchase programs in Note 15 to the Consolidated Financial Statements in Part II, Item 8 of this report.

Stock Price Performance Graph

Set forth below is a graph comparing the percentage change in the cumulative total stockholder return on our common stock with the cumulative total return of the Nasdaq US Benchmark TR Index (Market Index) and the Nasdaq US Benchmark Computer Hardware TR Index (Industry Index). The graph assumes that $100 was invested on December 31, 2019 in our common stock and in each of the two Nasdaq indices, and that, as to such indices, dividends were reinvested. We have not, since our inception, paid any cash dividends on our common stock. Historical stock price performance shown on the graph is not necessarily indicative of future price performance.



	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2023	Dec. 3 2024
Insight Enterprises, Inc. Common Stock (NSIT)	$ 100.00	$ 108.00	$ 152.00	$ 143.00	$ 252.00	$ 2
Nasdaq US Benchmark TR Index (Market Index)	100.00	121.00	153.00	123.00	155.00	1
Nasdaq US Benchmark Computer Hardware TR Index (Industry Index)	100.00	177.00	240.00	176.00	263.00	3

Item 6. [Reserved]

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

The following discussion and analysis of our financial condition and results of our operations should be read in conjunction with the Consolidated Financial Statements and notes thereto included in Part II, Item 8 of this report. Our actual results could differ materially from those contained in forward-looking statements due to a number of factors, including those discussed in "Risk Factors" in Part I, Item 1A and elsewhere in this report.

Overview

Today, every business is a technology business. We help our clients accelerate their digital journey to modernize their businesses and maximize the value of technology. We serve these clients in North America; Europe, the Middle East and Africa ("EMEA"); and Asia-Pacific ("APAC"). As a Fortune 500-ranked solutions integrator, we enable secure, end-to-end transformation and meet the needs of our clients through a comprehensive portfolio of solutions, far-reaching partnerships and 36 years of broad IT expertise. We amplify our solutions and services with global scale, local expertise and our e-commerce experience, enabling our clients to realize their digital ambitions in multiple ways. Our offerings in North America and certain countries in EMEA and APAC include hardware, software and services, including cloud solutions. Our offerings in the remainder of our EMEA and APAC segments consist largely of software and certain software-related services and cloud solutions.

Full year 2024 financial and operational highlights included the following:

- We reported gross profit of $1.8 billion and record gross margin of 20.3%, primarily driven by margin expansion in North America.
- We generated cash flows from operations of $632.8 million.
- In May 2024, we acquired Infocenter to strengthen our digital transformation capabilities leveraging their deep expertise in ServiceNow's comprehensive suite of capabilities.

On a consolidated basis, for the year ended December 31, 2024:

- Net sales of $8.7 billion decreased 5% compared to 2023.
- Gross profit of $1.8 billion increased 6% compared to 2023.
- Consolidated gross margin expanded approximately 210 basis points to a record 20.3% of net sales in 2024. This increase reflects expansion in margin from services net sales, primarily from growth in Insight Delivered services and cloud solution offerings.
- Earnings from operations decreased to $388.6 million in 2024, a decrease of 7% compared to the prior year, which represented 4.5% of net sales.
- Our effective tax rate in 2024 was 25.0%, which compares to our effective tax rate of 25.6% in 2023.
- Net earnings and diluted net earnings per share were $249.7 million and $6.55, respectively, in 2024. In 2023, we reported net earnings of $281.3 million and diluted net earnings per share of $7.55.

The results of operations for 2024 include the following items:

- severance and restructuring expenses, net of $25.0 million, $18.6 million net of tax;
- acquisition and integration related expenses of $2.7 million, $2.5 million net of tax; and
- the repurchase of approximately 1.0 million shares of the Company's common stock for an aggregate cost of $200.0 million.

The results of operations for 2023 include the following items:

- severance and restructuring expenses, net of $6.1 million, $4.4 million net of tax;
- acquisition and integration related expenses of $7.4 million, $6.0 million net of tax; and
- the repurchase of approximately 1.6 million shares of the Company's common stock for an aggregate cost of $217.1 million.

In discussing financial results for 2024 and 2023, the Company refers to certain financial measures that are adjusted from the financial results prepared in accordance with GAAP. When referring to non-GAAP measures, the Company refers to them as "Adjusted." See the "Use of Non-GAAP Financial Measures" section below for additional information and a reconciliation of such non-GAAP measures to the most directly comparable GAAP financial measures.

Throughout the "Overview" and "Results of Operations" sections of this "Management's Discussion and Analysis of Financial Condition and Results of Operations," we refer to changes in net sales, gross profit, selling and administrative expenses and earnings from operations on a consolidated basis and in North America, EMEA and APAC excluding the effects of fluctuating foreign currency exchange rates, which are also considered to be non-GAAP measures. We believe providing this information excluding the effects of fluctuating foreign currency exchange rates provides valuable supplemental information to investors regarding our underlying business and results of operations, consistent with how we, including our management, evaluate our performance. In computing the changes in amounts and percentages, we compare the current period amount as translated into U.S. dollars under the applicable accounting standards to the prior period amount in local currency translated into U.S. dollars utilizing the weighted average translation rate for the current period. The performance measures excluding the effects of fluctuating foreign currency exchange rates should not be considered a substitute for, or superior to, the measures of financial performance prepared in accordance with GAAP.

Net of tax amounts referenced above were computed using the statutory tax rate for the taxing jurisdictions in the operating segment in which the related expenses were recorded, adjusted for the effects of valuation allowances on net operating losses in certain jurisdictions.

During 2024, we generated $632.8 million of cash from operating activities and primarily utilized cash for strategic acquisitions, to repurchase shares of our common stock, to repay debt and for payment of earnouts and other acquisition related payments. We had net repayments of $554.1 million under our ABL facility and issued $500.0 million in principal amount of Senior Notes. We ended the year with $259.2 million of cash and cash equivalents and $864.1 million of debt outstanding under our long-term debt facilities, including $332.9 million related to the Convertible Notes that are classified as a current liability at December 31, 2024.

Details about segment results of operations can be found in Note 19 to the Consolidated Financial Statements in Part II, Item 8 of this report.

Our discussion and analysis of financial condition and results of operations is intended to assist in the understanding of our consolidated financial statements, including the changes in certain key items in those consolidated financial statements from year to year and the primary factors that contributed to those changes, as well as how certain critical accounting estimates affect our consolidated financial statements.

Supply Chain Constraints and Inflation Update

Supply constraints that have had an industry-wide impact since the beginning of 2020 eased in the second half of 2023. We believe that any remaining supply constraints and extended lead times for certain infrastructure, including networking products, have now normalized back to near historic levels. Despite the easing supply constraints, we continue to see a general slowdown in our clients' decision making, which we believe will continue in the short term.

Inflation contributed to higher interest rates on all of our variable rate facilities in 2024 compared to 2023. While these interest rates are expected to eventually decrease, we continue to anticipate higher than historical rates throughout most of 2025. We are actively monitoring

changes to the global macroeconomic environment, including those impacting our supply chain and interest rates, and assessing the potential impacts these challenges may have on our current results, financial condition and liquidity. We are also mindful of the potential impact these conditions could have on our clients, partners and prospects in 2025 and beyond.

RESULTS OF OPERATIONS

The following table sets forth certain financial data as a percentage of net sales for the years ended December 31, 2024 and 2023:

	2024	2023
Net sales	100.0 %	100.0 %
Costs of goods sold	79.7	81.8
Gross profit	20.3	18.2
Operating expenses:		
Selling and administrative expenses	15.4	13.5
Severance and restructuring expenses and acquisition-related expenses, net	0.4	0.1
Earnings from operations	4.5	4.6
Non-operating expense, net	0.6	0.5
Earnings before income taxes	3.9	4.1
Income tax expense	1.0	1.0
Net earnings	2.9 %	3.1 %

Our gross profit across the business and related to product versus services sales are, and will continue to be, impacted by partner incentives, which can and do change significantly in the amounts made available and the related product or services sales being incentivized by the partner. Incentives from our largest partners are significant and changes in the incentive requirements, which occur regularly, could impact our results of operations to the extent we are unable to effectively shift our focus and efficiently respond to them. For a discussion of risks associated with our reliance on partners, see "Risk Factors – Risks related to Our Business, Operations and Industry – We rely on our partners for product availability, competitive products to sell and marketing funds and purchasing incentives, which can and do change significantly in the amounts made available and the requirements year over year," in Part I, Item 1A of this report.

Our results of operations include the results of Amdaris, SADA and Infocenter from their respective acquisition dates.

2024 Compared to 2023

Net Sales. Net sales decreased 5%, or $0.5 billion, in 2024 compared to 2023. Net sales of products (hardware and software) decreased 8%, year to year, while net sales of services increased 9%, year over year, in 2024 compared to 2023. Our net sales by operating segment for 2024 and 2023 were as follows (dollars in thousands):

	2024	2023	% Change
North America	$ 7,054,580	$ 7,382,354	(4 %)
EMEA	1,414,097	1,563,654	(10 %)
APAC	233,021	229,832	1 %
Consolidated	$ 8,701,698	$ 9,175,840	(5 %)

Our net sales by offering category for North America for 2024 and 2023 were as follows (dollars in thousands):

	North America		
Sales Mix	**2024**	**2023**	**% Change**
Hardware	$ 4,038,341	$ 4,498,466	(10 %)
Software	1,721,403	1,669,046	3 %
Services	1,294,836	1,214,842	7 %
	$ 7,054,580	$ 7,382,354	(4 %)

Net sales in North America decreased 4%, or $327.8 million, in 2024 compared to 2023. This net decrease reflects a decrease in hardware net sales, partially offset by increases in software and services net sales. Net sales of hardware decreased 10%, year to year. Net sales of software and services increased 3% and 7%, respectively, year over year. The changes were primarily the result of the following:

- The decrease in hardware net sales was due to lower volume of sales to large enterprise and corporate clients due to lower demand. This decrease reflects lower sales of devices and infrastructure. We believe these decreases reflect client decisions around timing of device refreshes and investment responses to challenges in the broader macroeconomic environment. We expect this trend could continue into 2025.
- The increase in services net sales was primarily due to higher sales of cloud solution offerings including from SADA and an increase in sales of Insight Delivered services from SADA and Infocenter, partially offset by declines in sales of Insight Delivered services from our organic business and in software maintenance. Our North America organic business excludes SADA, which we acquired on December 1, 2023 and excludes Infocenter, which we acquired on May 1, 2024.
- The increase in software net sales was primarily due to a significant multiyear transaction in the first quarter, partially offset by changes in certain vendor relationships (shifting from a principal to agent role), as well as the continued migration of on-premise software to cloud solutions, in each case, reported net in services net sales.

Our net sales by offering category for EMEA for 2024 and 2023, were as follows (dollars in thousands):

	EMEA		
Sales Mix	**2024**	**2023**	**% Change**
Hardware	$ 501,111	$ 546,621	(8 %)
Software	626,372	784,717	(20 %)
Services	286,614	232,316	23 %
	$ 1,414,097	$ 1,563,654	(10 %)

Net sales in EMEA decreased 10% (decreased 11% excluding the effects of fluctuating foreign currency exchange rates), or $149.6 million, in 2024 compared to 2023. This net decrease reflects a decrease in software and hardware net sales, partially offset by an increase in services net sales. Net sales of software and hardware were down 20% and 8%, respectively, year to year, partially offset by an increase in services net sales of 23%, year over year. The changes were primarily the result of the following:

- The decrease in software net sales was primarily due to lower volume of sales to large enterprise and public sector clients and also reflects changes in certain vendor relationships.

- The decrease in hardware net sales was primarily due to lower volume of sales to public sector clients due to lower demand.
- The increase in services net sales was due to increased sales of Insight Delivered services from Amdaris, which we acquired in August 2023, partially offset by declines in sales of Insight Delivered services from our EMEA organic business. Our EMEA organic business primarily excludes Amdaris.

Our net sales by offering category for APAC for 2024 and 2023, were as follows (dollars in thousands):

	APAC		
Sales Mix	**2024**	**2023**	**% Change**
Hardware	$ 35,448	$ 43,850	(19 %)
Software	92,965	88,688	5 %
Services	104,608	97,294	8 %
	$ 233,021	$ 229,832	1 %

Net sales in APAC increased 1% (increased 2% excluding the effects of fluctuating foreign currency rates), or $3.2 million, in 2024 compared to 2023. Net sales of services and software increased 8% and 5%, respectively, year over year, partially offset by a decrease in hardware net sales of 19% year to year. The net changes were primarily the result of the following:

- The increase in services net sales was due to higher sales of cloud solution offerings that are recorded on a net sales recognition basis in the services net sales category and increased sales of Insight Delivered services.
- The increase in software net sales was primarily due to higher volume of sales to enterprise and public sector clients, partially offset by the continued migration of on-premise software toward higher sales of cloud solution offerings.
- The decrease in hardware net sales was due to lower volume of sales to large enterprise and corporate clients.

Net sales by category for North America, EMEA and APAC were as follows for 2024 and 2023:

	North America		EMEA		APAC	
Sales Mix	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Hardware	57 %	61 %	36 %	35 %	15 %	19 %
Software	25 %	23 %	44 %	50 %	40 %	39 %
Services	18 %	16 %	20 %	15 %	45 %	42 %
	100 %	100 %	100 %	100 %	100 %	100 %

Gross Profit. Gross profit increased 6%, or $96.5 million, in 2024 compared to 2023, with gross margin increasing approximately 210 basis points to 20.3% of net sales. Gross profit and gross margin also increased in each of our operating segments in 2024 compared to 2023. Our gross profit and gross profit as a percent of net sales by operating segment for 2024 and 2023 were as follows (dollars in thousands):

	2024	% of Net Sales	2023	% of Net Sales
North America	$ 1,401,994	19.9 %	$ 1,345,955	18.2 %
EMEA	293,188	20.7 %	259,987	16.6 %
APAC	70,834	30.4 %	63,583	27.7 %
Consolidated	$ 1,766,016	20.3 %	$ 1,669,525	18.2 %

North America's gross profit increased 4%, or $56.0 million, in 2024 compared to 2023. As a percentage of net sales, gross margin expanded by approximately 170 basis points year over year. The year over year net increase in gross margin was primarily attributable to the following:

- A net increase in product margin of 15 basis points year over year. This increase was primarily due to slightly higher margins on software net sales compared to the prior year.
- An expansion in services margin year over year of 149 basis points was due to higher margins generated from increased cloud solution offerings, including margin expansion contributed by SADA and from increased sales of Insight Delivered services from SADA and Infocenter.

EMEA's gross profit increased 13% (increased 11% excluding the effects of fluctuating foreign currency exchange rates), or $33.2 million, in 2024 compared to 2023. As a percentage of net sales, gross margin expanded 410 basis points to 20.7%. The year over year net increase in gross margin was primarily attributable to the following:

- An expansion in services margin year over year of 321 basis points primarily due to higher margins from increased sales of Insight Delivered services from Amdaris.
- A net increase in product margin of 90 basis points year over year. This increase was primarily due to higher margins on hardware compared to the prior year.

APAC's gross profit increased 11% (increased 12% excluding the effects of fluctuating foreign currency exchange rates), or $7.3 million, in 2024 compared to 2023. As a percentage of net sales, gross margin increased by approximately 270 basis points year over year. The expanded gross margin for APAC in 2024 compared to 2023 was due primarily to changes in sales mix to services net sales, including Insight Delivered services that are sold at higher margins than product net sales.

Our overall gross margins expanded in 2024 compared to 2023, as expected. We believe this trend could continue into future periods as we focus on selling solutions and increasing our services net sales. As a result of certain partner program changes, we believe we may not experience significant growth in cloud gross profit in 2025 compared to 2024.

Operating Expenses.

Selling and Administrative Expenses. Selling and administrative expenses increased $106.9 million in 2024 compared to 2023. Selling and administrative expenses also increased approximately 190 basis points as a percentage of net sales in 2024 compared to 2023. The overall net increase in expenses reflects an increase of $43.9 million in personnel costs, including teammate benefits, an increase in depreciation and amortization expense of $35.5 million, and a net increase in other expenses of $15.5 million, year over year. The increase in personnel costs reflects higher teammate headcount for the majority of 2024 from the acquisitions of Amdaris, SADA and Infocenter, partially offset by reductions in the fourth quarter of 2024, combined with the impact of merit increases. The increase in depreciation and amortization expenses were also

the result of the Amdaris, SADA and Infocenter acquisitions. The net increase in other expenses reflects increases in service agreement expenses and an increase in transformation costs. We incurred transformation costs in 2024 of $18.4 million compared to $16.6 million in 2023. These costs are unique in nature and are not expected to recur in the longer term. These increases in other expenses were partially offset by recoveries in excess of costs incurred of $2.1 million in 2024 related to a third-party data center service outage compared to costs incurred in excess of recoveries of $5.0 million in the prior year combined with net gains of $7.8 million from the change in the revaluation of earnout liabilities, with no such activity in the prior year. On July 29, 2023, a third-party data center that hosts network environments for certain Insight managed services clients, experienced a security incident that resulted in a service outage at the data center. The incident did not impact any of Insight's information systems, credentials, or data. To support our clients that were impacted, the Company paid for certain equipment and services required to resolve the outage.

Severance and Restructuring Expenses, Net. During 2024, we recorded severance and restructuring expenses, net of adjustments, totaling $34.0 million. The increase compared to 2023 was primarily due to actions taken to reduce both our teammate count, particularly non-technical resources, as well as strategic reductions in physical locations within the United States. These expenses were partially offset by net gains on the sale of properties due to restructuring of $2.4 million. During 2023, we recorded severance expense, net of adjustments, totaling $12.9 million. These expenses were partially offset by net gains on the sale of properties due to restructuring of $6.8 million.

Acquisition and Integration-related Expenses. During 2024, we incurred $2.7 million in direct third-party costs primarily related to the acquisition of Infocenter. During 2023, we incurred $7.4 million in direct third-party costs primarily related to the acquisitions of SADA and Amdaris. See Note 20 to the Consolidated Financial Statements in Part II, Item 8 of this report for further discussion of our acquisitions.

Earnings from Operations. Earnings from operations decreased 7%, or $31.2 million, year to year, in 2024 compared to 2023. Our earnings from operations and earnings from operations as a percentage of net sales by operating segment were as follows for 2024 and 2023 (dollars in thousands):

	2024	% of Net Sales	2023	% of Net Sales
North America	$ 319,068	4.5 %	$ 362,082	4.9 %
EMEA	46,218	3.3 %	38,128	2.4 %
APAC	23,298	10.0 %	19,585	8.5 %
Consolidated	$ 388,584	4.5 %	$ 419,795	4.6 %

North America's earnings from operations decreased 12%, or $43.0 million, year to year, in 2024 compared to 2023. As a percentage of net sales, earnings from operations decreased by approximately 40 basis points to 4.5%. The decrease in earnings from operations was primarily driven by increases in selling and administrative expenses and severance and restructuring expenses, partially offset by an increase in gross profit and a decrease in acquisition and integration related expenses.

EMEA's earnings from operations increased 21% (increasing 20% excluding the effects of fluctuating foreign currency exchange rates), or $8.1 million, year over year, in 2024 compared to 2023. As a percentage of net sales, earnings from operations increased by approximately 90 basis points to 3.3%. The increase in earnings from operations was primarily driven by increases in gross profit and a decrease in acquisition and integration related expenses, partially offset by increases in selling and administrative expenses and severance and restructuring expenses.

APAC's earnings from operations increased 19% (increasing 20% excluding the effects of fluctuating foreign currency exchange rates), or $3.7 million, year over year, in 2024 compared to 2023. As a percentage of net sales, earnings from operations increased by approximately 150

basis points to 10.0%. The increase in earnings from operations reflects an increase in gross profit, partially offset by increases in selling and administrative expenses, severance and restructuring expenses and acquisition and integration related expenses.

Adjusted Earnings from Operations. Adjusted earnings from operations increased 2%, or $10.2 million, year over year, in 2024 compared to 2023. Our Adjusted earnings from operations and Adjusted earnings from operations as a percentage of net sales by operating segment were as follows for 2024 and 2023 (dollars in thousands):

	2024	% of Net Sales	2023	% of Net Sales
North America	$ 421,977	6.0 %	$ 424,359	5.7 %
EMEA	55,936	4.0 %	47,570	3.0 %
APAC	24,459	10.5 %	20,198	8.8 %
Consolidated	$ 502,372	5.8 %	$ 492,127	5.4 %

North America's Adjusted earnings from operations decreased 1%, or $2.4 million, year to year, in 2024 compared to 2023. As a percentage of net sales, Adjusted earnings from operations increased by approximately 30 basis points to 6.0%. The decrease in Adjusted earnings from operations was primarily driven by increases in selling and administrative expenses, partially offset by an increase in gross profit.

EMEA's Adjusted earnings from operations increased 18% (increasing 16% excluding the effects of fluctuating foreign currency exchange rates), or $8.4 million, year over year, in 2024 compared to 2023. As a percentage of net sales, Adjusted earnings from operations increased by approximately 100 basis points to 4.0%. The increase in Adjusted earnings from operations was primarily driven by increases in gross profit, partially offset by an increase in selling and administrative expenses.

