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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION****Washington, D.C. 20549****FORM 10-K**☒ 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 000-00255

**GRAYBAR ELECTRIC COMPANY, INC.***(Exact name of registrant as specified in its charter)***New York***(State or other jurisdiction of incorporation or organization)***13-0794380***(I.R.S. Employer Identification No.)***34 North Meramec Avenue, St. Louis, Missouri***(Address of principal executive offices)***63105***(Zip Code)***(314) 573 - 9200***(Registrant's telephone number, including area code)*

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

**None**

Title of each class

Trading Symbol(s)

Name of each exchange on which registered

N/A

N/A

N/A

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

**Common Stock - Par Value \$1.00 Per Share with a  
Stated Value of \$20.00**

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

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

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

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 stated value of the Common Stock beneficially owned with respect to rights of disposition by persons who are not affiliates (as defined in Rule 405 under the Securities Act of 1933) of the registrant on June 30, 2024, was \$637,614,120. Pursuant to a Voting Trust Agreement, dated as of March 3, 2017, approximately 82.8% of the outstanding shares of Common Stock was held of record by four Trustees who were each directors or officers of the registrant and who collectively exercised the voting rights with respect to such shares at such date. The registrant is 100% owned by its active and retired employees, and there is no public trading market for the registrant's Common Stock. See Item 5 of this Annual Report on Form 10-K.

The number of shares of Common Stock outstanding at March 1, 2025 was 32,566,336.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the documents listed below have been incorporated by reference into the indicated Part of this Annual Report on Form 10-K:  
Information Statement relating to the 2025 Annual Meeting of Shareholders – Part III, Items 10-14

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**Graybar Electric Company, Inc. and Subsidiaries**  
**Annual Report on Form 10-K**  
**For the Fiscal Year Ended December 31, 2024**

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## PART I

### CAUTION REGARDING FORWARD-LOOKING STATEMENTS

The following discussion should be read in conjunction with the accompanying audited consolidated financial statements of Graybar Electric Company, Inc. and its subsidiaries (collectively referred to as “Graybar” or the “Company” and sometimes referred to as “we”, “our”, or “us”), the notes thereto, and Management’s Discussion and Analysis of Financial Condition and Results of Operations as of and for the year ended December 31, 2024, included in this Annual Report on Form 10-K. The results shown herein are not necessarily indicative of the results to be expected in any future periods.

Certain statements, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives, and expected operating results, and the assumptions upon which those statements are based, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “PSLRA”), Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements generally are identified by the words “believes”, “projects”, “expects”, “anticipates”, “estimates”, “intends”, “strategy”, “plan”, “may”, “will”, “would”, “will be”, “will continue”, “will likely result”, and other similar expressions. We intend such forward-looking statements to be covered by the safe-harbor provisions for forward-looking statements contained in the PSLRA. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties that may cause actual results to differ materially from the forward-looking statements. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse impact on our operations and future prospects on a consolidated basis include, but are not limited to: general economic conditions, particularly in the commercial, industrial building, and residential construction industries; a sustained interruption in the operation of our information systems; business interruption due to our ERP system upgrade; cyber-attacks; volatility in the prices of industrial commodities; increased funding requirements and expenses related to our pension plan; disruptions in our sources of supply; the inability, or limitations on our ability to borrow under our existing credit facilities or any replacements thereof; adverse legal proceedings or other claims; compliance with changing governmental regulations; a pandemic, epidemic, or other public health emergency; and the inability, or limitations on our ability, to raise debt or equity capital. These risks and uncertainties should also be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, unless otherwise required by applicable securities law. Further information concerning our business, including additional factors that could materially impact our financial results, is included herein and in our other filings with the United States Securities and Exchange Commission (the “SEC” or “Commission”). Actual results and the timing of events could differ materially from the forward-looking statements as a result of certain factors, a number of which are outlined in Item 1A., “Risk Factors”, of this Annual Report on Form 10-K.

All dollar amounts in this Annual Report on Form 10-K are stated in millions except for share and per share data.

#### Item 1. Business

##### The Company

Graybar is a leading North American distributor of electrical, industrial, automation and connectivity products and is a provider of related supply chain management and logistics services. We primarily serve customers in the construction, commercial, institutional and government (“CIG”), and industrial & utility vertical markets (“vertical” or “verticals”), with products and services that support new construction, infrastructure updates, building renovation, facility maintenance, repair and operations (“MRO”), and original equipment manufacturers (“OEM”).

Through a network of 350 locations across the United States and Canada, we serve approximately 150,000 customers. Our business is primarily based in the United States (“U.S.”). We also have subsidiary operations with distribution facilities in Canada and Puerto Rico.

We distribute approximately two million products purchased from over 5,000 manufacturers and suppliers. In our primary role as third-party wholesale distributor, we neither manufacture nor contract to manufacture the products that we sell; however, one of our subsidiaries may contract to manufacture some of its private label lighting fixtures.

We generally finance our inventory through the collection of trade receivables and trade accounts payable terms with our suppliers. We use short-term borrowing facilities to finance inventory purchases and other operating expenses when necessary, and we have not historically used long-term borrowings for this purpose.