APAC's Adjusted earnings from operations increased 21% (increasing 22% excluding the effects of fluctuating foreign currency exchange rates), or $4.3 million, year over year, in 2024 compared to 2023. As a percentage of net sales, Adjusted earnings from operations increased by approximately 170 basis points to 10.5%. The increase in Adjusted earnings from operations reflects an increase in gross profit, partially offset by an increase in selling and administrative expenses.

Non-Operating Expense (Income).

Interest Expense, net. Interest expense, net primarily relates to borrowings under our financing facilities and imputed interest under our inventory financing facilities, the Convertible Notes and the Senior Notes, partially offset by interest income generated from interest earned on cash and cash equivalent bank balances. Interest expense increased 41%, or $19.7 million, in 2024 compared to 2023. This was primarily due to the issuance of the Senior Notes and higher loan balances under our ABL facility. This was partially offset by higher interest income earned in 2024 and decreased imputed interest under our inventory financing facilities. Imputed interest under our inventory financing facilities decreased $3.6 million due to lower average daily balances in 2024 compared to 2023. For a description of our various financing facilities, see Notes 7 and 8 to our Consolidated Financial Statements in Part II, Item 8 of this report.

Other (Income) Expense, Net. Other (income) expense, net, consists primarily of foreign currency exchange gains and losses. Foreign currency exchange gains and losses result from foreign currency transactions, including foreign currency derivative contracts and intercompany balances that are not considered long-term in nature. The changes in net foreign currency exchange gains/losses are due primarily to the underlying changes in the applicable exchange rates, partially mitigated by our use of foreign exchange forward contracts to offset the effects of fluctuations in foreign currencies on certain of our non-functional currency assets and liabilities.

Income Tax Expense. Our effective tax rate for 2024 was 25.0% compared to 25.6% in 2023. The decrease in the tax rate was primarily due to additional research and transferable energy tax credit benefits available in 2024 as compared to 2023.

The effective tax rate in 2024 was higher than the federal statutory rate of 21.0% primarily due to state income taxes and higher taxes on earnings in foreign jurisdictions. These increases were offset partially by research and transferable energy tax credits. See Note 11 to the Consolidated Financial Statements in Part II, Item 8 of this report for further discussion of income tax expense.

Use of Non-GAAP Financial Measures

Adjusted non-GAAP earnings from operations exclude (i) severance and restructuring expenses, net, (ii) certain executive recruitment and hiring related expenses, (iii) amortization of intangible assets, (iv) transformation costs, (v) certain acquisition and integration related expenses, (vi) gains and losses from revaluation of acquisition related earnout liabilities, and (vii) certain third-party data center service outage related expenses and recoveries, as applicable. Adjusted non-GAAP earnings from operations is used by the Company and its management to evaluate financial performance against budgeted amounts, to calculate incentive compensation, to assist in forecasting future performance and to compare the Company's results to those of the Company's competitors. We believe that this non-GAAP financial measure is useful to investors because it allows for greater transparency, facilitates comparisons to prior periods and to the Company's competitors' results, and assists in forecasting performance for future periods. The non-GAAP financial measure is not prepared in accordance with GAAP and may be different from non-GAAP financial measures presented by other companies. Non-GAAP financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

2024 Adjusted Earnings from Operations (in thousands):	North America	EMEA	APAC	Consolidated
GAAP earnings from operations	$ 319,068	$ 46,218	$ 23,298	$ 388,584
Amortization of intangible assets	62,377	6,912	292	69,581
Change in fair value of earnout liabilities, net	(1,419)	(6,430)	—	(7,849)
Other[a][c]	41,951	9,236	869	52,056
Adjusted non-GAAP earnings from operations	$ 421,977	$ 55,936	$ 24,459	$ 502,372
GAAP EFO as a percentage of net sales	4.5 %	3.3 %	10.0 %	4.5%
Adjusted non-GAAP EFO as a percentage of net sales	6.0 %	4.0 %	10.5 %	5.8%

2023 Adjusted Earnings from Operations (in thousands):	North America	EMEA	APAC	Consolidated
GAAP earnings from operations	$ 362,082	$ 38,128	$ 19,585	$ 419,795
Amortization of intangible assets	32,514	3,277	440	36,231
Other[(b)(c)]	29,763	6,165	173	36,101
Adjusted non-GAAP earnings from operations	$ 424,359	$ 47,570	$ 20,198	$ 492,127
GAAP EFO as a percentage of net sales	4.9 %	2.4 %	8.5 %	4.6%
Adjusted non-GAAP EFO as a percentage of net sales	5.7 %	3.0 %	8.8 %	5.4%

(a) In North America, other includes transformation costs of $18.4 million and data center service outage recoveries of $2.1 million for the year ended December 31, 2024

(b) In North America, other includes transformation costs of $16.6 million and data center service outage related expenses, net of recoveries of $5.0 million for the year ended December 31, 2023

(c) Includes severance and restructuring expenses, net of $31.6 million and $6.1 million for the years ended December 31, 2024 and 2023, respectively. Includes acquisition and integration related expenses of $2.9 million and $7.4 million for the years ended December 31, 2024 and 2023, respectively.

2023 Compared to 2022

For a comparison of our results of operations for the fiscal years ended December 31, 2023 and 2022, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 filed with the SEC on February 22, 2024.

Liquidity and Capital Resources

The following table sets forth certain consolidated cash flow information for 2024 and 2023 (in thousands):

	2024	2023
Net cash provided by operating activities	$ 632,845	$ 619,531
Net cash used in investing activities	(303,278)	(505,201)
Net cash used in financing activities	(321,271)	(16,712)
Foreign currency exchange effect on cash, cash equivalent and restricted cash balances	(17,614)	7,449
(Decrease) increase in cash, cash equivalents and restricted cash	(9,318)	105,067
Cash, cash equivalents and restricted cash at beginning of period	270,785	165,718
Cash, cash equivalents and restricted cash at end of period	$ 261,467	$ 270,785

Cash and Cash Flow

- Our primary uses of cash during 2024 were to fund the acquisition of Infocenter, repay debt, including principal upon conversion of a portion of the Convertible Notes, fund repurchases of our common stock and to pay earnouts and other acquisition related payments.

- Operating activities generated $632.8 million in cash in 2024, compared to $619.5 million in 2023.
- We received proceeds from the sale of assets of $13.8 million in 2024, compared to $15.5 million in 2023.
- We had net repayments under our inventory financing facilities of $13.6 million in 2024 compared to net repayments of $70.4 million in 2023.
- Net repayments under our ABL facility were $554.1 million in 2024. Net borrowings under our ABL facility were $299.6 million in 2023.
- We issued $500.0 million in principal amount of Senior Notes, which we used to pay down a portion of our borrowings under our ABL facility.
- Capital expenditures were $46.8 million in 2024 compared to $39.3 million in 2023.
- During 2024, we repurchased an aggregate of $200.0 million of our common stock compared to an aggregate of $217.1 million repurchased during 2023.

We anticipate that cash flows from operations, together with the funds available under our financing facilities, will be adequate to support our expected cash and working capital requirements for operations, as well as other strategic acquisitions, over the next 12 months and beyond. We expect existing cash and cash flows from operations to continue to be sufficient to fund our operating cash activities and cash commitments for investing and financing activities, such as capital expenditures, strategic acquisitions, repurchases of our common stock, early settlement of a portion of the Warrants in cash (as discussed further below), principal payment on the Convertible Notes that mature in February 2025, debt repayments and repayment of our inventory financing facilities for the next 12 months. We currently expect to fund known cash commitments beyond the next 12 months through operating cash activities and/or other available financing resources.

Net cash provided by operating activities.

- Cash flow from operating activities in 2024 was $632.8 million, compared to $619.5 million in 2023. The nominal increase in cash flow from operating activities was partially driven by a decrease in hardware net sales. We have an inverted cash cycle resulting from typically paying partners on shorter terms than we provide to our clients. This generally means in periods of declining hardware sales, we typically generate increased cash from operations.

Our consolidated cash flow operating metrics for the quarters ended December 31, 2024 and 2023 were as follows:

	2024	2023
Days sales outstanding in ending accounts receivable ("DSOs") (a)	185	147
Days inventory outstanding ("DIOs") (b)	7	9
Days purchases outstanding in ending accounts payable ("DPOs") (c)	(185)	(127)
Cash conversion cycle (days) (d)	7	29

(a) Calculated as the balance of accounts receivable, net at the end of the period divided by daily net sales. Daily net sales is calculated as net sales for the quarter divided by 92 days.

(b) Calculated as average inventories divided by daily costs of goods sold. Average inventories is calculated as the sum of the balances of inventories at the beginning of the period plus inventories at the end of the period divided by two. Daily costs of goods sold is calculated as costs of goods sold for the quarter divided by 92 days.

(c) Calculated as the sum of the balances of accounts payable – trade and accounts payable – inventory financing facilities at the end of the period divided by daily costs of goods sold. Daily costs of goods sold is calculated as costs of goods sold for the quarter divided by 92 days.

(d) Calculated as DSOs plus DIOs, less DPOs.

- Our cash conversion cycle was 7 days in the quarter ended December 31, 2024, a decrease of 22 days when compared to the fourth quarter of 2023.
- The changes in our cash conversion cycle compared to the same period in the prior year resulted from the net effect of a 58 day increase in DPOs and a 2 day decrease in DIOs partially offset by a 38 day increase in DSOs.
- The changes in our cash conversion cycle year over year were primarily the result of:
  - The impact to DPOs of netting on certain revenue streams (agent net revenue) that flow through accounts payable on a gross basis while flowing through our income statement on a net basis including a significant agency transaction that based on its terms had not cleared by quarter end as well as changes in vendor mix;
  - the benefit to DIOs of the reduction in hardware sales; and
  - the impact to DSOs of netting on certain revenue streams (agent net revenue) that flow through accounts receivable on a gross basis while flowing through our income statement on a net basis including a significant agency transaction that based on its terms had not cleared by quarter end.
- Our cash conversion cycle is impacted by netted costs that we apply to our services net sales to appropriately record net sales that we earn as an agent. These netted costs, while excluded from both net sales and cost of goods sold, are processed and applied to accounts receivable and accounts payable in each reporting period. As a result, our DSO and DPO calculated on the basis of unadjusted net sales and unadjusted cost of goods sold are inherently inflated. Netted costs were $2.2 billion and $1.8 billion in the fourth quarter of 2024 and 2023, respectively. Adjusting our cash conversion cycle calculation by adding netted costs to both daily net sales and daily costs of goods sold results in an increase in our cash conversion cycle from 7 days to 14 days in the fourth quarter of 2024 and a reduction from 29 days to 22 days in the fourth quarter of 2023, which we believe provides a more accurate reflection of our cash flow operating metrics.
- We expect that cash flow from operations will be used, at least partially, to fund working capital as we typically pay our partners on average terms that are shorter than the average terms we grant to our clients in order to take advantage of supplier discounts.
- We intend to use cash generated in 2025, in excess of working capital needs to pay down our ABL facility and inventory financing facilities, to settle a portion of the Warrants in cash, and for strategic acquisitions.

Net cash used in investing activities.

- We paid $265.0 million to acquire Infocenter on May 1, 2024, net of cash and cash equivalents acquired of $5.1 million. Additionally, we paid $5.2 million, net of cash and cash equivalents acquired, for an entity in our EMEA segment, on July 1, 2024.
- We acquired SADA and Amdaris for approximately $398.6 million and $82.9 million, respectively, net of cash and cash equivalents acquired and excluding earn outs and hold backs in 2023.
- We received proceeds from the sale of assets, including properties held for sale, of $13.8 million and $15.5 million in 2024 and 2023, respectively.
- Capital expenditures were $46.8 million and $39.3 million in 2024 and 2023, respectively. The majority of the capital expenditures in 2024 were used for our new Texas distribution facility and to fund technology related projects.
- We expect total capital expenditures in 2025 to be in the range of $35.0 to $40.0 million.

Net cash used in financing activities.

- In May 2024, we issued $500.0 million in principal amount of Senior Notes, which we used to pay down a portion of our borrowings under our ABL facility.
- During 2024, we had net repayments on our long-term debt under our ABL facility of $554.1 million and had net repayments under our inventory financing facilities of $13.6 million.
- During 2023, we had net borrowings on our long-term debt under our ABL facility of $299.6 million and had net repayments under our inventory financing facilities of $70.4 million.
- In 2024, we made earnout and acquisition related payments of $20.3 million associated with our Amdaris and Hanu acquisitions.
- In 2024, we also funded $200.0 million of repurchases of our common stock, compared to $217.1 million purchased during 2023.
- We expect to partially settle the warrants associated with the Convertible Notes in cash in the first half of 2025.

2023 Compared to 2022

For a comparison of our cash flows for the fiscal years ended December 31, 2023 and 2022, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 filed with the SEC on February 22, 2024.

Financing Facilities

Our debt balance as of December 31, 2024 was $864.1 million. As of December 31, 2024, the current portion of our long-term debt primarily relates to the Convertible Notes.

- Our objective is to pay our debt balances down while retaining adequate cash balances to meet overall business objectives.
- The Convertible Notes are subject to certain events of default and certain acceleration clauses. As of December 31, 2024, no such events have occurred.
- The Senior Notes are subject to certain events of default and certain acceleration clauses. As of December 31, 2024, no such events have occurred.
- Our ABL facility contains various covenants customary for transactions of this type, including complying with a minimum receivable and inventory requirement and meeting monthly, quarterly and annual reporting requirements.
    - The credit agreement contains customary affirmative and negative covenants and events of default.
    - At December 31, 2024, we were in compliance with all such covenants.
    - While the ABL facility has a stated maximum amount, the actual availability under the ABL facility is limited by a minimum accounts receivable and inventory requirement. As of December 31, 2024, eligible accounts receivables and inventory were sufficient to permit access to the full $1.8 billion under the ABL facility of which $39.0 million was outstanding.

We also have agreements with financial intermediaries to facilitate the purchase of inventory from certain suppliers under certain terms and conditions. These amounts are classified separately as accounts payable - inventory financing facilities in our consolidated balance sheets.

Notes 7 and 8 to the Consolidated Financial Statements in Part II, Item 8 of this report also include: a description of our financing facilities; amounts outstanding; amounts available and weighted average borrowings and interest rates during the year.

Cash Requirements From Contractual Obligations

At December 31, 2024, our contractual obligations for continuing operations primarily consist of:

- $217.6 million under our inventory financing facilities due in 2025;
- $96.8 million under operating leases, the majority of which are due from 2025 through 2028;
- remaining contingent consideration (earnout payments) associated with our acquisition of SADA, up to a maximum of $240.0 million, payable upon certain defined contingencies being met for 2025 and 2026 that would be paid in 2026 and 2027, respectively;
- contingent consideration (earnout payments) associated with our acquisition of Amdaris, up to a maximum of $9.0 million, payable upon certain defined contingencies being met for 2025 that would be paid in 2026;
- contingent consideration (earnout payments) associated with our acquisition of Infocenter, up to a maximum of $106.3 million, payable upon certain defined contingencies being met for the years ended April 30, 2025 and April 30, 2026 that would be paid in 2025 and 2026, respectively;
- a purchase commitment related to cloud services of $78.9 million that must be met by September 2029;
- a purchase commitment related to software as a service of $26.1 million that must be met by November 2026;
- $39.0 million outstanding under our ABL facility maturing in 2027;
- $500.0 million outstanding under our Senior Notes maturing in 2032; and
- $333.1 million principal amount due on the Convertible Notes maturing in February 2025.

Undistributed Foreign Earnings

Cash and cash equivalents held by foreign subsidiaries may be subject to U.S. income taxation upon repatriation to the United States. Certain of our foreign earnings were deemed distributed as a result of the Tax Cuts and Jobs Act of 2017; however, for years subsequent to 2017, we continue to assert indefinite reinvestment of foreign earnings for certain of our foreign subsidiaries. As of December 31, 2024, we had approximately $217.0 million in cash and cash equivalents in our foreign subsidiaries, the majority of which reside in Canada, Australia, New Zealand and The Netherlands. Certain of these cash balances will be remitted to the U.S. by paying down intercompany payables generated in the ordinary course of business or through dividend distributions.

Off-Balance Sheet Arrangements

We have entered into off-balance sheet arrangements, which include guarantees and indemnifications. These arrangements are discussed in Note 16 to the Consolidated Financial Statements in Part II, Item 8 of this report. We believe that none of our off-balance sheet arrangements have, or are reasonably likely to have, a material current or future effect on our financial condition, sales or expenses, results of operations, liquidity, capital expenditures or capital resources.

Acquisitions

Our strategy includes the possible acquisition of, or investments in, other businesses to expand or complement our operations or to add certain services capabilities. The magnitude, timing and nature of any future acquisitions or investments will depend on a number of factors, including the availability of suitable candidates, the negotiation of acceptable terms, our financial capabilities and general economic and business conditions. Financing for future transactions would result in the utilization of cash, incurrence of additional debt, issuance of stock or some combination of the three. See Note 20 to the Consolidated Financial Statements in Part II, Item 8 of this report for a discussion of our acquisitions of Infocenter in May 2024, SADA in December 2023, Amdaris in August 2023 and Hanu in June 2022.

Inflation

With the exception of the impact on our variable interest rate debt facilities, we have historically not been adversely affected by inflation, as technological advances and competition within the IT industry have generally caused the prices of the products we sell to decline and product life cycles tend to be short. This requires our growth in unit sales to exceed the decline in prices in order to increase our net sales. We believe that most price increases could be passed on to our clients, as prices charged by us are not set by long-term contracts; however, as a result of competitive pressure, there can be no assurance that the full effect of any such price increases could be passed on to our clients.

Critical Accounting Estimates

General

Our consolidated financial statements have been prepared in accordance with GAAP. For a summary of significant accounting policies, see Note 1 to the Consolidated Financial Statements in Part II, Item 8 of this report. The preparation of these consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, net sales and expenses. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results, however, may differ from our estimates. Members of our senior management have discussed the critical accounting estimates and related disclosures with the Audit Committee of our Board of Directors.

We consider the following to be our critical accounting estimates used in the preparation of our consolidated financial statements:

Sales Recognition

Description

For each of our product and services offerings, the determination needs to be made as to whether we are the principal or the agent in the transaction. This determination leads to how the revenue for each offering is recognized, either gross, where we are the principal in the transaction, or net, where we are the agent in the transaction. This determination is made by assessing whether or not we control the product or service prior to delivery to the client.

Judgments and Uncertainties

If we take control of the product or service prior to delivery to the client, then we are the principal in the transaction. If we do not take control of the product or service prior to delivery to the client, we are the agent in the transaction. The determination of whether we take control of products or services prior to delivery to the client can be judgmental and depends upon the specific facts and circumstances for each transaction. Key assumptions used in our estimates for transactions where we have determined we are the agent are the consistency of transactions with multiple performance obligations and consistency of transactions involving security software. Based on our current methodology to recognize net sales, the amount of reported net sales is not highly sensitive to changes in these key assumptions. For example, a 5% change in one of our key assumptions would not materially affect our reported net sales.

Effect if actual results differ from assumptions

We do not believe there is a reasonable likelihood there will be a material change in the estimates or assumptions used to recognize net sales. However, if actual results are not consistent with our estimates or assumptions, it could have a material effect on our reported net sales, timing of revenue recognition and our results of operations. We have not made any material

changes in accounting methodology or key assumptions used to recognize net sales during the past three fiscal years. We have not made any material adjustments to our financial statements as a result of actual results not being consistent with our estimates in the past three fiscal years.

See Note 1 to the Consolidated Financial Statements in Part II, Item 8 of this report for further discussion of our accounting policies related to sales recognition and for a detailed description of our product and services offerings.

Partner Funding

Description

We receive payments and credits from partners, including consideration pursuant to volume sales incentive programs, volume purchase incentive programs and shared marketing expense programs. Partner funding received pursuant to volume sales incentive programs is recognized as it is earned as a reduction to costs of goods sold. Partner funding received pursuant to volume purchase incentive programs is allocated as a reduction to inventories based on the applicable incentives earned from each partner and is recorded in costs of goods sold as the related inventory is sold. Partner funding received pursuant to shared marketing expense programs is recorded as it is earned as a reduction of the related selling and administrative expenses in the period the program takes place if the consideration represents a reimbursement of specific, incremental, identifiable costs. Partner funding received pursuant to certain services delivered is recorded as services net sales. Consideration that exceeds the specific, incremental, identifiable costs is classified as a reduction of costs of goods sold.

Judgments and Uncertainties

We make period-end estimates about the anticipated achievement levels under the various partner programs in order to accrue amounts earned. These estimates and assumptions primarily include whether we have met key net sales targets under the various partner programs. Based on our current methodology to recognize partner funding, the amount of reported net sales and gross profit is not highly sensitive to changes in key assumptions around achievement levels. For example, a revised assessment of the achievement level for any individual partner program would not materially affect our reported net sales or gross profit.

Effect if actual results differ from assumptions

We have not made any material changes in the methodology or key assumptions used to evaluate estimates of anticipated achievement levels under individual partner programs during the past three fiscal years. We do not believe there is a reasonable likelihood there will be a material change in the estimates or assumptions used to recognize partner funding. However, if our actual results are not consistent with our assumptions it could have a material effect on our results of operations and our cash flows. We have not made any material adjustments to our financial statements as a result of actual results for partner funding not being consistent with our estimates in the past three fiscal years.

See Note 1 to the Consolidated Financial Statements in Part II, Item 8 of this report for further discussion of our accounting policies related to partner funding.

Goodwill

Description

We perform an annual review of our goodwill in the fourth quarter of every year. We continually assess if an event occurs or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying value and assess whether any indicators of impairment exist. Events or circumstances that could trigger an impairment review include a significant adverse change in legal factors or in the business climate, unanticipated competition, significant changes in the manner of our use of the acquired assets or the strategy

for our overall business, significant negative industry or economic trends, significant declines in our stock price for a sustained period or significant underperformance relative to expected historical or projected future cash flows or results of operations. Any adverse change in these factors, among others, could have a significant effect on the recoverability of goodwill and could have a material effect on our consolidated financial statements.

Judgments and Uncertainties

We may first perform a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. If it is concluded that this is the case, it is necessary to perform a quantitative goodwill impairment test. Otherwise, the goodwill impairment test is not required. In completing a quantitative test for a potential impairment of goodwill, we compare the estimated fair value of each reporting unit in which the goodwill resides to its book value, including goodwill. Our reporting units are our operating segments.

Management must apply judgment in determining the reporting units and in estimating the fair value of our reporting units. Multiple valuation techniques can be used to assess the fair value of the reporting unit, including the market and income approaches. All of these techniques include the use of estimates and assumptions that are inherently uncertain. Changes in these estimates and assumptions could materially impact the determination of fair value or goodwill impairment, or both. These estimates and assumptions primarily include, but are not limited to, an appropriate control premium in excess of the market capitalization of the Company, future market growth, forecasted sales and costs and appropriate discount rates. Due to the inherent uncertainty involved in making these estimates, actual results could differ from those estimates.

Management evaluates the merits of each significant assumption, both individually and in the aggregate, used to determine the fair value of the reporting units. If the estimated fair value exceeds book value, goodwill is considered not to be impaired. If the carrying amount of the reporting unit exceeds its fair value, then an impairment charge is recognized for the amount by which the carrying value exceeds the fair value. To ensure the reasonableness of the estimated fair values of our reporting units, we perform a reconciliation of our total market capitalization to the estimated fair value of all of our reporting units. Based on qualitative assessments performed in most recent years a quantitative assessment has not been determined to be necessary for any of our reporting units. As such, the amount of reported goodwill is not sensitive to changes in key assumptions.

Effect if Actual Results Differ from Assumptions

We have not made any material changes in the methodology or key assumptions used to evaluate impairment of goodwill during the past three fiscal years. Our assessments in the past three fiscal years have been qualitative assessments and no quantitative assessments have been deemed necessary. Additionally, during each of the years ended December 31, 2024, 2023 and 2022 we analyzed each of our reporting units and determined that no impairment charge was necessary.

Acquisition Accounting/Business Combinations

Description

We account for acquired businesses using the acquisition method of accounting, which requires that once control of a business is obtained, all of the assets acquired and liabilities assumed, be recorded at the date of acquisition at their respective fair values, or other basis as applicable. The excess purchase price over the estimated fair value of net assets acquired is recorded as goodwill.

We use various models to determine the value of assets acquired and liabilities assumed such as the cost method, market method, relief from royalty method, multi-period excess earnings

and discounted cash flow methods. We engage outside appraisal firms to assist in the fair value determination of identifiable intangible assets. We may adjust the preliminary purchase price allocation, after the acquisition closing date and through the end of the measurement period of one year or less, as we finalize the valuation of acquired assets and liabilities.

Judgments and Uncertainties

Significant judgment is often required in estimating the fair value of assets acquired (particularly intangible assets), liabilities assumed, and contingent consideration. We make estimates and assumptions about projected future cash flows including net sales, gross margin, attrition rates, growth rates, and discount rates based on historical results, business plans, expected synergies, if any, perceived risk and marketplace data considering the perspective of marketplace participants. Based on our current methodology to estimate the fair value of assets acquired and liabilities assumed, the amount of intangible assets recognized in each business combination is not highly sensitive to changes in these key assumptions. For example, with the exception of the discount rate, a 5% change in one of our key assumptions would not materially affect our reported intangible assets balance.

Effect if Actual Results Differ from Assumptions

We have not made any material changes in the methodology or key assumptions used to evaluate the fair value of assets acquired and liabilities assumed during the past three fiscal years. While management believes the expectations and assumptions used in valuing assets acquired and liabilities assumed are reasonable, they are inherently uncertain. Unanticipated market or macroeconomic events and circumstances may occur, which could affect the accuracy or validity of the estimates and assumptions, which could then result in subsequent impairment. Any such impairment charges could have a material effect on our results of operations. We completed two business combinations in fiscal 2024, including an acquisition in EMEA, and two business combinations in fiscal 2023. We have not made any material adjustments to our financial statements as a result of business combination key assumptions not being consistent with our estimates in the past three fiscal years.

See Notes 1 and 20 to the Consolidated Financial Statements in Part II, Item 8 of this report for further discussion of our accounting policies related to acquisition accounting and recent acquisitions.

Recently Issued Accounting Standards

The information contained in Note 1 to the Consolidated Financial Statements in Part II, Item 8 of this report concerning a description of recent accounting pronouncements, including our expected dates of adoption and the estimated effects on our results of operations and financial condition, is incorporated by reference herein.

Item 7A. *Quantitative and Qualitative Disclosures About Market Risk*

The information contained in Note 12 to the Consolidated Financial Statements in Part II, Item 8 of this report concerning a description of market risk management, including interest rate risk and foreign currency exchange risk, is incorporated by reference herein.

INSIGHT ENTERPRISES, INC.
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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

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Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors
Insight Enterprises, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Insight Enterprises, Inc. and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2024, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 14, 2025 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the 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 audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits 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. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates 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 a critical audit matter 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 matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Evaluation of revenue recognition

As discussed in Note 1 to the consolidated financial statements, the Company recognizes revenue when it satisfies a performance obligation by transferring control of a product or service or by arranging for the sales of a vendor's product or service to a client. The Company measures revenue based on the consideration received in a contract with a client, and excludes any sales incentives and amounts collected on behalf of third parties. The Company offers hardware and software products, as well as services. Given the number of product and service offerings, significant judgment is exercised by the Company in recognizing revenue, including the following decisions:

- Determining the point in time when a customer takes control of hardware.
- Determining the point in time when the customer acquires or renews the right to use or copy software under license and control transfers to the customer.
- Evaluating the Company as either a principal or an agent for hardware and software products and services, and the related recognition of revenue from the customer on a gross or a net basis.
- Determining an appropriate pattern of revenue recognition for service performance obligations.

We identified the evaluation of revenue recognition as a critical audit matter because the audit effort to evaluate the Company's revenue recognition judgments, including those noted above, was extensive and required a high degree of auditor judgment.

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 over the revenue recognition process, including controls related to the timing and pattern of revenue recognition and gross versus net revenue recognition. As part of testing the Company's internal controls, we also involved information technology (IT) professionals with specialized skills and knowledge, who assisted in testing of general IT controls over significant systems and the evaluation of system interface controls and automated controls designed to determine the existence, accuracy, and completeness of revenue. We evaluated the Company's significant accounting policies related to its product and service offerings by reviewing the terms of certain vendor and customer contracts and comparing the policies to the revenue recognition standard. We selected a sample of revenue transactions and performed the following for each selection:

- Obtained evidence of a contract with the customer.
- Compared the amounts recognized and timing of revenue recognition to underlying documentation, including purchase orders, shipping documentation, and evidence of payment, if applicable.
- Evaluated the Company's application of their accounting policies to determine the timing and amount of revenue to be recognized.
- Tested the presentation of revenue as gross or net by comparing the Company's gross or net presentation to the attributes of the underlying vendor support and the Company's accounting policy.

/s/ KPMG LLP

We have served as the Company's auditor since 1990.

Phoenix, Arizona
February 14, 2025

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors
Insight Enterprises, Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited Insight Enterprises, Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2024, and the related notes (collectively, the consolidated financial statements), and our report dated February 14, 2025 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible 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 Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the 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 audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. 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 audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

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.

/s/ KPMG LLP

Phoenix, Arizona
February 14, 2025

INSIGHT ENTERPRISES, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

	December 31,	
	2024	**2023**
ASSETS		
Current assets:		
Cash and cash equivalents	$ 259,234	$ 268,730
Accounts receivable, net	4,172,104	3,568,290
Inventories	122,581	184,605
Contract assets, net	81,980	120,518
Other current assets	208,723	189,158
Total current assets	4,844,622	4,331,301
Long-term contract assets, net	86,953	132,780
Property and equipment, net	215,678	210,061
Goodwill	893,516	684,345
Intangible assets, net	426,493	369,687
Long-term accounts receivable	845,943	412,666
Other assets	135,373	145,510
	$ 7,448,578	$ 6,286,350
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable—trade	$ 3,059,667	$ 2,255,183
Accounts payable—inventory financing facilities	217,604	231,850
Accrued expenses and other current liabilities	512,052	538,346
Current portion of long-term debt	332,879	348,004
Total current liabilities	4,122,202	3,373,383
Long-term debt	531,233	592,517
Deferred income taxes	64,459	27,588
Long-term accounts payable	799,546	353,794
Other liabilities	160,527	203,335
	5,677,967	4,550,617
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.01 par value, 3,000 shares authorized; no shares issued	—	—
Common stock, $0.01 par value, 100,000 shares authorized; 31,778 and 32,590 shares issued and outstanding in 2024 and 2023, respectively	318	326
Additional paid-in capital	342,893	328,607
Retained earnings	1,508,558	1,448,412
Accumulated other comprehensive loss – foreign currency translation adjustments	(81,158)	(41,612)
Total stockholders' equity	1,770,611	1,735,733
	$ 7,448,578	$ 6,286,350

See accompanying notes to consolidated financial statements.

INSIGHT ENTERPRISES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Years Ended December 31,		
	2024	2023	2022
Net sales:			
Products	$ 7,015,640	$ 7,631,388	$ 8,947,787
Services	1,686,058	1,544,452	1,483,404
Total net sales	8,701,698	9,175,840	10,431,191
Costs of goods sold:			
Products	6,259,815	6,859,178	8,111,252
Services	675,867	647,137	683,372
Total costs of goods sold	6,935,682	7,506,315	8,794,624
Gross profit:			
Products	755,825	772,210	836,535
Services	1,010,191	897,315	800,032
Gross profit	1,766,016	1,669,525	1,636,567
Operating expenses:			
Selling and administrative expenses	1,343,151	1,236,243	1,216,660
Severance and restructuring expenses, net	31,605	6,091	4,235
Acquisition and integration related expenses	2,676	7,396	1,972
Earnings from operations	388,584	419,795	413,700
Non-operating expense (income):			
Interest expense, net	58,036	41,124	39,497
Other (income) expense, net	(2,365)	817	(230)
Earnings before income taxes	332,913	377,854	374,433
Income tax expense	83,222	96,545	93,825
Net earnings	$ 249,691	$ 281,309	$ 280,608
Net earnings per share:			
Basic	$ 7.73	$ 8.53	$ 8.04
Diluted	$ 6.55	$ 7.55	$ 7.66
Shares used in per share calculations:			
Basic	32,286	32,991	34,903
Diluted	38,136	37,241	36,620

See accompanying notes to consolidated financial statements.

INSIGHT ENTERPRISES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	Years Ended December 31,		
	2024	**2023**	**2022**
Net earnings	$ 249,691	$ 281,309	$ 280,608
Other comprehensive (loss) income, net of tax:			
Foreign currency translation adjustments	(39,546)	17,190	(31,708)
Total comprehensive income	$ 210,145	$ 298,499	$ 248,900

See accompanying notes to consolidated financial statements.

INSIGHT ENTERPRISES, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)

	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Total Stockholders' Equity
	Shares	Par Value	Shares	Amount				
Balances at December 31, 2023	32,590	$ 326	—	$ —	$ 328,607	$ (41,612)	$ 1,448,412	$ 1,735,733
Issuance of common stock under employee stock plans, net of shares withheld for payroll taxes	184	2	—	—	(12,040)			(12,038)
Stock-based compensation expense	—	—	—	—	33,971	—	—	33,971
ESPP	27	—	—	—	4,477	—	—	4,477
Shares issued upon conversion of Convertible Notes	141	1	—	—	(1)	—	—	—
Shares received from convertible note hedge upon conversion of Convertible Notes	(141)	(1)	—	—	1	—	—	—
Repurchase of treasury stock	—	—	(1,023)	(200,020)	—	—	—	(200,020)
Retirement of treasury stock	(1,023)	(10)	1,023	200,020	(10,465)	—	(189,545)	—
Excise tax on stock repurchases	—	—	—	—	(1,657)	—	—	(1,657)
Foreign currency translation adjustments, net of tax	—	—	—	—	—	(39,546)	—	(39,546)
Net earnings	—	—	—	—	—	—	249,691	249,691
Balances at December 31, 2024	31,778	$ 318	—	$ —	$ 342,893	$ (81,158)	$ 1,508,558	$ 1,770,611
Balances at December 31, 2022	34,009	$ 340	—	$ —	$ 327,872	$ (58,802)	$ 1,368,658	$ 1,638,068
Issuance of common stock under employee stock plans, net of shares withheld for payroll taxes	215	2	—	—	(10,797)	—	—	(10,795)
Stock-based compensation expense	—	—	—	—	28,951	—	—	28,951
Repurchase of treasury stock	—	—	(1,634)	(217,108)	—	—	—	(217,108)
Retirement of treasury stock	(1,634)	(16)	1,634	217,108	(15,537)	—	(201,555)	—
Excise tax on stock repurchases	—	—	—	—	(1,882)	—	—	(1,882)
Foreign currency translation adjustments, net of tax	—	—	—	—	—	17,190	—	17,190
Net earnings	—	—	—	—	—	—	281,309	281,309
Balances at December 31, 2023	32,590	$ 326	—	$ —	$ 328,607	$ (41,612)	$ 1,448,412	$ 1,735,733
Balances at December 31, 2021	34,897	$ 349	—	$ —	$ 368,282	$ (27,094)	$ 1,167,690	$ 1,509,227
Cumulative effect of accounting change	—	—	—	—	(44,731)	—	17,789	(26,942)
Issuance of common stock under employee stock plans, net of shares withheld for payroll taxes	220	2	—	—	(7,907)	—	—	(7,905)
Stock-based compensation expense	—	—	—	—	22,710	—	—	22,710
Repurchase of treasury stock	—	—	(1,109)	(107,922)	—	—	—	(107,922)
Retirement of treasury stock	(1,108)	(11)	1,109	107,922	(10,482)	—	(97,429)	—
Foreign currency translation adjustments, net of tax	—	—	—	—	—	(31,708)	—	(31,708)
Net earnings	—	—	—	—	—	—	280,608	280,608
Balances at December 31, 2022	34,009	$ 340	—	$ —	$ 327,872	$ (58,802)	$ 1,368,658	$ 1,638,068

See accompanying notes to consolidated financial statements.

INSIGHT ENTERPRISES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years Ended December 31,		
	2024	2023	2022
Cash flows from operating activities:			
Net earnings	$ 249,691	$ 281,309	$ 28
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	98,137	62,476	5
Provision for losses on accounts receivable	10,038	5,062	
Non-cash stock-based compensation	33,971	28,951	2
Deferred income taxes	8,296	(13,080)	(
Amortization of debt issuance costs	5,591	4,870	
Net change on revaluation of earnout liabilities	(7,848)	—	
Other adjustments	1,054	234	
Changes in assets and liabilities:			
Increase in accounts receivable	(656,092)	(11,892)	(40
Decrease in inventories	54,439	75,729	5
Decrease (increase) in contract assets	58,433	(13,840)	(
Increase in long-term accounts receivable	(454,887)	(126,850)	(1
Decrease in other assets	16,199	34,061	4
Increase in accounts payable	825,555	216,229	5
Increase in long-term accounts payable	441,881	111,790	
Decrease in accrued expenses and other liabilities	(51,613)	(35,518)	(
Net cash provided by operating activities:	632,845	619,531	9
Cash flows from investing activities:			
Proceeds from sale of assets	13,751	15,515	
Purchases of property and equipment	(46,782)	(39,252)	(7
Acquisitions, net of cash and cash equivalents acquired	(270,247)	(481,464)	(6
Net cash used in investing activities:	(303,278)	(505,201)	(13
Cash flows from financing activities:			
Borrowings on ABL revolving credit facility	4,622,416	4,587,596	4,67
Repayments on ABL revolving credit facility	(5,176,546)	(4,288,036)	(4,43
Net repayments under inventory financing facilities	(13,577)	(70,408)	(
Proceeds from issuance of senior unsecured notes	500,000	—	
Payment of debt issuance costs	(8,652)	—	
Repayment of principal on the Convertible Notes	(16,895)	—	
Repurchases of common stock	(200,020)	(217,108)	(10
Earnout and acquisition related payments	(20,286)	(15,615)	
Other payments	(7,711)	(13,141)	(1
Net cash (used in) provided by financing activities:	(321,271)	(16,712)	11
Foreign currency exchange effect on cash, cash equivalents and restricted cash balances	(17,614)	7,449	(1
(Decrease) increase in cash, cash equivalents and restricted cash	(9,318)	105,067	5
Cash, cash equivalents and restricted cash at beginning of period	270,785	165,718	10
Cash, cash equivalents and restricted cash at end of period	$ 261,467	$ 270,785	$ 16

See accompanying notes to consolidated financial statements.

(1) Operations and Summary of Significant Accounting Policies

Description of Business

We help our clients accelerate their digital journey to modernize their businesses and maximize the value of technology. We serve these clients in North America; Europe, the Middle East and Africa ("EMEA"); and Asia-Pacific ("APAC"). As a Fortune 500-ranked solutions integrator, we enable secure, end-to-end digital transformation and meet the needs of our clients through a comprehensive portfolio of solutions, far-reaching partnerships and 36 years of broad IT expertise. We amplify our solutions and services with global scale, local expertise and our e-commerce experience, enabling our clients to realize their digital ambitions in multiple ways. Our company is organized in the following three operating segments, which are primarily defined by their related geographies:

Operating Segment	Geography
North America	United States ("U.S.") and Canada
EMEA	Europe, Middle East and Africa
APAC	Asia-Pacific

Our offerings in North America and certain countries in EMEA and APAC include hardware, software and services, including cloud solutions. Our offerings in the remainder of our EMEA and APAC segments consist largely of software and certain software-related services and cloud solutions.

Acquisitions

Effective May 1, 2024, we acquired 100 percent of the issued and outstanding shares of Infocenter.io Corporation ("Infocenter") for a cash purchase price of $265,000,000, net of cash and cash equivalents acquired of $5,103,000, and excluding the estimated fair value of earn outs, reported in other liabilities, of up to $106,250,000.

Effective December 1, 2023, we acquired SADA Systems, LLC ("SADA"), a provider of cloud consultancy and technical services, for a cash purchase price of approximately $399,762,000, net of cash and cash equivalents acquired of $24,701,000 and excluding the estimated fair value of earn outs, reported in other liabilities, with a range of payouts through 2027 of $0 to $390,000,000. The acquisition was funded through a combination of cash on hand and borrowings under our senior secured revolving credit facility (the "ABL facility").

Effective August 17, 2023, we acquired Amdaris Group Limited ("Amdaris"), a software development and digital services specialist, for a cash purchase price of approximately $82,875,000, net of cash and cash equivalents acquired, and excluding the estimated fair value of earn outs, reported in other liabilities, with a range of payouts through 2026 of $0 to $54,391,000.

Our results of operations include the results of Infocenter, SADA and Amdaris from their respective acquisition dates. (See Note 20 for a discussion of our acquisitions).

Principles of Consolidation and Presentation

The consolidated financial statements include the accounts of Insight Enterprises, Inc. and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation. Included in our accounts receivable, net balance at December 31, 2024 and 2023 is $18,010,000 and $26,025,000, respectively, of accounts receivable from an unconsolidated affiliate. References to "the Company," "Insight," "we," "us," "our" and other similar words refer to Insight Enterprises, Inc. and its consolidated subsidiaries, unless the context suggests otherwise.

Acquisition Accounting

The Company accounts for all business combinations using the acquisition method of accounting, which allocates the fair value of the purchase consideration to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values. The excess of the purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. When determining the fair values of assets acquired and liabilities assumed, management makes estimates and assumptions. Initial purchase price allocations are subject to revision within the measurement period, not to exceed one year from the date of acquisition. Acquisition-related expenses and transaction costs associated with business combinations are expensed as incurred.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Additionally, these estimates and assumptions affect the reported amounts of net sales and expenses during the reporting period. Actual results could differ from those estimates. On an ongoing basis, we evaluate our estimates, including those related to sales recognition, anticipated achievement levels under partner funding programs, assumptions related to stock-based compensation valuation, allowances for doubtful accounts and contract assets, valuation of inventories, valuation of acquired intangible assets, litigation-related obligations, valuation allowances for deferred tax assets and impairment of long-lived assets, including purchased intangibles and goodwill, if indicators of potential impairment exist.

Cash, Cash Equivalents and Restricted Cash

We consider all highly liquid investments with maturities at the date of purchase of three months or less to be cash equivalents.

Book overdrafts represent the amount by which outstanding checks issued, but not yet presented to our banks for disbursement, exceed balances on deposit in applicable bank accounts and a legal right of offset with our positive cash balances in other financial institution accounts does not exist. Our book overdrafts, which are not directly linked to a credit facility or other bank overdraft arrangement, do not result in an actual bank financing, but rather constitute normal unpaid trade payables at the end of a reporting period. These amounts are included within our accounts payable balance in our consolidated balance sheets. The changes in these book overdrafts are included within the changes in accounts payable line item as a component of cash flows from operating activities in our consolidated statements of cash flows.

Restricted cash generally includes any cash that is restricted as to withdrawal or usage. These amounts are included with cash and cash equivalents on the consolidated statement of cash flows. All cash receipts/payments with third parties directly to/from restricted cash accounts are reported as an operating, investing or financing cash flow, based on the nature of the transaction.

Allowance for Doubtful Accounts Receivable

We establish an allowance for doubtful accounts to reflect our best estimate of probable losses inherent in our accounts receivable balance. The allowance is based on our evaluation of the aging of the receivables, historical write-offs and the current economic environment. We write off individual accounts against the reserve when we no longer believe that it is probable that we will collect the receivable because we become aware of a client's or partner's inability to meet its financial obligations. Such awareness may be as a result of bankruptcy filings, or deterioration in the client's or partner's operating results or financial position.

Allowance for Contract Assets

We estimate our allowances for credit losses on contract assets using relevant available information from internal and external sources, related to past events, current conditions and reasonable and supportable forecasts. Historical credit loss experience provides the basis for the estimation of expected credit losses. Probability of default rates are published quarterly by third-party credit agencies. Adjustments to our initial credit risk ratings may take into account various customer specific factors, including estimated loss given default, the locations in which the customer is operating and macroeconomic conditions. These adjustments result in our internal risk rating categorization as low, moderate or high, as disclosed in Note 2.

Inventories

We state inventories, principally purchased IT hardware, at the lower of weighted average cost (which approximates cost under the first-in, first-out method) or net realizable value. We evaluate inventories for excess, obsolescence or other factors that may render inventories unmarketable at normal margins. Write-downs are recorded so that inventories reflect the approximate net realizable value and take into account contractual provisions with our partners governing price protection, stock rotation and return privileges relating to obsolescence. Because of the large number of transactions and the complexity of managing the price protection and stock rotation process, estimates are made regarding write-downs of the carrying amount of inventories. Additionally, assumptions about future demand, market conditions and decisions by manufacturers/publishers to discontinue certain products or product lines can affect our decision to write down inventories.

Property and Equipment

We record property and equipment at cost. We capitalize major improvements and betterments, while maintenance, repairs and minor replacements are expensed as incurred. Depreciation or amortization is provided using the straight-line method over the following estimated economic lives of the assets:

	Estimated Economic Life
Leasehold improvements	Shorter of underlying lease term or asset life
Furniture and fixtures	2 – 7 years
Equipment	3 – 5 years
Software	3 – 10 years
Buildings	29 years

External direct costs of materials and services consumed in developing or obtaining internal-use computer software and payroll and payroll-related costs for teammates who are directly associated with and who devote time to internal-use computer software development projects, to the extent of the time spent directly on the project and specific to application development, are capitalized.

Reviews are regularly performed to determine whether facts and circumstances exist which indicate that the economic life is shorter than originally estimated or the carrying amount of assets may not be recoverable. When an indication exists that the carrying amount of long-lived assets may not be recoverable, we assess the recoverability of our assets by comparing the projected undiscounted net cash flows associated with the related asset or group of assets over their remaining lives against their respective carrying amounts. Such impairment test is based on the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. Impairment, if any, is based on the excess of the carrying amount over the estimated fair value of those assets.

Goodwill

Goodwill is recorded when the purchase price paid for an acquisition exceeds the estimated fair value of net identified tangible and intangible assets acquired. Goodwill is tested for impairment at the reporting unit level on an annual basis in the fourth quarter and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying value. We may first perform a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. If it is concluded that this is the case, it is necessary to perform a quantitative goodwill impairment test. Otherwise, the goodwill impairment test is not required. The quantitative goodwill impairment review process compares the fair value of the reporting unit in which goodwill resides to its carrying value. The Company has three reporting units, which are the same as our operating segments. Multiple valuation techniques would likely be used to assess the fair value of the reporting unit. These techniques include the use of estimates and assumptions that are inherently uncertain. Changes in these estimates and assumptions could materially affect the determination of fair value or goodwill impairment, or both.

Intangible Assets

We amortize finite lived intangible assets acquired in business combinations using the straight-line method over the estimated economic lives of the intangible assets from the date of acquisition.

We regularly perform reviews to determine if facts and circumstances exist which indicate that the economic lives of our intangible assets are shorter than originally estimated or the carrying amount of these assets may not be recoverable. When an indication exists that the carrying amount of intangible assets may not be recoverable, we assess the recoverability of our assets by comparing the projected undiscounted net cash flows associated with the related asset or group of assets over their remaining lives against their respective carrying amounts. Such impairment test is based on the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. Impairment, if any, is based on the excess of the carrying amount over the estimated fair value of those assets.

Long-term Accounts Receivable and Contract Assets

We recognize long-term accounts receivable, including unbilled receivables, related to multi-year contracts when we have completed our performance obligations under the contract and where our right to receive consideration from the client is unconditional and based on the passage of time only.

We recognize long-term contract assets related to multi-year contracts when we have completed our performance obligations under the contract but do not have an unconditional right to receive consideration. When our right to consideration is contingent upon other factors, such as a client consuming future services under the contract we recognize a contract asset until our right to receive consideration becomes unconditional.

Leases

We determine if a contract or arrangement is, or contains, a lease at inception. Balances related to operating leases are included in other assets, other current liabilities, and other liabilities in our consolidated balance sheet. Balances related to financing leases are included in property and equipment, current portion of long-term debt, and long-term debt in our consolidated balance sheet. Right of use ("ROU") assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease.

As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. We use the implicit rate when readily determinable. The operating lease ROU

asset includes any prepaid lease payments and additional direct costs and excludes lease incentives. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option.

Self-Insurance

We are self-insured in the U.S. for medical insurance up to certain annual stop-loss limits and workers' compensation claims up to certain deductible limits. We establish reserves for claims, both reported and incurred but not reported, using currently available information as well as our historical claims experience.

Treasury Stock

We record repurchases of our common stock as treasury stock at cost. We also record the subsequent retirement of these treasury shares at cost. The excess of the cost of the shares retired over their par value is allocated between additional paid-in capital and retained earnings. The amount recorded as a reduction of paid-in capital is based on the excess of the average original issue price of the shares over par value. The remaining amount is recorded as a reduction of retained earnings.

Sales Recognition

Revenue is measured based on the consideration specified in a contract with a client, and excludes any sales incentives and amounts collected on behalf of third parties. The Company recognizes revenue when it satisfies a performance obligation by transferring control of a product or service or by arranging for the sale of a vendor's products or service to a client.

Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Company from a client, are excluded from revenue.

We record the freight we bill to our clients as product net sales and the related freight costs we pay as product costs of goods sold.

Nature of Goods and Services

We sell hardware and software products on both a stand-alone basis without any services and as solutions bundled with services.

When we provide a combination of hardware and software products with the provision of services, we separately identify our performance obligations under our contract with the client as the distinct goods (hardware and/or software products) or services that will be provided. The total transaction price for an arrangement with multiple performance obligations is allocated at contract inception to each distinct performance obligation in proportion to its stand-alone selling price. The stand-alone selling price is the price at which we would sell a promised good or service separately to a client. We estimate the price based on observable inputs, including direct labor hours and allocable costs, or use observable stand-alone prices when they are available.

Product Offerings

Hardware

We recognize hardware product revenue on a gross basis at the point in time when a client takes control of the hardware, which typically occurs when title and risk of loss have passed to the client at its destination. Our selling terms and conditions typically specify Free On Board ("F.O.B.") destination contractual terms such that control is transferred from the Company at the point in time when the product is received by the client. The transaction price for hardware sales is adjusted for estimated product returns that we expect to occur under our return policy based upon historical return rates.

We leverage drop-shipment arrangements with many of our partners and suppliers to deliver products to our clients without having to physically hold the inventory at our warehouses, thereby increasing efficiency and reducing costs. We recognize revenue for drop-shipment arrangements on a gross basis as the principal in the transaction when the product is received by the client because we control the product prior to transfer to the client. In addition to other factors considered, we assume primary responsibility for fulfillment in the arrangement, we assume inventory risk if the product is returned by the client, we set the price of the product charged to the client and we work closely with our clients to determine their hardware specifications.

Warehousing services

We offer a service to our customers whereby clients may purchase product that we procure on their behalf and, at our clients' direction, store the product in our warehouse for a designated period of time, with the intention of deploying the product to the clients' designated locations at a later date. These warehousing services are designed to help our clients with inventory management challenges associated with technology roll-outs, product that is moving to end of life, or clients needing integrated stock available for immediate deployment. The client is invoiced, title transfers to the client, and revenue is recognized upon receipt of the product at our warehouse. These product contracts are non-cancelable with customary credit terms beginning the date the product is received in our warehouse and the warranty periods begin on the date of invoice.

Software

We recognize revenue from software sales on a gross basis at the point in time when the client acquires the right to use or copy software under license and control transfers to the client. For renewals, revenue is recognized upon the commencement of the software license agreement or when the renewal term begins, as applicable.

A substantial portion of the software licenses we sell are perpetual software licenses and do not require renewal or extension after their initial purchase by the client. Such perpetual licenses are periodically subject to true-up, whereby additional perpetual licenses are sold under the client's pre-existing master agreement. Such true-ups are generally sold in arrears, and clients are invoiced for the additional licenses they had already been utilizing. Since the client already possessed copies of the licensed software prior to the true-up, software revenue related to the underlying additional licenses is recognized when we agree to the true-up with our client and the partner.

For sales transactions for certain security software products that are sold with integral third-party delivered software maintenance, we record the software license on a net basis, as the agent in the arrangement.

Services Offerings

Software Maintenance

Software maintenance agreements provide our clients with the right to obtain any software upgrades, bug fixes and help desk and other support services directly from the software publisher at no additional charge during the term of the software maintenance agreements. We act as the software publisher's agent in selling these software maintenance agreements and do not assume any performance obligation to the client under the agreements. As a result, we are the agent in these transactions and these sales are recorded on a net sales recognition basis. Under net sales recognition, the cost of the software maintenance agreement is recorded as a reduction to sales, resulting in net sales equal to the gross profit on the transaction, and there are no costs of goods sold. Because we are acting as the software publisher's agent, revenue is recognized when the parties agree to the initial purchase, renewal or extension as our agency services are then complete. We report all fees earned from activities reported net within our services net sales category in our consolidated statements of operations.

Vendor Direct Support Services Contracts

Clients may purchase a vendor direct support services contract through us. Under these contracts, our clients call the manufacturer/publisher or its designated service organization directly for both the initial technical triage and any follow-up assistance. We act as the manufacturer/publisher's agent in selling these support service contracts and do not assume any performance obligation to the client under the arrangements. As a result, these sales are recorded on a net sales recognition basis similar to software maintenance agreements, as discussed above. Because we are acting as the agent, revenue is recognized when the parties agree to the purchase of the support services contract as our agency services are then complete.

Cloud / Software-as-a-Service Offerings

Cloud or software-as-a-service ("SaaS") subscription products provide our clients with access to software products hosted in the public cloud without the client taking possession of the software. We act as the agent in selling these software-as-a service subscription products. We do not take control of the software products or assume any performance obligations to the clients related to the provisioning of the offerings in the cloud. As a result, these sales are recorded on a net sales recognition basis. We report all fees earned from activities recognized net within our services net sales category in our consolidated statements of operations. Because we are acting as the agent in the transaction, revenue is recognized when the parties agree to the purchase of the cloud or SaaS offerings as our agency services are then complete. Often, these agency fees are based on end-client usage and therefore are variable throughout the term of the service contract. Where this variable consideration is uncertain, we recognize our agency revenue to the extent that a significant reversal will not occur.

Insight Delivered Services

We design, procure, deploy, implement and manage solutions that combine hardware, software and services to help businesses run smarter. Such services are provided by us or third-party sub-contract vendors as part of bundled arrangements, or are provided separately on a stand-alone basis as technical, consulting or managed services engagements. If the services are provided as part of a bundled arrangement with hardware and software, the hardware, software and services are generally distinct performance obligations. In general, we recognize revenue from services engagements as we perform the underlying services and satisfy our performance obligations.

We recognize revenue from sales of services by measuring progress toward complete satisfaction of the related service performance obligation. Billings for such services that are made in advance of the related revenue recognized are recorded as a contract liability.

Specific revenue recognition practices for certain of our services offerings are described in further detail below.

Time and Materials Services Contracts

We recognize revenue for professional services engagements that are on a time and materials basis based upon hours incurred for the performance completed to date for which we have the right to consideration, even if such amounts have not yet been invoiced as of period end.

Fixed Fee Services Contracts

We recognize revenue on fixed fee professional services contracts using a proportional performance method of revenue recognition based on the ratio of direct labor and other allocated costs incurred to total estimated direct labor and other allocated costs.

OneCall Support Services Contracts

When we sell certain hardware and/or software products to our clients, we also enter into service contracts with them. These contracts are support service agreements for the hardware and/or software products that were purchased from us. Under certain support services contracts, although we purchase third-party support contracts for maintenance on the specific hardware or software products we have sold, our internal support desk assists the client first by performing an initial technical triage to determine the source of the problem and whether we can direct the client on how to fix the problem. We refer to these services as "OneCall." We act as the principal in the transaction because we perform the OneCall services over the term of the support service contract and we set the price of the service charged to the client. As a result, we recognize revenue from OneCall extended service contracts on a gross sales recognition basis. We recognize the revenue ratably over the contract term of the stand ready obligation, generally one to three years.

On our consolidated balance sheet, a significant portion of our contract liabilities balance relates to OneCall support services agreements for which clients have paid or have been invoiced but for which we have not yet recognized the applicable services revenue. We also defer incremental direct costs to fulfill our service contracts that we prepay to third parties for direct support of our fulfillment of the service contract to our clients under our contract terms and amortize them into operations over the term of the contracts.

Third-party Provided Services

A majority of our third-party sub-contractor services contracts are entered into in conjunction with other services contracts under which the services are performed by Insight teammates. We have concluded that we control all services under the contract and can direct the third-party sub-contractor to provide the requested services. As such, we act as the principal in the transaction and record the services under a gross sales recognition basis, with the selling price being recorded in sales and our cost to the third-party service provider being recorded in costs of goods sold. We recognize revenue for these contracts as the underlying services are performed and we satisfy our performance obligations. For certain third-party service contracts in which we do not control the services prior to transferring to our clients because we are not responsible for fulfillment of the services, we have concluded that we are an agent in the transaction and record revenue on a net sales recognition basis.

Costs of Goods Sold

Costs of goods sold include product costs, direct costs incurred associated with delivering services, outbound and inbound freight costs and provisions for inventory reserves. These costs are reduced by provisions for supplier discounts and certain payments and credits received from partners, as described under "Partner Funding" below.

Selling and Administrative Expenses

Selling and administrative expenses include salaries and wages for teammates who are not directly associated with delivering services, bonuses and incentives, stock-based compensation expense, employee-related expenses, facility-related expenses, marketing and advertising expense, reduced by certain payments and credits received from partners related to shared marketing expense programs, as described under "Partner Funding" below, depreciation of property and equipment, professional fees, amortization of intangible assets, provisions for losses on accounts receivable and contract assets, and other operating expenses.

Partner Funding

We receive payments and credits from partners, including consideration pursuant to volume sales incentive programs, volume purchase incentive programs and shared marketing expense programs. Partner funding received pursuant to volume sales incentive programs is recognized as it is earned as a reduction to costs of goods sold. Partner funding received pursuant to volume purchase incentive programs is allocated as a reduction to inventories based on the

applicable incentives earned from each partner and is recorded in cost of goods sold as the related inventory is sold. Partner funding received pursuant to shared marketing expense programs is recorded as it is earned as a reduction of the related selling and administrative expenses in the period the program takes place if the consideration represents a reimbursement of specific, incremental, identifiable costs. Consideration that exceeds the specific, incremental, identifiable costs is classified as a reduction of costs of goods sold. Partner funding received pursuant to certain services delivered is recorded as services net sales. The amount of partner funding recorded as a reduction of selling and administrative expenses in our statements of operations totaled $127,059,000, 122,638,000 and 128,153,000 in 2024, 2023 and 2022, respectively.

Concentrations of Risk

Credit Risk

Although we are affected by the international economic climate, management does not believe material credit risk concentration existed at December 31, 2024. We monitor our clients' financial condition and do not require collateral. No single client accounted for more than 10% of our consolidated net sales in 2024.

Partner Risk

Purchases from Microsoft and TD Synnex accounted for approximately 27% and 10%, respectively, of our aggregate purchases in 2024. No other partner accounted for more than 10% of purchases in 2024. Our top five partners as a group for 2024 were Microsoft, TD Synnex (a distributor), Google, Cisco Systems and Ingram Micro (a distributor), and approximately 55% of our total purchases during 2024 came from this group of partners. Although brand names and individual products are important to our business, we believe that competitive sources of supply are available in substantially all of our product categories such that, with the exception of Microsoft, we are not dependent on any single partner for sourcing products.

Advertising Costs

Advertising costs are expensed as they are incurred. Advertising expense of approximately $76,167,000, $81,959,000 and $88,667,000 was recorded in 2024, 2023 and 2022, respectively. These amounts were predominantly offset by partner funding earned pursuant to shared marketing expense programs recorded as a reduction of selling and administrative expenses, as discussed in "Partner Funding" above.

Stock-Based Compensation

Stock-based compensation is measured based on the fair value of the award on the date of grant and the corresponding expense is recognized over the period during which an employee is required to provide service in exchange for the reward. Stock-based compensation expense is classified in the same line item of our consolidated statements of operations as other payroll-related expenses specific to the employee. Compensation expense related to service-based restricted stock units ("RSUs") is recognized on a straight-line basis over the requisite service period for the entire award. Compensation expense related to performance-based RSUs is recognized on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards (i.e., a graded vesting basis). Forfeitures are recognized as they occur.

Foreign Currencies

We use the U.S. dollar as our reporting currency. The functional currencies of our foreign subsidiaries are typically the local currencies. Accordingly, assets and liabilities of the subsidiaries are translated into U.S. dollars at the exchange rate in effect at the balance sheet dates. Income and expense items are translated at the average exchange rate for each month within the year. The resulting translation adjustments are recorded directly in accumulated other comprehensive income, net of tax – foreign currency translation adjustments as a separate component of

stockholders' equity. Net foreign currency transaction gains/losses, including transaction gains/losses on intercompany balances that are not of a long-term investment nature and non-functional currency cash balances, are reported in other expense (income), net within non-operating (income) expense in our consolidated statements of operations.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable earnings in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the enactment date.

We recognize net deferred tax assets to the extent that we believe these assets are more likely than not to be realized. In making such a determination, we consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies and results of recent operations. If we determine that we would be able to realize our deferred tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

We record uncertain tax positions on the basis of a two-step process whereby (1) we determine whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, we recognize the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. Interest and penalties related to unrecognized tax benefits are recognized within the income tax expense line in our consolidated statements of operations. Accrued interest and penalties are included within the related tax liability line in our consolidated balance sheets.

Contingencies

From time to time, we are subject to potential claims and assessments from third parties. We are also subject to various government agency, client and partner audits. We continually assess whether or not such claims have merit and warrant accrual. An accrual is made if it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Such estimates are subject to change and may affect our results of operations and our cash flows.

Net Earnings Per Share ("EPS")

Basic EPS is computed by dividing net earnings available to common stockholders by the weighted average number of common shares outstanding during each year. Diluted EPS is computed on the basis of the weighted average number of shares of common stock plus the effect of dilutive potential common shares outstanding during the period using the treasury stock method. Dilutive potential common shares include outstanding RSUs and certain shares underlying our outstanding convertible senior notes (the "Convertible Notes") and the warrants (the "Warrants") relating to the Call Spread Transactions (as defined in Note 8), as applicable.

A reconciliation of the denominators of the basic and diluted EPS calculations follows (in thousands, except per share data):

	Years Ended December 31,		
	2024	2023	2022
Numerator:			
Net earnings	$ 249,691	$ 281,309	$ 280,608
Denominator:			
Weighted-average shares used to compute basic EPS	32,286	32,991	34,903
Dilutive potential common shares due to:			
Dilutive RSUs, net of tax effect	297	288	251
Convertible senior notes	3,205	2,619	1,466
Warrants	2,348	1,343	—
Weighted-average shares used to compute diluted EPS	38,136	37,241	36,620
Net earnings per share:			
Basic	$ 7.73	$ 8.53	$ 8.04
Diluted	$ 6.55	$ 7.55	$ 7.66

For the years ended December 31, 2024, 2023 and 2022, approximately 9,000, 54,000 and 39,000, respectively, of our RSUs were excluded from the diluted EPS calculations because their inclusion would have been anti-dilutive. These share-based awards could be dilutive in the future. For the years ended December 31, 2023, and 2022, certain potential outstanding shares underlying the Warrants were excluded from the diluted EPS calculations because their inclusion would have been anti-dilutive.

Recently Issued Accounting Standards

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") No. 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40)". The standard requires public business entities to disclose detailed information about specific types of expenses that are relevant to certain line items on the income statement. The guidance is effective for annual periods beginning after December 15, 2026 and interim reporting periods within annual reporting periods beginning after December 15, 2027. The requirements can be applied prospectively with the option for retrospective application, and early adoption is permitted. The Company is currently evaluating the impact the adoption of this standard will have on its consolidated financial statements.

In December 2023, the FASB issued Accounting Standard Update ASU No. 2023-09, "Income Taxes (Topic 740)". The standard requires reporting entities to provide disaggregated information on their effective tax rate reconciliation and income taxes paid. The standard is intended to aid business leaders and investors to make more informed investment decisions. The guidance is effective for annual periods beginning after December 15, 2024 and can be applied

prospectively, with an option for retrospective application, and early adoption is allowed. The Company plans to adopt this standard on January 1, 2025. The adoption is not expected to have a material impact on the Company's disclosures.

Recently Adopted Accounting Standards

In November 2023, the FASB issued ASU No. 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures", which requires public entities to disclose information about their reportable segments' significant expenses on an interim and annual basis. The amendments aim to improve interim disclosure requirements, clarify situations where an entity can reveal multiple segment measures of profit or loss, provide new segment disclosure requirements for entities with a single reportable segment, and include other disclosure requirements. The main objective of the amendments is to assist investors in understanding the entity's overall performance and evaluate potential future cash flows. The standard is effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024 with early adoption being permitted. We adopted the annual requirements of this standard effective January 1, 2024 and will adopt the interim period requirements of this standard effective January 1, 2025. This standard did not have a material effect on the Company's consolidated financial statements or disclosures.

In September 2022, the FASB issued ASU No. 2022-04, "Liabilities - Supplier Finance Programs (Subtopic 405-50)". This standard is intended to address requests from stakeholders for information about an entity's use of supplier finance programs and their effect on the entity's working capital, liquidity, and cash flows. The guidance was effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years, except for the amendment on roll-forward information requirement, which is effective for fiscal years beginning after December 15, 2023. The Company adopted this standard effective January 1, 2023, with the exception of the roll-forward information requirement, which we adopted in the current annual period. The adoption did not have a material effect on the Company's disclosures.

(2) Receivables, Contract Assets, Contract Liabilities and Performance Obligations

Contract Balances

The following table provides information about receivables, contract assets and contract liabilities balances as of December 31, 2024 and 2023 (in thousands):

	December 31,	
	2024	2023
Current receivables, which are included in "Accounts receivable, net"	$ 4,172,104	$ 3,568,290
Contract assets, net	81,980	120,518
Long-term accounts receivable, net	845,943	412,666
Long-term contract assets, net	$ 86,953	$ 132,780
Contract liabilities, which are included in "Accrued expenses and other current liabilities" and "Other liabilities"	$ 109,615	$ 107,217

Significant changes in the gross contract assets balances during the years ended December 31, 2024 and 2023 are as follows (in thousands):

	Contract Assets
Balances at December 31, 2022	$ 7,909
Balances at Contract assets acquired through business combination	246,666
Reclassification of beginning contract assets to receivables, as a result of rights to consideration becoming unconditional	(33,638)
Contract assets recognized, net of reclassification to receivables	51,350
Balances at December 31, 2023	$ 272,287
Reclassification of beginning contract assets to receivables, as a result of rights to consideration becoming unconditional	(85,619)
Contract assets recognized, net of reclassification to receivables	18,182
Measurement period adjustments to acquired contract assets	(26,412)
Balances at December 31, 2024	$ 178,438

Contract assets consist of amounts the Company is entitled to for the resale of third-party consumption-based services, prior to payment becoming unconditional. In these transactions, the Company invoices clients for the gross amount of consideration it is responsible to collect, including amounts ultimately passed on to the third-party service providers. As of December 31, 2024, contract assets, net of allowances, were $168,933,000.

Gross contract assets by our internal risk ratings as of December 31, 2024 are summarized as follows (in thousands):

	Contract Assets
Low risk	$ 40,116
Moderate risk	78,248
High risk	60,074
Total contract assets	$ 178,438

Significant changes in the liabilities balances during the years ended December 31, 2024 and 2023 are as follows (in thousands):

	Contract Liabilities
Balances at December 31, 2022	$ 102,057
Reclassification of the beginning contract liabilities to revenue, as the result of performance obligations satisfied	(67,351)
Cash received in advance and not recognized as revenue	72,511
Balances at December 31, 2023	$ 107,217
Reclassification of the beginning contract liabilities to revenue, as the result of performance obligations satisfied	(75,857)
Cash received in advance and not recognized as revenue	78,255
Balances at December 31, 2024	$ 109,615

Remaining performance obligations

The following table includes estimated net sales related to performance obligations that are unsatisfied (or partially unsatisfied) as of December 31, 2024 that are expected to be recognized in the future (in thousands):

	Services
2025	$ 122,937
2026	47,385
2027	28,313
2028 and thereafter	35,259
Total remaining performance obligations	$ 233,894

With the exception of remaining performance obligations associated with our OneCall Support Services contracts which are included in the table above regardless of original duration, the remaining performance obligations that have original expected durations of one year or less are not included in the table above. Amounts not included in the table above have an average original expected duration of seven months. Additionally, for our time and material services contracts, whereby we have the right to consideration from a client in an amount that corresponds directly with the value to the client of our performance completed to date, we recognized revenue in the amount to which we have a right to invoice as of December 31, 2024 and do not disclose information about related remaining performance obligations in the table above. Our open time and material contracts at December 31, 2024, have an average expected duration of 29 months.

Assets recognized for costs of obtaining a contract with a customer

Sales commissions are the only significant incremental costs incurred to obtain contracts with our clients. The majority of our contracts are completed within a one-year performance period, and for contracts with a specified term of one year or less, we recognize the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that we otherwise would have recognized is one year or less. We record sales commissions on contracts with performance periods that exceed one year as an asset and amortize the asset to expense over the related contract performance period. As of December 31, 2024 and 2023, the related asset balance was $11,912,291 and $11,892,384, respectively. The expense is expected to be recognized over the next 60 months.

(3) Assets Held for Sale

During 2023, we completed the sale of our properties in Montreal, Canada and Sheffield, United Kingdom for the total net proceeds of approximately $15,476,000. During 2024, we did not have any assets held for sale.

(4) Property and Equipment

Property and equipment consist of the following (in thousands):

	December 31,	
	2024	2023
Software	$ 153,380	$ 156,952
Buildings	93,415	109,639
Equipment	55,777	56,051
Furniture and fixtures	42,851	40,738
Leasehold improvements	53,660	28,077
Land	36,906	38,195
	435,989	429,652
Accumulated depreciation and amortization	(220,311)	(219,591)
Property and equipment, net	$ 215,678	$ 210,061

Depreciation and amortization expense related to property and equipment was $28,556,000, $26,245,000 and $23,722,000 in 2024, 2023 and 2022, respectively.

(5) Goodwill

The changes in the carrying amount of goodwill for the year ended December 31, 2024 are as follows (in thousands):

	North America	EMEA	APAC	Consolidated
Balance at December 31, 2022	$ 470,523	$ 15,987	$ 6,523	$ 493,033
Goodwill acquired during 2023	117,022	71,698	—	188,720
Foreign currency translation adjustment	1,338	1,163	91	2,592
Balance at December 31, 2023	$ 588,883	$ 88,848	$ 6,614	$ 684,345
Goodwill acquired during 2024	191,728	5,547	—	197,275
Measurement period adjustments	17,807	—	—	17,807
Foreign currency translation adjustment	(3,936)	(1,380)	(595)	(5,911)
Balance at December 31, 2024	$ 794,482	$ 93,015	$ 6,019	$ 893,516

On May 1, 2024, we acquired Infocenter, which is reported in our North America business. Under the acquisition method of accounting, the preliminary purchase price for the acquisition was allocated to the tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values. The excess purchase price over fair value of net assets acquired of approximately $190,725,000 was recorded as goodwill in the North America reporting unit. The primary driver for this acquisition was to enhance our Solutions Integrator offering framework to drive better business outcomes for our clients by enabling them to scale their multicloud environments with modern infrastructure, applications, and unified data and AI platforms.

On December 1, 2023, we acquired SADA, which is reported in our North America business. Under the acquisition method of accounting, the preliminary purchase price for the acquisition was allocated to the tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values. The excess purchase price over fair value of net

assets acquired of approximately $117,022,000 was recorded as goodwill in the North America reporting unit. The primary driver for this acquisition was to strengthen our ability to benefit from the growing trend of multicloud adoption, and to accelerate our progress toward our strategic objective of growing cloud services and solutions.

On August, 17, 2023 we acquired Amdaris, which is reported in our EMEA business. Under the acquisition method of accounting, the preliminary purchase price for the acquisition was allocated to the tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values. The excess purchase price over fair value of net assets acquired of approximately $71,698,000 was recorded as goodwill in the EMEA reporting unit. The primary driver for this acquisition was to expand our capacity to deliver services to support clients' digital transformation initiatives in EMEA.

We performed our annual test of goodwill for impairment during the fourth quarter of 2024. The results of the qualitative goodwill impairment test indicated that the fair values of our North America, EMEA and APAC reporting units were in excess of their respective carrying values.

(6) Intangible Assets

Intangible assets consist of the following (in thousands):

	December 31,	
	2024	**2023**
Customer relationships	$ 610,527	$ 501,831
Other	59,153	43,319
	669,680	545,150
Accumulated amortization	(243,187)	(175,463)
Intangible assets, net	$ 426,493	$ 369,687

During 2024, we periodically assessed whether any indicators of impairment existed related to our intangible assets. As of each interim period end during the year, we concluded that a triggering event had not occurred that would more likely than not reduce the fair value of our intangible assets below their carrying values.

Amortization expense recognized in 2024, 2023 and 2022 was $69,581,000, $36,231,000 and $32,892,000, respectively.

Future amortization expense for the remaining unamortized balance as of December 31, 2024 is estimated as follows (in thousands):

Years Ending December 31,	**Amortization Expense**
2025	$ 74,289
2026	72,657
2027	52,074
2028	49,060
2029	44,337
Thereafter	134,076
Total amortization expense	$ 426,493

(7) Accounts Payable - Inventory Financing Facilities

We have entered into agreements with financial intermediaries to facilitate the purchase of inventory from various suppliers under certain terms and conditions, as described below. The amounts outstanding under these facilities are classified separately as accounts payable - inventory financing facilities in the accompanying consolidated balance sheets.

Inventory Financing Facilities

We have maximum availability under our unsecured inventory financing facility with MUFG Bank Ltd ("MUFG") of $280,000,000. We have maximum availability under our unsecured inventory financing facility with PNC Bank, N.A. ("PNC") of $375,000,000, including a $25,000,000 facility in Canada (the "Canada facility"). We also have maximum availability under our unsecured inventory financing facility with Wells Fargo in EMEA (the "EMEA facility") of $50,000,000. As of December 31, 2024, our combined inventory financing facilities had a total maximum capacity of $705,000,000, of which $217,604,000 was outstanding.

The inventory financing facilities will remain in effect until they are terminated by any of the parties. In the second quarter of 2023, the Company transitioned the reference rate for invoices issued in U.S. Dollars under the PNC facility from LIBOR to the Term Secured Overnight Financing Rate ("Term SOFR") benchmark provisions. If balances are not paid within stated vendor terms (typically 60 days), they will accrue interest at prime plus 2.00% on the MUFG facility, Canadian Overnight Repo Rate Average plus 4.50% on the Canada facility and Term SOFR, EURIBOR, or SONIA, as applicable, plus 4.50% and 0.25% on the PNC (other than the Canada facility) and EMEA facilities, respectively. Amounts outstanding under these facilities are classified separately as accounts payable – inventory financing facilities in the accompanying consolidated balance sheets and within cash flows from financing activities in the accompanying consolidated statements of cash flows. We impute interest on the average daily balance outstanding during these stated vendor terms based on our incremental borrowing rate during the period. Imputed interest of $9,647,000, $13,276,000 and $15,523,000 was recorded in 2024, 2023 and 2022, respectively.

A roll forward of the inventory financing facilities balances during the year ended December 31, 2024 is as follows (in thousands):

	Inventory financing facilities
Balances at December 31, 2023	$ 231,850
Purchases made through the inventory financing facilities	1,262,870
Cash payments made to settle balances due on the inventory financing facilities	(1,276,447)
Foreign exchange adjustments	$ (669)
Balances at December 31, 2024	$ 217,604

(8) Debt, Finance Leases and Other Financing Obligations

Debt

Our long-term debt consists of the following (in thousands):

	December 31,	
	2024	2023
ABL revolving credit facility	$ 39,000	$ 591,500
Senior unsecured notes due 2032	492,222	—
Convertible senior notes due 2025	332,867	347,988
Other financing obligations	23	1,033
	864,112	940,521
Less: current portion of long-term debt	(332,879)	(348,004)
Long-term debt	$ 531,233	$ 592,517

On May 14, 2024, we entered into the Fourth Amendment to the Credit Agreement (as amended, the "credit agreement") to modify our senior secured revolving credit facility (the "ABL facility"). The amendment, among other things, releases certain immaterial guarantors from their obligations under the credit agreement. Our maximum borrowing amount under the ABL facility is $1,800,000,000, including a maximum borrowing capacity that could be used for borrowing in certain foreign currencies of $350,000,000. From time to time and at our option, we may request to increase the aggregate amount available for borrowing under the ABL facility by up to an aggregate of the U.S. dollar equivalent of $750,000,000, subject to customary conditions, including receipt of commitments from lenders. The ABL facility is guaranteed by certain of our material subsidiaries and is secured by a lien on certain of our assets and certain of each other borrower's and each guarantor's assets. The ABL facility provides for an uncommitted first-in, last-out revolving facility in an aggregate amount of up to $100,000,000. The interest rates applicable to borrowings under the ABL facility are based on the average aggregate excess availability under the ABL facility as set forth on a pricing grid in the credit agreement. The ABL facility matures on July 22, 2027. As of December 31, 2024, eligible accounts receivable and inventory permitted availability to the full $1,800,000,000 facility amount, of which $39,000,000 was outstanding.

The interest rates applicable to borrowings under the ABL facility are based on the average aggregate excess availability under the ABL facility as set forth on a pricing grid in the credit agreement. Amounts outstanding under the ABL facility bear interest, payable quarterly, at a floating rate equal to SOFR, EURIBOR, AUD Rate, or SONIA, as applicable, plus a pre-determined spread of 1.25% to 1.50%. The floating interest rate applicable at December 31, 2024 was 5.90% per annum for the ABL facility. In addition, we pay a quarterly commitment fee on the unused portion of the facility of 0.25%, and our letter of credit participation fee ranges from 1.25% to 1.50%. During 2024, weighted average borrowings under our ABL facility were $388,876,000. Interest expense associated with the ABL facility was $32,576,000, $30,116,000 and $21,362,000 in 2024, 2023 and 2022, respectively, including the commitment fee and amortization of deferred financing fees.

The ABL facility contains customary affirmative and negative covenants and events of default. If a default occurs (subject to customary grace periods and materiality thresholds) under the credit agreement, certain actions may be taken, including, but not limited to, possible termination of commitments and required payment of all outstanding principal amounts plus accrued interest and fees payable under the credit agreement.

Senior Unsecured Notes due 2032

On May 20, 2024, we issued $500,000,000 aggregate principal amount of 6.625% Senior Notes due 2032 (the "Senior Notes") that mature on May 15, 2032. The Senior Notes are

senior unsecured obligations of the Company and guaranteed by each of the Company's existing and future direct and indirect U.S. subsidiaries that is or becomes a guarantor or borrower under the ABL facility, subject to certain exceptions. The net proceeds from the offering were used to repay a portion of the outstanding borrowings under the ABL facility. The Senior Notes were issued pursuant to an indenture (the "Senior Notes Indenture") containing certain covenants that limit the Company's ability to, subject to certain exceptions, create, incur, or assume liens to secure debt, among other things. The Senior Notes bear interest at an annual rate of 6.625% payable semiannually, in arrears, on May 15th and November 15th of each year beginning on November 15, 2024.

The Company may redeem the Senior Notes prior to May 15, 2027, with an amount equal to the net cash proceeds received by the Company from certain equity offerings at a redemption price equal to 106.625% of the principal amount of such notes, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, in an aggregate principal amount for all such redemptions not to exceed 40% of the aggregate principal amount of the Senior Notes. The Senior Notes are subject to redemption at specified prices on or after May 15, 2027 plus accrued and unpaid interest, if any, on such notes redeemed, to, but excluding, the applicable redemption date. In addition, at any time prior to May 15, 2027, the Company may, on one or more occasions, redeem the Senior Notes in whole or in part, at its option, upon notice, at a redemption price equal to 100% of the principal amount of such notes plus a "make-whole" premium as specified in the Senior Notes Indenture and accrued and unpaid interest, if any, to, but excluding, the redemption date.

If the Company experiences certain change of control events, together with a ratings decline, as described in the Senior Notes Indenture, the Company will be required to make an offer to repurchase some or all of the Senior Notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the repurchase date.

The Senior Notes are subject to certain customary events of default and acceleration clauses. As of December 31, 2024, no such events have occurred.

The Senior Notes consist of the following balances reported within the consolidated balance sheet as of December 31, 2024 (in thousands):

	December 31, 2024
Liability:	
Principal	$ 500,000
Less: debt issuance costs, net of accumulated accretion	(7,778)
Net carrying amount	$ 492,222

Convertible Senior Notes due 2025

In August 2019, we issued $350,000,000 aggregate principal amount of the Convertible Notes that mature on February 15, 2025. The Convertible Notes bear interest at an annual rate of 0.75% payable semiannually, in arrears, on February 15th and August 15th of each year. The Convertible Notes are general unsecured obligations of Insight and are guaranteed on a senior unsecured basis by Insight Direct USA, Inc., a wholly owned subsidiary of Insight.

Prior to the close of business on the business day immediately preceding June 15, 2024, holders of the Convertible Notes could have converted their notes at their option at any time under certain circumstances. Beginning June 15, 2024 until the close of business on the second scheduled trading day immediately preceding the maturity date, the holders may convert their Convertible Notes at any time, regardless of such circumstances.

The Convertible Notes mature on February 15, 2025 and we are required to settle the principal amount of the Convertible Notes in cash. As such, the Convertible Notes balance net of unamortized debt issuance costs is classified as a current liability.

Upon conversion, we will pay cash equal to the principal amount of the Convertible Notes, plus shares of our common stock for any additional amounts due. The conversion rate will initially be 14.6376 shares of common stock per $1,000 principal amount of the Convertible Notes (equivalent to an initial conversion price of approximately $68.32 per share of common stock). The conversion rate is subject to change in certain circumstances and will not be adjusted for any accrued and unpaid interest.

As of December 31, 2024, the maximum number of shares issuable upon conversion, including the effect of a fundamental change and subject to other conversion rate adjustments, was 6,460,532.

In September 2023, an individual Convertible Note holder exercised their option to convert their Convertible Notes in the aggregate principal amount of $16,895,000, which was settled in January 2024. As a result, the principal amount of the Convertible Notes was settled in cash with additional amounts due being settled in shares of our common stock.

The Convertible Notes are subject to certain customary events of default and acceleration clauses. As of December 31, 2024, no such events have occurred.

The Convertible Notes consist of the following balances reported within the consolidated balance sheet as of December 31, 2024 and 2023 (in thousands):

	December 31,	
	2024	2023
Liability:		
Principal	$ 333,091	$ 350,000
Less: debt issuance costs, net of accumulated amortization	(224)	(2,012)
Net carrying amount	$ 332,867	$ 347,988

The following table summarizes the interest expense components resulting from the Convertible Notes reported within the consolidated statement of operations for the years ended December 31, 2024, 2023 and 2022 (in thousands):

	December 31,		
	2024	2023	2022
Contractual coupon interest	$ 2,625	$ 2,625	$ 2,625
Amortization of debt issuance costs	$ 1,789	$ 1,789	$ 1,789

In January 2022, we filed an irrevocable settlement election notice with the note holders to inform them of our election to settle the principal amount of the Convertible Notes in cash.

The remaining life of the debt issuance cost accretion is approximately 0.13 years. The effective interest rate on the principal of the Convertible Notes is 0.75%.

Interest expense resulting from the Convertible Notes reported within the consolidated statement of operations for the years ended December 31, 2024, 2023 and 2022 is made up of contractual coupon interest and amortization of debt issuance costs.

Convertible Note Hedge and Warrant Transaction

In connection and concurrent with the issuance of the Convertible Notes, we entered into certain convertible note hedge and warrant transactions (the "Call Spread Transactions") with respect to the Company's common stock.

The convertible note hedge consists of an option to purchase up to 5,123,160 common stock shares at a price of $68.32 per share. The hedge expires on February 15, 2025 and can only be concurrently executed upon the conversion of the Convertible Notes. We paid approximately $66,325,000 for the convertible note hedge transaction.

Additionally, we sold Warrants to purchase 5,123,160 shares of common stock at a price of $103.12 per share. The Warrants expire on May 15, 2025 and can only be exercised at maturity. The Company received aggregate proceeds of approximately $34,440,000 for the sale of the Warrants. See Note 21 for additional information about the planned settlement of a portion of the Warrants in cash.

The Call Spread Transactions have no effect on the terms of the Convertible Notes and reduce potential dilution by effectively increasing the initial conversion price of the Convertible Notes to $103.12 per share of the Company's common stock.

Other Financing Obligations

From time to time, we enter into finance leases and other financing agreements with financial intermediaries to facilitate the purchase of products from certain vendors.

The current and long-term portions of our other financing obligations are included in the current and long-term portions of long-term debt in the table above and in our consolidated balance sheets as of December 31, 2024 and 2023.

(9) Leases

We lease office space, distribution centers, land, vehicles and equipment. Lease agreements with an initial term of 12 months or less are not recorded on the balance sheet; we recognize lease expense for these leases on a straight-line basis over the lease term.

Certain lease agreements include one or more options to renew, with renewal terms that can extend the lease term from one to five years or more. The exercise of lease renewal options is at our sole discretion. Some agreements also include options to purchase the leased property. The estimated life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise.

Certain of our lease agreements include rental payments adjusted periodically for inflation. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The following table provides information about the financial statement classification of our lease balances reported within the consolidated balance sheets as of December 31, 2024 and December 31, 2023 (in thousands):

		December 31,	
Leases	**Classification**	**2024**	**2023**
Assets			
Operating lease assets	Other assets	$ 76,530	$ 84,956
Liabilities			
Current			
Operating lease liabilities	Accrued expenses and other current liabilities	$ 18,452	$ 20,582
Non-current			
Operating lease liabilities	Other liabilities	65,898	71,033
Total lease liabilities		$ 84,350	$ 91,615

The following table provides information about the financial statement classification of our lease expenses reported within the consolidated statement of operations for the years ended December 31, 2024 and 2023 (in thousands):

		December 31,	
Lease cost	**Classification**	**2024**	**2023**
Operating lease cost [(a)]	Selling and administrative expenses	$ 24,008	$ 24,054

(a) Excludes short-term and variable lease costs, which are immaterial.

Future minimum lease payments under non-cancelable leases as of December 31, 2024 are as follows (in thousands):

	Operating leases
2025	$ 21,758
2026	19,065
2027	16,154
2028	12,415
2029	9,997
After 2029	17,385
Total lease payments	96,774
Less: Interest	(12,424)
Present value of lease liabilities	$ 84,350

The following table provides information about the remaining lease terms and discount rates applied as of December 31, 2024 and 2023:

	December 31,	
	2024	2023
Weighted average remaining lease term (years):		
Operating leases	5.82	5.46
Weighted average discount rate (%):		
Operating leases	4.64	4.21

The following table provides other information related to leases for the years ended December 31, 2024 and 2023 (in thousands):

	December 31,	
	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 28,734	$ 24,088
Leased assets obtained in exchange for new operating lease liabilities[(a)]	19,906	28,675

(a) Includes operating lease assets acquired as part of the Infocenter acquisition of $3,706,000 in 2024. Includes operating lease assets acquired as part of the Amdaris and SADA acquisitions of $2,881,000 and $2,032,000 in 2023, respectively.

(10) Stock-Based Compensation

We recorded the following pre-tax amounts in selling and administrative expenses for stock-based compensation, by operating segment, in the accompanying consolidated financial statements (in thousands):

	Years Ended December 31,		
	2024	2023	2022
North America	$ 26,416	$ 22,069	$ 17,822
EMEA	6,226	5,557	3,960
APAC	1,329	1,325	928
Total Consolidated	$ 33,971	$ 28,951	$ 22,710

Company Plan

On April 3, 2020, our Board of Directors adopted and approved the new Insight Enterprises, Inc. 2020 Omnibus Plan (the "Plan"), subject to stockholder approval. The Plan was approved by our stockholders at our 2020 annual meeting on May 20, 2020 and unless sooner terminated, will remain in place until May 20, 2030. The Plan allows the Company to grant options, stock appreciation rights, stock awards, restricted stock, stock units (which may also be referred to as "restricted stock units" or "RSUs"), performance shares, performance units, cash-based awards and other awards payable in cash or shares of common stock to eligible non-employee directors, employees and consultants. Consultants and independent contractors are eligible if they provide bona fide services that are not related to capital raising or promoting or maintaining a market for the Company's stock.

We grant service-based RSUs and performance-based RSUs to officers and certain employees under the Plan. RSUs generally vest over a two to three year vesting period, while

performance-based RSUs are also subject to the achievement of pre-established annual financial and/or strategic performance goals.

Beginning in February 2022, we also granted performance-based RSUs based on a relative total shareholder return ("rTSR") metric to officers and certain employees under the Plan. The number of rTSR performance-based RSUs expected to be received at vesting will range from 0% to 200% of target, based on the Company's total shareholder return as compared to a group of peer companies over a three-year performance period. The Monte Carlo Simulation model is used to determine the fair value at grant date.

In 2023, we granted performance-based RSUs to our officers and certain employees (the "INA Ambition" grant). The number of RSUs granted was based on an INA Adjusted EFO margin financial metric, some of which also have an Absolute TSR ("aTSR") multiplier applied to the number of shares granted. These performance-based RSUs will be received at vesting, and their amount will range from 0% to 100% of the target, with a multiplier of up to 300% applied to certain grants. The performance period for these grants is from January 1, 2023, to December 31, 2024. Additionally, the performance-based RSUs based on the aTSR multiplier will vest 50% on the two-year anniversary of the grant, and the remaining 50% will vest on the three-year anniversary of the grant date. The INA Ambition grant performance measure was not attained and as a result none of the related awards vested.

The Company previously adopted the Amended Insight Enterprises, Inc. 2007 Omnibus Plan (the "Prior Plan"). The Prior Plan was approved by our stockholders on May 18, 2011 at our 2011 annual meeting. The Prior Plan shall remain in effect until all awards granted under the Prior Plan have been exercised, forfeited or cancelled or have otherwise expired or terminated. Any shares that remain outstanding or otherwise become available under the terms of the Prior Plan following the date the Plan is approved by the Company's stockholders shall become available for issuance under the Plan. No further awards will be made under the Prior Plan.

The Plan is administered by the Compensation Committee of Insight's Board of Directors, and, except as provided below, the Compensation Committee has the exclusive authority to administer the Plan, including the power to determine eligibility, the types of awards to be granted, the price and the timing of awards. Under the Plan, the Compensation Committee may delegate some of its authority to our Chief Executive Officer to grant awards to individuals other than individuals who are subject to the reporting requirements of Section 16(a) of the Securities Exchange Act of 1934, as amended. As of December 31, 2024, there are 1,963,450 shares of common stock available for grant under the Plan out of the 2,931,075 shares of common stock that were reserved and made available for grant under the Plan.

Accounting for Restricted Stock Units

We issue RSUs as incentives to certain officers and teammates and as compensation to members of our Board of Directors. We recognize compensation expense associated with the issuance of such RSUs over the vesting period for each respective RSU. The total compensation expense associated with service-based RSUs and performance based RSUs subject to financial metrics represent the value based upon the number of RSUs awarded multiplied by the closing price of our common stock on the date of grant. The total compensation expense associated with RSUs subject to market based metrics, the grant date fair value was computed on the probable outcome of the performance conditions based on the Monte Carlo simulation and the grant date estimate of compensation cost to be recognized over the performance period. The number of RSUs to be awarded under our service-based RSUs is fixed at the grant date. The number of RSUs ultimately awarded under our performance-based RSUs varies based on whether the Company achieves certain financial or market based results. We record compensation expense each period based on our estimate of the most probable number of RSUs that will be issued under the grants of performance-based RSUs subject to financial metrics. Recipients of RSUs do not have voting or dividend rights until the vesting conditions are satisfied and shares are released.

As of December 31, 2024, total compensation cost related to nonvested RSUs not yet recognized is $36,004,000, which is expected to be recognized over the next 0.96 years on a weighted-average basis.

The following table summarizes our RSU activity during 2024:

	Number	Weighted Average Grant Date Fair Value	Fair Value
Nonvested at the beginning of year	653,902	$ 123.23	
Service-based RSUs granted	149,829	$ 185.69	
Performance-based RSUs granted	29,471	$ 182.66	
Performance-based RSUs (rTSR) granted	29,814	$ 212.67	
Performance-based RSUs - EMEA Ambition granted	7,535	$ 185.94	
Adjustment for Final Performance: 2022 rTSR	2,500	$ 99.05	
Adjustment for Final Performance: INA Ambition	(93,943)	$ 175.10	
Vested, including shares withheld to cover taxes	(250,107)	$ 98.37	$ 46,290,045 (a)
Forfeited	(47,239)	$ 139.49	
Nonvested at the end of year	481,762	$ 154.90	$ 73,276,000 (b)

(a) The aggregate fair value of vested RSUs represents the total pre-tax fair value, based on the closing stock price on the day of vesting, which would have been received by holders of RSUs had all such holders sold their underlying shares on that date. The aggregate intrinsic value for RSUs which vested during 2023 and 2022 was $39,239,334 and $29,805,641, respectively.

(b) The aggregate fair value of the nonvested RSUs and the RSUs expected to vest represents the total pre-tax fair value, based on our closing stock price of $152.10 as of December 31, 2024, which would have been received by holders of RSUs had all such holders sold their underlying shares on that date.

During each of the years in the three-year period ended December 31, 2024, the RSUs that vested for teammates in the United States were net-share settled such that we withheld shares with value equivalent up to the teammates' maximum statutory United States tax obligation for the applicable income and other employment taxes and remitted the equivalent cash amount to the appropriate taxing authorities. The total shares withheld during 2024, 2023 and 2022 of 65,972, 79,636 and 79,611, respectively, were based on the value of the RSUs on their vesting dates as determined by our closing stock price on such dates. For 2024, 2023 and 2022, total payments for our teammates' tax obligations to the taxing authorities were $12,173,309, $10,659,000 and $7,905,000, respectively, and are reflected as a financing activity within the accompanying consolidated statements of cash flows. These net-share settlements had the effect of repurchases of our common stock as they reduced the number of shares that would have otherwise been issued as a result of the vesting and did not represent an expense to us.

Employee Stock Purchase Plan

The Employee Stock Purchase Plan (the "ESPP") is a broadly-based stock purchase plan in which any eligible employee may elect to participate by authorizing the Company to make payroll deductions in a designated percentage to pay the price of an option. In no event will the ESPP permit an employee to purchase common stock with a fair market value in excess of $25,000 in any calendar year. The first purchase under the ESPP was made on February 16, 2024, in accordance with the ESPP.

There are four, three-month offering periods in each calendar year beginning on February 18, May 18, August 18, and November 18, respectively. Purchases under the ESPP are made on the last trading day of each offering period. Unless otherwise determined by the Compensation Committee, the purchase price of shares offered under the ESPP is an amount equal to 95% of the fair market value of the common stock on the date of purchase. The ESPP is designed to comply with Section 423 of the Internal Revenue Code (the "IRC"), and thus is eligible for the favorable tax treatment afforded by Section 423.

(11) Income Taxes

The following table presents the U.S. and foreign components of earnings before income taxes and the related income tax expense (in thousands):

	Years Ended December 31,		
	2024	2023	2022
Earnings before income taxes:			
United States	$ 207,715	$ 263,421	$ 274,415
Foreign	125,198	114,433	100,018
	$ 332,913	$ 377,854	$ 374,433
Income tax expense:			
Current:			
U.S. Federal	$ 32,195	$ 62,575	$ 61,245
U.S. State and local	8,205	16,764	15,788
Foreign	34,526	30,286	26,043
	74,926	109,625	103,076
Deferred:			
U.S. Federal	7,701	(10,923)	(7,267)
U.S. State and local	2,369	(3,324)	(1,153)
Foreign	(1,774)	1,167	(831)
	8,296	(13,080)	(9,251)
	$ 83,222	$ 96,545	$ 93,825

The following schedule reconciles the differences between the U.S. federal income taxes at the U.S. statutory rate and our income tax expense (dollars in thousands):

	2024		2023		2022	
Statutory federal income tax rate	$ 69,912	21.0 %	$ 79,349	21.0 %	$ 78,631	21.0 %
State income tax expense, net of federal income tax benefit	11,362	3.4	12,113	3.2	13,962	3.7
Audits and adjustments, net	328	0.1	(925)	(0.2)	2,273	0.6
Change in valuation allowances	356	0.1	1,616	0.4	(2,551)	(0.7)
Foreign income taxed at different rates	7,561	2.3	6,133	1.6	5,660	1.5
Research and other credits	(6,211)	(1.9)	(3,036)	(0.8)	(3,870)	(1.0)
Other, net	(86)	—	1,295	0.4	(280)	—
Effective tax rate	$ 83,222	25.0 %	$ 96,545	25.6 %	$ 93,825	25.1 %

As of December 31, 2024, we have accumulated undistributed earnings generated by our foreign subsidiaries, most of which have been taxed in the U.S. as a result of the Tax Cuts and Jobs Act of 2017. For foreign subsidiary earnings not yet taxed under these provisions, we continue to assert permanent reinvestment of earnings earned in foreign jurisdictions which impose a withholding tax on dividends and, accordingly, have not accrued any additional income or withholding taxes on the potential repatriation of these earnings. At the present time, given the various complexities involved in repatriating earnings, it is not practicable to estimate the amount of tax that may be payable if these earnings were not reinvested indefinitely.

The significant components of deferred tax assets and liabilities are as follows (in thousands):

	December 31,	
	2024	2023
Deferred tax assets:		
Capitalized research expenses	$ 42,827	$ 33,569
Loss carryforwards	26,244	25,690
Foreign tax credits	8,880	9,976
Other	33,930	31,246
Gross deferred tax assets	111,881	100,481
Valuation allowances	(32,978)	(33,385)
Total deferred tax assets	78,903	67,096
Deferred tax liabilities:		
Goodwill and other intangibles	(86,737)	(58,512)
Property and equipment	(33,223)	(31,194)
Contract assets (net)	(18,026)	—
Other	(1,940)	(1,916)
Total deferred tax liabilities	(139,926)	(91,622)
Net deferred tax liabilities	$ (61,023)	$ (24,526)

The net non-current deferred tax assets and liabilities are as follows (in thousands):

	December 31,	
	2024	2023
Net non-current deferred tax assets, which are included in "Other assets"	$ 3,436	$ 3,062
Net non-current deferred tax liabilities	(64,459)	(27,588)
Net deferred tax liabilities	$ (61,023)	$ (24,526)

As of December 31, 2024, we have U.S. state and foreign net operating loss carryforwards ("NOLs") that will expire between 2025 and 2044, while the majority have no expiration date. Due to the uncertainty around future utilization, we have recorded a valuation allowance against the majority of these NOLs.

We have provided valuation allowances for certain of our deferred tax assets where we believe it is more likely than not that the related tax benefits will not be realized. At December 31, 2024 and 2023, our valuation allowances totaled $32,978,000 and $33,385,000, respectively, relating primarily to foreign tax credits and NOLs. This decrease was primarily the result of tax attributes utilized during the year.

As of December 31, 2024 and 2023, we had approximately $11,060,000 and $13,947,000, respectively, of unrecognized tax benefits. Of these amounts, approximately $1,449,000 and $1,767,000, respectively, related to accrued interest. The changes in the unrecognized tax benefits balance during the year reflect additions for tax positions taken in prior and current periods, net of reductions related to audit settlements and statute expirations.

We are currently under audit in various jurisdictions for tax years 2017 through 2022. Although the timing of the resolutions and/or closures of audits is highly uncertain, it is reasonably possible that the examination phase of these audits may be concluded within the next 12 months which could increase or decrease the balance of our gross unrecognized tax benefits. However, based on the status of the various examinations in multiple jurisdictions, an estimate of the range of reasonably possible outcomes cannot be made at this time, but the estimated effect on our income tax expense and net earnings is not expected to be significant.

In the U.S., federal income tax returns for years subsequent to 2021 remain open to examination. For state and foreign jurisdictions, the statute of limitations generally varies between three and ten years. However, to the extent allowable by law, the tax authorities may have a right to examine and make adjustment to prior periods when amended returns have been filed, or when net operating losses or tax credits were generated and carried forward for subsequent utilization.

(12) Market Risk Management

Interest Rate Risk

We have interest rate exposure arising from certain of our financing facilities, which have variable interest rates. These variable interest rates are affected by changes in short-term interest rates. We currently do not hedge our interest rate exposure.

We do not believe that the effect of reasonably possible near-term changes in interest rates will be material to our financial position, results of operations and cash flows. Our financing facilities expose our net earnings to changes in short-term interest rates since interest rates on the underlying obligations are variable. We had $39,000,000 outstanding under our ABL facility and the interest rate attributable to the borrowings under our ABL facility was 5.90% per annum at December 31, 2024. The change in annual pre-tax earnings from operations resulting from a hypothetical 10% increase or decrease in the interest rate would have been immaterial.

We had $492,222,000 outstanding under the Senior Notes and $332,867,000 outstanding under the Convertible Notes at December 31, 2024. The interest rate attributable to the borrowings under the Senior Notes and the Convertible Notes was 6.625% and 0.75%, respectively, per annum at December 31, 2024. Both the Senior Notes and the Convertible Notes are based on fixed rates and are currently not considered to have interest rate risk exposure. Although the Senior Notes and the Convertible Notes are based on fixed rates, changes in market interest rates could impact the fair market value of such notes. As of December 31, 2024, the fair market value of the Senior Notes was $503,250,000 and the fair market value of the Convertible Notes was $751,926,285.

Foreign Currency Exchange Risk

We have foreign currency exchange risk related to the translation of our foreign subsidiaries' operating results, assets and liabilities (see Note 1 for a description of our Foreign Currencies policy). We also maintain cash accounts denominated in currencies other than the functional currency, which expose us to fluctuations in foreign exchange rates. Remeasurement of these cash balances results in gains/losses that are also reported in other (income) expense, net within non-operating expense (income), net. We monitor our foreign currency exposure and selectively enter into forward exchange contracts to mitigate risk associated with certain non-functional currency monetary assets and liabilities related to foreign denominated payables, receivables and cash balances. Transaction gains and losses resulting from non-functional currency assets and liabilities are offset by gains and losses on forward contracts in non-operating expense (income), net in our consolidated statements of operations. The counterparties associated with our

foreign exchange forward contracts are large creditworthy commercial banks. The derivatives transacted with these institutions are short in duration and, therefore, we do not consider counterparty concentration and non-performance to be material risks. The Company does not have a significant concentration of credit risk with any single counterparty.

(13) Fair Value Measurements

Fair value measurements are determined based on the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.
Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.
Level 3: Unobservable inputs that are not corroborated by market data.

As of December 31, 2024, we have no non-financial assets or liabilities that are measured and recorded at fair value on a recurring basis, and our other financial assets or liabilities generally consist of cash and cash equivalents, accounts receivable, contract assets, long-term contract assets, accounts payable, accrued expenses and other current liabilities and long-term debt. The estimated fair values of our cash and cash equivalents approximate their carrying values and are determined based on quoted prices in active markets for identical assets. The estimated fair values of our long-term debt balances, excluding the Senior Notes and the Convertible Notes, approximate their carrying values based on their variable interest rate terms that are based on current market interest rates for similar debt instruments. The fair market value of the Senior Notes and the Convertible Notes as of December 31, 2024 is disclosed in Note 12. The fair values of the other financial assets and liabilities are based on the values that would be received or paid in an orderly transaction between market participants and approximate their carrying values due to their nature and/or short duration.

(14) Benefit Plans

We adopted a defined contribution benefit plan (the "Defined Contribution Plan") for our U.S. teammates which complies with section 401(k) of the IRC. The Company provides a discretionary match to all participants who make 401(k) contributions pursuant to the Defined Contribution Plan. The discretionary match provided to participants is equivalent to 50% of a participant's pre-tax contributions up to a maximum of 6% of eligible compensation per pay period. Additionally, we offer several defined contribution benefit plans to our teammates outside of the United States. These plans and their related terms vary by country. Total consolidated contribution expense under these plans was $30,288,000, $28,341,000 and $27,827,000 for 2024, 2023 and 2022, respectively.

(15) Share Repurchase Programs

On May 18, 2023, we announced that our Board of Directors authorized the repurchase of up to $300,000,000 of our common stock, including $100,000,000 that remained available from prior authorizations. During 2024, this repurchase authorization was substantially exhausted. On September 11, 2024, we announced that our Board of Directors authorized the repurchase of up to $300,000,000 of our common stock, in addition to any amount that remained from prior authorizations. As of December 31, 2024, approximately $300,000,476 remained available for repurchases under our share repurchase plan. Our share repurchases may be made on the open market, subject to Rule 10b-18 or in privately negotiated transactions, through block trades, through 10b5-1 plans or otherwise, at management's discretion. The number of shares purchased and the timing of the purchases will be based on market conditions, working capital requirements, general business conditions and other factors. We intend to retire the repurchased shares.

The following table summarizes the shares of our common stock that we repurchased on the open market under these repurchase programs during the years ended December 31, 2024, 2023 and 2022, respectively, in thousands, except per share amounts:

Year	Total Number of Shares Purchased	Average Price Paid per Share	Approximate Dollar Value of Shares Purchased
2024	1,023	$ 195.61	$ 200,000
2023	1,634	132.90	217,000
2022	1,109	97.35	108,000
	3,766		$ 525,000

All shares repurchased were retired.

(16) Commitments and Contingencies

Contractual

In the ordinary course of business, we issue performance bonds to secure our performance under certain contracts or state tax requirements. As of December 31, 2024, we had approximately $29,610,000 of performance bonds outstanding. These bonds are issued on our behalf by a surety company on an unsecured basis; however, if the surety company is ever required to pay out under the bonds, we have contractually agreed to reimburse the surety company.

Management believes that payments, if any, related to these performance bonds are not probable at December 31, 2024. Accordingly, we have not accrued any liabilities related to such performance bonds in our consolidated financial statements.

The Company has a minimum required purchase commitment of approximately $100,467,000 pursuant to an agreement primarily related to cloud services. The total purchase commitment is required to be met or exceeded during a 5-year period, starting October 1, 2023 through September 30, 2028. At December 31, 2024 we had a remaining purchase commitment of $78,859,000. If total purchases do not meet the required commitment by September 30, 2028, the shortfall must be prepaid by the Company and can be used for further purchases through September 30, 2029.

The Company has a minimum required purchase commitment of approximately $40,000,000 pursuant to an agreement primarily related to software as a service. The total purchase commitment is required to be met during a 4-year period, starting November 30, 2022 through November 29, 2026. At December 31, 2024 we had a remaining purchase commitment of $26,123,000.

The Company has recorded a contingent liability of approximately $15,016,000, payable to a partner to settle various contractual commitments to resell a minimum amount of cloud services to clients.

Employment Contracts and Severance Plans

We have employment contracts with, and severance plans covering, certain officers and management teammates under which severance payments would become payable in the event of specified terminations without cause or terminations under certain circumstances after a change in control. In addition, vesting of outstanding nonvested RSUs would accelerate following a change in control. If severance payments under the current employment agreements or plan payments were to become payable, the severance payments would generally range from three to twenty-four months of salary.

Indemnifications

From time to time, in the ordinary course of business, we enter into contractual arrangements under which we agree to indemnify either our clients or third-party service providers from certain losses incurred relating to services performed on our behalf or for losses arising from defined events, which may include litigation or claims relating to past performance. These arrangements include, but are not limited to, the indemnification of our clients for certain claims arising out of our performance under our sales contracts, the indemnification of our landlords for certain claims arising from our use of leased facilities and the indemnification of the lenders that provide our credit facilities for certain claims arising from their extension of credit to us. Such indemnification obligations may not be subject to maximum loss clauses.

Management believes that payments, if any, related to these indemnifications are not probable at December 31, 2024. Accordingly, we have not accrued any liabilities related to such indemnifications in our consolidated financial statements.

We have entered into separate indemnification agreements with certain of our executive officers and with each of our directors. These agreements require us, among other requirements, to indemnify such officers and directors against expenses (including attorneys' fees), judgments and settlements incurred by such individual in connection with any action arising out of such individual's status or service as our executive officer or director (subject to exceptions such as where the individual failed to act in good faith or in a manner the individual reasonably believed to be in, or not opposed to, the best interests of the Company) and to advance expenses incurred by such individual with respect to which such individual may be entitled to indemnification by us. There are no pending legal proceedings that involve the indemnification of any of the Company's directors or officers.

Contingencies Related to Third-Party Review

From time to time, we are subject to potential claims and assessments from third parties. We are also subject to various governmental, client and partner audits. We continually assess whether or not such claims have merit and warrant accrual. Where appropriate, we accrue estimates of anticipated liabilities in our consolidated financial statements. Such estimates are subject to change and may affect our results of operations and our cash flows.

Legal Proceedings

From time to time, we are party to various legal proceedings incidental to the business, including preference payment claims asserted in client bankruptcy proceedings, indemnification claims, claims of alleged infringement of patents, trademarks, copyrights and other intellectual property rights, employment claims, claims related to services provided, interruptions, or outages, claims of alleged non-compliance with contract provisions and claims related to alleged violations of laws and regulations. We regularly evaluate the status of the legal proceedings in which we are involved to assess whether a loss is probable or there is a reasonable possibility that a loss, or an additional loss, may have been incurred and determine if accruals are required. If accruals are not required, we further evaluate each legal proceeding to assess whether an estimate of possible loss or range of possible loss can be made. Although litigation is inherently unpredictable, we believe that we have adequate provisions for any probable and estimable losses. It is possible, nevertheless, that our consolidated financial position, results of operations or liquidity could be materially and adversely affected in any particular period by the work required pursuant to any legal proceedings or the resolution of any legal proceedings during such period. Legal expenses related to defense of any legal proceeding or the negotiations, settlements, rulings and advice of outside legal counsel in connection with any legal proceedings are expensed as incurred.

(17) Supplemental Financial Information

Additions and deductions related to the allowance for doubtful accounts receivable for 2024, 2023 and 2022 were as follows (in thousands):

	Balance at Beginning of Year	Additions	Deductions	Balance at End of Year
Allowance for doubtful accounts receivable:				
Year ended December 31, 2024	$ 12,623	$ 25,504	$ (2,440)	$ 35,687
Year ended December 31, 2023	$ 15,161	$ 6,879	$ (9,417)	$ 12,623
Year ended December 31, 2022	$ 16,941	$ 6,066	$ (7,846)	$ 15,161

(18) Cash Flows

Cash payments for interest on indebtedness and cash payments for taxes on income were as follows (in thousands):

	Years Ended December 31,		
	2024	2023	2022
Supplemental disclosures of cash flow information:			
Cash paid during the year for interest	$ 35,232	$ 28,292	$ 16,295
Cash paid during the year for income taxes, net of refunds	$ 92,840	$ 104,495	$ 91,485

(19) Segment and Geographic Information

We operate in three reportable geographic operating segments: North America; EMEA; and APAC. Our offerings in North America and certain countries in EMEA and APAC include IT hardware, software and services, including cloud solutions. Our offerings in the remainder of our EMEA and APAC segments consist largely of software and certain software-related services and cloud solutions.

Disaggregation of Revenue

In the following table, revenue is disaggregated by our reportable operating segments, which are primarily defined by their related geographies, as well as by major product offering, by major client group and by recognition on either a gross basis as a principal in the arrangement, or on a net basis as an agent, for the years ended December 31, 2024, 2023 and 2022 (in thousands):

	Year Ended December 31, 2024			
	North America	EMEA	APAC	Consolidated
Major Offerings				
Hardware	$ 4,038,341	$ 501,111	$ 35,448	$ 4,574,900
Software	1,721,403	626,372	92,965	2,440,740
Services	1,294,836	286,614	104,608	1,686,058
	$ 7,054,580	$ 1,414,097	$ 233,021	$ 8,701,698
Major Client Groups				
Large Enterprise / Corporate	$ 4,863,830	$ 1,090,316	$ 90,520	$ 6,044,666
Commercial	1,433,458	30,562	66,340	1,530,360
Public Sector	757,292	293,219	76,161	1,126,672
	$ 7,054,580	$ 1,414,097	$ 233,021	$ 8,701,698
Revenue Recognition based on acting as Principal or Agent in the Transaction				
Gross revenue recognition (Principal)	$ 6,480,667	$ 1,283,792	$ 191,727	$ 7,956,186
Net revenue recognition (Agent)	573,913	130,305	41,294	745,512
	$ 7,054,580	$ 1,414,097	$ 233,021	$ 8,701,698

	Year Ended December 31, 2023			
	North America	EMEA	APAC	Consolidated
Major Offerings				
Hardware	$ 4,498,466	$ 546,621	$ 43,850	$ 5,088,937
Software	1,669,046	784,717	88,688	2,542,451
Services	1,214,842	232,316	97,294	1,544,452
	$ 7,382,354	$ 1,563,654	$ 229,832	$ 9,175,840
Major Client Groups				
Large Enterprise / Corporate	$ 5,210,365	$ 1,176,415	$ 94,982	$ 6,481,762
Commercial	1,418,680	22,103	70,879	1,511,662
Public Sector	753,309	365,136	63,971	1,182,416
	$ 7,382,354	$ 1,563,654	$ 229,832	$ 9,175,840
Revenue Recognition based on acting as Principal or Agent in the Transaction				
Gross revenue recognition (Principal)	$ 6,869,025	$ 1,447,082	$ 194,769	$ 8,510,876
Net revenue recognition (Agent)	513,329	116,572	35,063	664,964
	$ 7,382,354	$ 1,563,654	$ 229,832	$ 9,175,840

	Year Ended December 31, 2022			
	North America	EMEA	APAC	Consolidated
Major Offerings				
Hardware	$ 5,738,586	$ 654,381	$ 57,928	$ 6,450,895
Software	1,552,715	857,516	86,661	2,496,892
Services	1,193,091	200,624	89,689	1,483,404
	$ 8,484,392	$ 1,712,521	$ 234,278	$ 10,431,191
Major Client Groups				
Large Enterprise / Corporate	$ 5,990,203	$ 1,249,286	$ 102,476	$ 7,341,965
Commercial	1,710,340	61,873	68,491	1,840,704
Public Sector	783,849	401,362	63,311	1,248,522
	$ 8,484,392	$ 1,712,521	$ 234,278	$ 10,431,191
Revenue Recognition based on acting as Principal or Agent in the Transaction				
Gross revenue recognition (Principal)	$ 8,035,218	$ 1,603,600	$ 199,788	$ 9,838,606
Net revenue recognition (Agent)	449,174	108,921	34,490	592,585
	$ 8,484,392	$ 1,712,521	$ 234,278	$ 10,431,191

The method for determining what information regarding operating segments, products and services, geographic areas of operation and major clients to report is based upon the "management approach," or the way that management organizes the operating segments within a company, for which separate financial information is evaluated regularly by the Chief Operating

Decision Maker ("CODM") in deciding how to allocate resources. Our CODM is our Chief Executive Officer, Joyce Mullen.

All significant intercompany transactions are eliminated upon consolidation, and there are no differences between the accounting policies used to measure profit and loss for our segments or on a consolidated basis. Net sales are defined as net sales to external clients. None of our clients exceeded ten percent of consolidated net sales in 2024, 2023 or 2022.

A portion of our operating segments' selling and administrative expenses arise from shared services and infrastructure that we have historically provided to them in order to realize economies of scale and to use resources efficiently. These expenses, collectively identified as corporate charges, include senior management expenses, internal audit, legal, tax, insurance services, treasury and other corporate infrastructure expenses. Charges are allocated to our operating segments, and the allocations have been determined on a basis that we considered to be a reasonable reflection of the utilization of services provided to or benefits received by the operating segments.

The tables below present information about our reportable operating segments (in thousands):

	Year Ended December 31, 2024			
	North America	EMEA	APAC	Consolidated
Net sales:				
Hardware	$ 4,038,341	$ 501,111	$ 35,448	$ 4,574,900
Software	1,721,403	626,372	92,965	2,440,740
Services	1,294,836	286,614	104,608	1,686,058
Total net sales	7,054,580	1,414,097	233,021	8,701,698
Costs of goods sold:				
Hardware	3,514,630	423,475	30,648	3,968,753
Software	1,616,648	588,466	85,948	2,291,062
Services	521,308	108,968	45,591	675,867
Total costs of goods sold	5,652,586	1,120,909	162,187	6,935,682
Gross profit	1,401,994	293,188	70,834	1,766,016
Operating expenses:				
Significant selling and administrative expenses	953,601	231,026	45,046	1,229,673
Stock-based compensation	26,416	6,226	1,329	33,971
Adjusted earnings from operations	421,977	55,936	24,459	502,372

	Year Ended December 31, 2023			
	North America	EMEA	APAC	Consolidated
Net sales:				
Hardware	$ 4,498,466	$ 546,621	$ 43,850	$ 5,088,937
Software	1,669,046	784,717	88,688	2,542,451
Services	1,214,842	232,316	97,294	1,544,452
Total net sales	7,382,354	1,563,654	229,832	9,175,840
Costs of goods sold:				
Hardware	3,950,853	477,245	38,613	4,466,711
Software	1,569,848	740,340	82,279	2,392,467
Services	515,698	86,082	45,357	647,137
Total costs of goods sold	6,036,399	1,303,667	166,249	7,506,315
Gross profit	1,345,955	259,987	63,583	1,669,525
Operating expenses:				
Significant selling and administrative expenses	899,527	206,860	42,060	1,148,447
Stock-based compensation	22,069	5,557	1,325	28,951
Adjusted earnings from operations	424,359	47,570	20,198	492,127

	Year Ended December 31, 2022			
	North America	EMEA	APAC	Consolidated
Net sales:				
Hardware	$ 5,738,586	$ 654,381	$ 57,928	$ 6,450,895
Software	1,552,715	857,516	86,661	2,496,892
Services	1,193,091	200,624	89,689	1,483,404
Total net sales	8,484,392	1,712,521	234,278	10,431,191
Costs of goods sold:				
Hardware	5,117,909	582,162	51,242	5,751,313
Software	1,465,181	813,707	81,051	2,359,939
Services	572,969	69,383	41,020	683,372
Total costs of goods sold	7,156,059	1,465,252	173,313	8,794,624
Gross profit	1,328,333	247,269	60,965	1,636,567
Operating expenses:				
Significant selling and administrative expenses	911,430	195,332	40,485	1,147,247
Stock based compensation	17,822	3,960	928	22,710
Adjusted earnings from operations	399,081	47,977	19,552	466,610

Our CODM uses Adjusted earnings from operations when assessing the performance of and deciding how to allocate resources to the operating segments. For example, Adjusted earnings from operations is a basis for executive variable compensation. Significant selling and administrative expenses primarily reflect personnel costs, including teammate benefits. Our CODM uses an Adjusted measure of earnings from operations which excludes amortization of intangible assets, severance and restructuring expenses, acquisition and integration related expenses and

certain other expenses. These other expenses include transformation costs, costs associated with third-party data center outages, net of recoveries, revaluation of earnout liabilities and other non-significant expenses. Our CODM uses comparisons of actual Adjusted earnings from operations against budget, forecasts and prior periods as a basis for assessing current period segment performance as well as for determining necessary resources to assign, including for determining necessary investments or reductions in resources.

The following table is a summary of our total assets by reportable operating segment (in thousands):

	December 31,	
	2024	2023
North America	$ 6,704,511	$ 6,521,591
EMEA	1,484,341	1,058,734
APAC	190,678	171,820
Corporate assets and intercompany eliminations, net	(930,952)	(1,465,795)
Total assets	$ 7,448,578	$ 6,286,350

The following is a summary of our geographic net sales and long-lived assets, consisting of property and equipment, net (in thousands):

	United States	United Kingdom	Other Foreign	Total
2024				
Net sales	$ 6,607,418	$ 726,261	$ 1,368,019	$ 8,701,698
Total long-lived assets	$ 188,819	$ 11,675	$ 15,184	$ 215,678
2023				
Net sales	$ 6,923,030	$ 709,078	$ 1,543,732	$ 9,175,840
Total long-lived assets	$ 187,625	$ 4,748	$ 17,688	$ 210,061
2022				
Net sales	$ 7,973,814	$ 838,943	$ 1,618,434	$ 10,431,191
Total long-lived assets	$ 182,482	$ 4,601	$ 17,177	$ 204,260

Net sales by geographic area are presented by attributing net sales to external customers based on the domicile of the selling location.

We recorded the following pre-tax amounts, by operating segment, for depreciation and amortization in the accompanying consolidated financial statements (in thousands):

	Years Ended December 31,		
	2024	2023	2022
Depreciation and amortization of property and equipment:			
North America	$ 24,587	$ 22,964	$ 20,587
EMEA	3,461	2,838	2,538
APAC	508	443	597
	28,556	26,245	23,722
Amortization of intangible assets:			
North America	62,377	32,514	30,735
EMEA	6,912	3,277	1,696
APAC	292	440	461
	69,581	36,231	32,892
Total	$ 98,137	$ 62,476	$ 56,614

(20) Acquisitions

Infocenter

Effective May 1, 2024, we acquired 100 percent of the issued and outstanding shares of Infocenter for a cash purchase price of $265,000,000, net of cash and cash equivalents acquired of $5,103,000, which is comprised of the initial purchase price of $269,477,000 paid in cash upon the acquisition and contractual adjustments to the purchase price of $626,000 paid in July 2024. The total purchase price of $289,200,000 also includes the estimated fair value of earn out payments of approximately $24,200,000, which provide an incentive opportunity for the sellers of up to $106,250,000, based on Infocenter achieving certain EBITDA performance through April 2026. Infocenter is a pure-play ServiceNow Elite Partner dedicated to automating business processes on the Now Platform®. We believe this acquisition enhances our Solutions Integrator offering framework to drive better business outcomes for our clients by enabling them to scale their multicloud environments with modern infrastructure, applications, and unified data and AI platforms.

The preliminary fair value of net assets acquired was approximately $98,475,000, including approximately $123,900,000 of identifiable intangible assets, consisting primarily of customer relationships that will be amortized using the straight-line method over the estimated economic life of ten years. As these intangible assets are not tax deductible, we recognized a related deferred tax liability of approximately $31,832,000. The preliminary purchase price was allocated using the information currently available. Further information obtained upon the finalization of the fair value assumptions for identifiable intangible assets acquired and various accrued expense balance assessments could lead to an adjustment of the purchase price allocation. Goodwill acquired approximated $190,725,000, which was recorded in our North America operating segment.

We consolidated the results of operations for Infocenter within our North America operating segment since its acquisition on May 1, 2024. Our historical results would not have been materially affected by the acquisition of Infocenter and, accordingly, we have not presented pro forma information as if the acquisition had been completed at the beginning of each period presented in our consolidated statement of operations.

We recognized a net loss of $18,800,000 within selling and administrative expenses due to the net increase in the estimated fair value of the earnout payments in 2024.

SADA

Effective December 1, 2023, we acquired 100 percent of the issued and outstanding shares of SADA Systems, LLC (successor to SADA Systems, Inc. via conversion) ("SADA") for a preliminary cash purchase price of $399,762,000, excluding cash and cash equivalents acquired of $24,701,000. SADA is a leading cloud consultancy and technical services provider and six-time Google Cloud Partner of the Year, including cloud licensing and professional services to small, mid-sized and corporate/enterprise commercial clients, state and federal governments and educational institutions across North America, Europe and Asia. Based in Los Angeles, California, SADA has three office locations in North America, India and Armenia with more than 700 teammates. We believe that this acquisition advances our strategy and further strengthens our unique position as a leading Solutions Integrator offering market-leading multicloud solutions at scale. SADA's partnership with Google Cloud will enhance our ability to serve clients who operate across multiple clouds and accelerate adoption of widely sought-after technologies like Generative Artificial Intelligence. SADA is being reported as a part of our North America operating segment.

The total purchase price of $426,050,000, which is net of cash and cash equivalents acquired of $24,701,000, is comprised of the initial purchase price of $423,290,000 paid in cash upon the SADA acquisition, contractual adjustments to the purchase price of $1,173,000 and a seller retention fund of $5,000,000 payable post-closing. The purchase price also includes the estimated fair value of earn out payments of approximately $21,288,000, which provides an incentive opportunity for the sellers of up to $390,000,000, based on the SADA business achieving EBITDA and revenue growth performance through 2026. A portion of the purchase price was used to settle SADA's stock-based compensation liabilities of $68,335,000 and pay SADA's transaction costs of approximately $16,852,000 at acquisition in accordance with purchase agreement.

The following table summarizes the purchase price and the estimated fair value of the assets acquired and liabilities assumed at the date of acquisition (in thousands):

Total purchase price, net of cash and cash equivalents acquired		$ 426,050
Fair value of net assets acquired:		
Current assets	$ 342,142	
Identifiable intangible assets - see description below	158,100	
Property and equipment	2,266	
Other assets	235,141	
Current liabilities	(332,260)	
Long-term liabilities, including long-term accounts payable	(115,171)	
Total fair value of net assets acquired		290,218
Excess purchase price over fair value of net assets acquired ("goodwill")		$ 135,832

Under the acquisition method of accounting, the total purchase price as shown in the table above was allocated to the tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values. The excess of the purchase price over fair value of net assets acquired was recorded as goodwill.

The estimated fair values of the majority of the current assets and liabilities are based upon their historical costs on the date of acquisition due to their short-term nature, with the exception of contract assets. The estimated fair value of the property and equipment are also based upon historical costs as they approximate fair value. The contract assets are an exception to the fair value model and are evaluated under relevant revenue recognition guidance including an allowance for credit losses using the current expected credit loss ("CECL") model.

The estimated fair value of net assets acquired was approximately $290,218,000, including $158,100,000 of identifiable intangible assets, consisting primarily of customer relationships of $124,700,000 and non-compete agreements of $26,200,000. The fair values were

determined using the multiple-period excess earnings method and the lost income method, respectively.

The identifiable intangibles resulting from the acquisition are amortized using the straight-line method over the following estimated useful lives:

Intangible Assets	Estimated Economic Life
Customer relationships	10 Years
Trade name	3 Years
Non-compete agreements	3-5 Years

Acquisition-related expenses recognized through December 31, 2023 was $3,572,000.

Goodwill of $135,832,000, which was recorded in our North America operating segment, represents the excess of the purchase price over the estimated fair value assigned to tangible and identifiable intangible assets acquired and liabilities assumed from SADA. The goodwill is not amortized and will be tested for impairment annually in the fourth quarter of our fiscal year. The addition of the SADA technical employees to our team and the opportunity to grow our business are the primary factors making up the goodwill recognized as part of the transaction. The purchase price allocation was finalized in the fourth quarter of 2024 with a net increase of $18,810,000 in goodwill during the measurement period, primarily due to certain measurement period adjustments to contract assets, net, accounts payable and accrued expenses.

The intangible assets and goodwill are tax deductible as the transaction is a deemed asset acquisition for U.S. federal income tax purposes after the seller parties undertook an internal restructuring pursuant to Section 368(a)(1)(F) of the IRC.

We recognized a net gain of $20,219,000 within selling and administrative expenses due to the net decrease in the estimated fair value of the earnout payments in 2024.

We have consolidated the results of operations for SADA since its acquisition on December 1, 2023. Consolidated net sales and net earnings for the year ended December 31, 2023 include $33,451,000 and $14,502,000, respectively, from SADA. Due to seasonality in SADA's business, with the majority of net sales and net earnings historically being generated in the second half of the year, these results should not be considered indicative of future results.

The following table reports unaudited pro forma information as if the acquisition of SADA had been completed at the beginning of 2022 (in thousands, except per share amounts):

		Year Ended December 31,	
		2023	2022
Net sales	As reported	$ 9,175,840	$ 10,431,191
	Pro forma	$ 9,367,386	$ 10,682,565
Net earnings	As reported	$ 281,309	$ 280,608
	Pro forma	$ 330,757	$ 308,243
Diluted earnings per share	As reported	$ 7.55	$ 7.66
	Pro forma	$ 8.88	$ 8.42

The pro forma results primarily include the adjustments to reflect the additional amortization of acquired intangible assets and interest expense on the additional borrowing under the ABL revolving credit facility, removal of acquisition-related costs, and the consequential tax effects of the pro forma adjustments and SADA tax status change.

SADA’s stock-based compensation plans were fully vested and settled upon acquisition based on a pre-existing change-in-control provision within the plan terms. Due to

changes in the estimated fair value of awards, SADA recognized a stock-based compensation gain of $100,206,000 and $32,051,000 in its historical statements of operation for the years ended December 31, 2023 and 2022, respectively. These gains are reflected in the unaudited pro forma earnings above. As these plans were not replaced post-acquisition, there will be no future impact of SADA's stock-based compensation plans on the Company.

This unaudited pro forma financial information is for informational purposes only. It is neither indicative of the results of operations that would have been achieved had the acquisition been consummated at the beginning of 2022, nor is it necessarily indicative of future results.

Amdaris

Effective August 17, 2023, we acquired 100 percent of the issued and outstanding shares of Amdaris Group Limited ("Amdaris") for a cash purchase price, net of cash and cash equivalents acquired, of approximately $82,875,000, excluding the estimated fair value of an earn out, reported in other liabilities, with a range of payouts through 2026 of $0 to $54,391,000. We paid the earnout of $14,348,000 for Amdaris' 2023 performance in March 2024. Amdaris, an award-winning software development and digital services specialist, provides innovative software development, application support, managed services and consultancy services to the customers in the United Kingdom with service delivery centers located in several eastern European countries. Amdaris has been recognized as a Microsoft Gold Certified Partner. We believe this acquisition expands our global Modern Apps and Data & AI areas of solutions expertise as a leading solutions integrator and enhances our technological capabilities and scale to deliver an even broader range of customized services and solutions to clients in EMEA.

The fair value of net assets acquired was approximately $34,060,000, including $41,291,000 of identifiable intangible assets, consisting primarily of customer relationships that will be amortized using the straight-line method over the estimated economic life of ten years. The preliminary purchase price was allocated using the information currently available. During the first quarter of 2024, we finalized the fair value assumptions for identifiable intangible assets with no changes being made to amounts previously recorded. Goodwill acquired approximated $71,698,000, which was recorded in our EMEA operating segment.

We consolidated the results of operations for Amdaris within our EMEA operating segment beginning on August 17, 2023, the effective date of the acquisition. Our historical results would not have been materially affected by the acquisition of Amdaris and, accordingly, we have not presented pro forma information as if the acquisition had been completed at the beginning of each period presented in our consolidated statement of operations.

We recognized net gain of $6,430,000 within selling and administrative expenses due to the net decrease in the estimated fair value of the earnout payments in 2024.

(21) Subsequent Events

On January 6, 2025, the Company entered into an agreement to settle 2,049,264 of the total 5,123,160 Warrants. The Warrants will be settled entirely in cash, based upon an agreed upon settlement amount that will be calculated using up to a thirty five trading day settlement period. We recorded a liability of approximately $112,590,000 upon execution of the agreement. Any change in the fair value of the settlement liability through the settlement date will be recognized in net income. We expect final settlement to occur in February or March 2025.

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

Not applicable.

Item 9A. ***Controls and Procedures***

(a) Management's Annual 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 Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Our management, including our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2024. In making this assessment, our management used the criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Management has concluded that the Company maintained effective internal control over financial reporting as of December 31, 2024, based on the criteria established in COSO's Internal Control – Integrated Framework (2013).

KPMG LLP, the independent registered public accounting firm that audited the Consolidated Financial Statements in Part II, Item 8 of this report, has issued an attestation report on the Company's internal control over financial reporting as of December 31, 2024.

(b) Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting during the quarter ended December 31, 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

(c) Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Our Chief Executive Officer and Chief Financial Officer, as of the end of the period covered by this report, evaluated the effectiveness of our disclosure controls and procedures and determined that as of December 31, 2024 our disclosure controls and procedures were effective 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 the SEC's 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 disclosure.

(d) Inherent Limitations of Disclosure Controls and Internal Control Over Financial Reporting

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

Item 9B. ***Other Information***

Rule 10b5-1 Trading Plans

During the three months ended December 31, 2024, none of our directors or executive officers adopted, modified or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (each as defined in Item 408(a) of Regulation S-K).

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

Not applicable.

PART III

Item 10. ***Directors, Executive Officers and Corporate Governance***

The names of the executive officers of Insight and their ages, titles and biographies as of the date hereof are incorporated by reference from Part I, Item 1 of this report under the caption "Information about our Executive Officers."

Other information required by this item can be found in our definitive Proxy Statement relating to our 2024 Annual Meeting of Stockholders to be filed with the SEC within 120 days after December 31, 2024 (our "Proxy Statement") and is incorporated herein by reference.

Item 11. ***Executive Compensation***

The information required by this item can be found in our Proxy Statement and is incorporated herein by reference.

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

The information required by this item can be found in our Proxy Statement and is incorporated herein by reference.

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

The information required by this item can be found in our Proxy Statement and is incorporated herein by reference.

Item 14. ***Principal Accountant Fees and Services***

Our independent registered public accounting firm is KPMG LLP, Phoenix, AZ, PCAOB Firm ID: 185.

The information required by this item can be found in our Proxy Statement and is incorporated herein by reference.

PART IV

Item 15. ***Exhibits and Financial Statement Schedules***

(a) Financial Statements and Schedules

The Consolidated Financial Statements of Insight Enterprises, Inc. and subsidiaries and the related Reports of Independent Registered Public Accounting Firm are filed herein as set forth under Part II, Item 8 of this report.

Financial statement schedules have been omitted since they are either not required, not applicable, or the information is otherwise included in the Consolidated Financial Statements or notes thereto.

(b) Exhibits

The exhibits list is incorporated herein by reference as the list of exhibits required as part of this report.

Item 16. ***Form 10-K Summary***

None.

INSIGHT ENTERPRISES, INC.
EXHIBITS TO FORM 10-K
YEAR ENDED DECEMBER 31, 2024
Commission File No. 000-25092

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed/Furnished Herewith
		Form	File No.	Exhibit Number	Filing Date	
2.1[1][2]	Equity Purchase Agreement, dated as of October 25, 2023, by and among Insight Enterprises, Inc., SADA Systems, Inc., Verse Holdco, Inc., and the stockholders of Verse Holdco, Inc.	8-K	000-25092	2.1	December 1, 2023	
3.1	Amended and Restated Certificate of Incorporation of Insight Enterprises, Inc.	10-K	000-25092	3.1	February 17, 2006	
3.2	Certificate of Amendment of Amended and Restated Certificate of Incorporation of Insight Enterprises, Inc.	8-K	000-25092	3.1	May 21, 2015	
3.3	Amended and Restated Bylaws of Insight Enterprises, Inc.	8-K	000-25092	3.2	May 21, 2015	
4.1 (P)	Specimen Common Stock Certificate	S-1	33-86142	4.1	January 20, 1995	
4.2	Indenture (including Form of Note) with respect to Insight Enterprises, Inc.'s 0.750% Convertible Senior Notes due 2025, dated August 15, 2019, by and among Insight Enterprises, Inc., Insight Direct USA, Inc. and U.S. Bank National Association, as trustee	8-K	000-25092	4.1	August 15, 2019	
4.3	Description of Company's securities	10-K	000-25092	4.3	February 21, 2020	
4.4	Indenture, dated as of May 20, 2024, by and among Insight Enterprises, Inc., the guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee	8-K	000-25092	4.1	May 20, 2024	
4.5	Form of 6.625% Senior Notes Due 2032	8-K	000-25092	4.2	May 20, 2024	
10.1[3]	Form of Indemnification Agreement	10-K	000-25092	10.1	July 26, 2007	
10.2[4]	Amended Insight Enterprises, Inc. 2007 Omnibus Plan	Proxy Statement	000-25092	Annex A	April 4, 2011	
10.3[4]	First Amendment to the Amended Insight Enterprises, Inc. 2007 Omnibus Plan	Proxy Statement	000-25092	Annex A	April 5, 2016	
10.4[4]	Insight Enterprises, Inc. 2020 Omnibus Plan	S-8	333-238543	99.1	May 20, 2020	
10.5[4]	Restricted Stock Unit Agreement Template for Service-Based Awards	10-K	000-25092	10.5	February 18, 2022	
10.6[4]	Restricted Stock Unit Agreement Template for Performance-Based (ROIC) Awards	10-K	000-25092	10.6	February 18, 2022	

INSIGHT ENTERPRISES, INC.
EXHIBITS TO FORM 10-K (continued)
YEAR ENDED DECEMBER 31, 2024
Commission File No. 000-25092

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed/Furnished Herewith
		Form	File No.	Exhibit Number	Filing Date	
10.7[4]	Restricted Stock Unit Agreement Template for Performance-Based (Relative Total Shareholder Return Performance Goal) Awards	10-K	000-25092	10.7	February 18, 2022	
10.8[4]	Insight Enterprises, Inc. Executive Management Separation Plan effective as of August 29, 2019	10-Q	000-25092	10.1	May 6, 2021	
10.9[4]	First Amendment to the Insight Enterprises, Inc. Executive Management Separation Plan effective as of February 1, 2020	10-K	000-25092	10.5	February 21, 2020	
10.10[4]	Amended and Restated Employment Agreement between Insight Enterprises, Inc. and Glynis A. Bryan dated as of January 1, 2009	8-K	000-25092	10.3	January 7, 2009	
10.11[4]	Employment Agreement between Insight Enterprises, Inc. and Rachael A. Bertrandt, dated as of September 30, 2018	10-Q	000-25092	10.1	November 7, 2018	
10.12[4]	Executive Employment Agreement between Insight Enterprises, Inc. and Samuel C. Cowley, dated June 7, 2016	10-K	000-25092	10.12	February 2, 2017	
10.13[4]	Employment Agreement between Insight Enterprises, Inc. and Adrian Gregory, dated as of October 05, 2022	10-Q	000- 25092	10.2	May 2, 2023	
10.14[4]	Employment Agreement between Insight Enterprises, Inc. and Joyce Mullen effective October 14, 2021	8-K	000-25092	10.1	October 18, 2021	
10.15[4]	Executive Employment Agreement between Insight Enterprises, Inc. and James A. Morgado dated as of January 17, 2022	10-K	000-25092	10.15	February 18, 2022	
10.16[4]	Executive Employment Agreement between Insight Enterprises, Inc. and Daniel Burger dated as of March 15, 2022	10-Q	000-25092	10.1	May 5, 2022	
10.17[4]	Executive Employment Agreement between Insight Enterprises, Inc. and Jennifer M. Vasin dated as of July 19, 2022	10-Q	000-25092	10.1	August 4, 2022	
10.18[4]	Executive Employment Agreement Between Insight Enterprises, Inc. and Rob Green dated as of December 19, 2023	10-K	000-25092	10.18	February 22, 2024	
10.19	Form of Bond Hedge Confirmation.	8-K	000-25092	10.1	August 15, 2019	
10.20	Form of Warrant Confirmation	8-K	000-25092	10.2	August 15, 2019	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed/Furnished Herewith
		Form	File No.	Exhibit Number	Filing Date	
10.21[5]	Credit Agreement, dated as of August 30, 2019, by and among Insight Enterprises, Inc., the subsidiaries of Insight Enterprises, Inc. party thereto as borrowers and guarantors, JPMorgan Chase Bank, N.A., as administrative agent, and the lenders party thereto	8-K	000-25092	10.1	August 30, 2019	
10.22	First Amendment to Credit Agreement, dated as of July 31, 2020, by and among Insight Enterprises, Inc., the subsidiaries of Insight Enterprises, Inc. party thereto as borrowers and grantors, JPMorgan, N.A., as administrative agent, and the lenders party thereto	10-Q	000-25092	10.2	August 6, 2020	
10.23	Second Amendment to Credit Agreement, dated as of December 31, 2021, by and among Insight Enterprises, Inc., the subsidiaries of Insight Enterprises, Inc. party thereto as borrowers and grantors, JPMorgan, N.A., as administrative agent, and the lenders party thereto	10-K	000-25092	10.22	February 16, 2023	
10.24	Third Amendment to Credit Agreement, dated as of July 22, 2022, by and among Insight Enterprises, Inc., the subsidiaries of Insight Enterprises, Inc. party thereto as borrowers and grantors, JPMorgan, N.A., as administrative agent, and the lenders party thereto	8-K	000-25092	10.1	July 26, 2022	
10.25[4]	Insight Enterprises, Inc. 2023 Employee Stock Purchase Plan	S-8	333-272062	99.1	May 19, 2023	
10.26	Fourth Amendment to Credit Agreement, dated as of May 14, 2024, by and among Insight Enterprises, Inc., the subsidiaries of Insight Enterprises, Inc. party thereto as borrowers and guarantors, JPMorgan Chase Bank, N.A., as administrative agent, and the lenders party thereto	8-K	000-25092	10.1	May 15, 2024	
10.27[4]	Executive Employment Agreement Between Insight Enterprises, Inc. and James Morgado dated as of August 30, 2024	8-K	000-25092	10.1	September 4, 2024	
10.28[4]	Executive Employment Agreement Between Insight Enterprises, Inc. and Glynis Bryan dated as of August 30, 2024	8-K	000-25092	10.2	September 4, 2024	
19.1	Insight Enterprises, Inc. Insider Trading Policy					X
21.1	Subsidiaries of Insight Enterprises, Inc.					X
23.1	Consent of KPMG LLP					X

INSIGHT ENTERPRISES, INC.
EXHIBITS TO FORM 10-K (continued)
YEAR ENDED DECEMBER 31, 2024
Commission File No. 000-25092

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed/Furnished Herewith
		Form	File No.	Exhibit Number	Filing Date	
24.1	Power of Attorney for Timothy A. Crown dated January 29, 2025					X
24.2	Power of Attorney for Richard E. Allen dated January 29, 2025					X
24.3	Power of Attorney for Bruce W. Armstrong dated January 30, 2025					X
24.4	Power of Attorney for Alexander L. Baum dated January 30, 2025					X
24.5	Power of Attorney for Linda M. Breard dated January 31, 2025					X
24.6	Power of Attorney for Catherine Courage dated January 29, 2025					X
24.7	Power of Attorney for Anthony A. Ibargüen dated January 30, 2025					X
24.8	Power of Attorney for Kathleen S. Pushor dated January 29, 2025					X
24.9	Power of Attorney for Girish Rishi dated January 30, 2025					X
24.10	Power of Attorney for Janet Foutty dated February 4, 2025					X
24.11	Power of Attorney for Thomas Reichert dated as of January 30, 2025					X
31.1	Certification of Chief Executive Officer Pursuant to Securities and Exchange Act Rule 13a-14					X
31.2	Certification of Chief Financial Officer Pursuant to Securities and Exchange Act Rule 13a-14					X
32.1	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant To Section 906 of the Sarbanes-Oxley Act of 2002					X
97.1	Insight Enterprises, Inc. Clawback Policy	10-K	000-25092	97.1	February 22, 2024	
101.INS	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					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					X

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed/Furnished Herewith
		Form	File No.	Exhibit Number	Filing Date	
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File (formatted as Inline XBRL with applicable taxonomy extension information contained in Exhibits 101)					X

(1) Certain schedules and exhibits (or similar attachments) have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish copies of any such schedules and exhibits (or similar attachments) to the SEC upon request.

(2) Portions of this exhibit have been omitted pursuant to Item 601(b)(2) of Regulation S-K promulgated under the Securities Act because the information is (i) not material and (ii) the type that Insight treats as private or confidential. Insight agrees to furnish an unredacted copy of this exhibit to the SEC upon request.

(3) We have entered into a separate indemnification agreement with each of the following directors and executive officers that differ only in names and dates: Richard E. Allen, Bruce W. Armstrong, Alexander L. Baum, Linda M. Breard, Dee Burger, Catherine Courage, Samuel C. Cowley, Timothy A. Crown, Rachael A. Crump, Janet Foutty, Adrian Gregory, Rob Green, Anthony A. Ibargüen, James A. Morgado, Joyce A. Mullen, Kathleen S. Pushor, Thomas Reichert, Girish Rishi, and Jennifer M. Vasin. Pursuant to the instructions accompanying Item 601 of Regulation S-K, the Registrant is filing the form of such indemnification agreement.

(4) Management contract or compensatory plan or arrangement.

(5) Certain schedules and exhibits (or similar attachments) have been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K. The Company agrees to furnish copies of any such schedules and exhibits (or similar attachments) to the SEC upon request.

(P) Paper exhibit.

INSIGHT ENTERPRISES, INC.

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.

INSIGHT ENTERPRISES, INC.

By /s/ Joyce A. Mullen
Joyce A. Mullen
President and Chief Executive Officer

Dated: February 14, 2025

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.

INSIGHT ENTERPRISES, INC.

SIGNATURES

Signature	Title	Date
/s/ Joyce A. Mullen Joyce A. Mullen	President, Chief Executive Officer and Director (principal executive officer)	February 14, 2025
/s/ James A. Morgado James A. Morgado	Chief Financial Officer (principal financial officer)	February 14, 2025
/s/ Rachael A. Crump Rachael A. Crump	Chief Accounting Officer (principal accounting officer)	February 14, 2025
/s/ Timothy A. Crown* Timothy A. Crown	Chairman of the Board	February 14, 2025
/s/ Richard E. Allen* Richard E. Allen	Director	February 14, 2025
/s/ Bruce W. Armstrong* Bruce W. Armstrong	Director	February 14, 2025
/s/ Alexander L. Baum* Alexander L. Baum	Director	February 14, 2025
/s/ Linda M. Breard* Linda M. Breard	Director	February 14, 2025
/s/ Catherine Courage* Catherine Courage	Director	February 14, 2025
/s/ Janet Foutty* Janet Foutty	Director	February 14, 2025
/s/ Anthony A. Ibargüen* Anthony A. Ibargüen	Director	February 14, 2025
/s/ Kathleen S. Pushor* Kathleen S. Pushor	Director	February 14, 2025
/s/ Thomas Reichert* Thomas Reichert	Director	February 14, 2025
/s/ Girish Rishi* Girish Rishi	Director	February 14, 2025
*** By: /s/ Samuel C. Cowley** **Samuel C. Cowley, Attorney in Fact**		