In addition to our extensive product offering, we provide a wide range of supply chain management services that when combined with our network of locations are designed to deliver convenience, cost savings and improved efficiency for our customers.

We were incorporated in 1925 under the laws of the State of New York. Our active and retired employees own 100% of our common stock. There is no public trading market for our common stock.

Our internet address is [www.graybar.com](http://www.graybar.com). Information on our website does not constitute a part of this Annual Report on Form 10-K.

## **Competition**

Our industry is comprised of thousands of local and regional distributors, along with several large national and global distributors. Graybar is among the largest distributors of electrical, industrial, automation and connectivity products to the construction, CIG, and industrial & utility verticals in North America. Our industry is highly competitive, and we estimate that the top five distributors account for approximately 45% of the total U.S. market. Some of our largest competitors have greater global geographic scope, which may provide them an advantage, particularly with certain multi-national customers.

Our industry is influenced by economic and regulatory factors that impact rates of new construction, as well as customers' or end users' decisions to invest in renovation and expansion of facilities and infrastructure. The industry is also affected by changes in technology, both in the products that are typically sold through distribution and in the ways customers choose to transact business with distributors. Driven by customers' omnichannel buying preferences and their desire to increase efficiency and productivity, digitalization is becoming increasingly important to both manufacturers and distributors in our industry.

Our pricing reflects the value associated with the products and services that we provide. We consider our prices to be generally competitive. We believe that, while price is an important customer consideration, the services we provide distinguish us from many of our competitors, whether they are distributors or manufacturers selling directly to our customer base. We view our ability to quickly supply our customers with a broad range of products through conveniently located distribution facilities as a competitive advantage that customers value.

## **Markets Served**

Graybar serves a wide range of customers within certain primary verticals. The largest of these verticals is construction, which accounted for more than half of our sales in 2024. Customers within this vertical include various types of contractors and installers that perform new construction and renovation of commercial and industrial facilities and utility infrastructure.

The other verticals we serve are CIG and industrial & utility. The CIG vertical includes a broad range of commercial office, warehouse, and retail facilities, federal, state, and local governmental agencies, and the education and health care sectors. The industrial & utility vertical includes customers and products for MRO, OEM, broadband utility and electrical transmission and distribution infrastructure.

## **Products and Suppliers**

We distribute approximately two million products purchased from over 5,000 manufacturers and suppliers. More than 100,000 of these products are stocked in our warehouses, allowing us in most cases to provide customers with convenient, local access to the items they need every day. When the specialized nature or size of a particular shipment warrants, we arrange to ship products directly from our suppliers; otherwise, orders are filled from our own on-hand inventory. On a dollar volume basis, we filled approximately 60% of customer orders from this on-hand inventory in both 2024 and 2023.

Approximately 50% of the products we sold during 2024 were purchased from our top 25 suppliers. However, we generally have the ability to purchase from more than one supplier for any product type, which allows us to offer alternative sources of comparable products for nearly all products. The products we distribute can be generally identified as follows:

- Building and Industrial Wire and Cable
- Distribution Equipment
- Lighting Fixtures
- Telecommunications Materials
- Conduit and Tray
- Communication Wire and Cable
- Automation and Controls
- Data Connectivity
- Data Cables and Data Cords
- Fittings
- Fasteners
- Wiring Devices
- Enclosures
- LED, Incandescent and Fluorescent Lamps
- Electronic Equipment
- Miscellaneous MRO Products

These products may be sold into any of the verticals we target, depending on a customer's or end user's needs. Our salesforce is empowered to sell any of these products or related services to any customer, in some cases with the support of specialists who are trained in specific industries and/or new technologies.

Maintaining strong relationships with our suppliers is important to our business, and we enjoy longstanding relationships with several of our suppliers (or their predecessors). However, most of our supplier agreements are nonexclusive national or regional distributorships, terminable upon 30 to 90 days' notice by either party.

## **Sales and Distribution**

We sell products and services manufactured or provided by others primarily through a network of sales offices and distribution facilities located throughout the U.S. We operate multiple distribution facilities in each geographic district, each of which carries an inventory of products and operates as a wholesale distributor for the territory in which it is located. Some geographic districts have sales offices that do not carry inventory. In addition, we have twenty-two regional distribution centers containing inventories of both standard and specialized products. The regional distribution centers replenish inventories carried at our other U.S. distribution facilities and make shipments directly to customers. We also have subsidiary operations with distribution facilities located in the U.S. and Canada and a single distribution facility in Puerto Rico.

## **Human Capital**

### Employees

As of December 31, 2024, Graybar had approximately 10,000 employees across the U.S., Canada, and Puerto Rico. Approximately 5,400 employees were employed in sales and service positions, 2,700 in supply chain positions, and the remainder in operations and other business functions. Approximately 2% of our employees are covered by collective bargaining agreements.

### Culture and Values

Graybar's culture is defined by the core values of integrity, a long-term view, employee ownership, and customer focus. With these values as the foundation, Graybar strives to achieve profitable long-term growth, deliver an exceptional customer experience, and create a positive work environment that brings out the best in our employees.

Consistent with Graybar's core values, we welcome people from all backgrounds, cultures, and experiences into our company. We want each of our employees to know that they matter and to feel a sense of ownership and connection at Graybar. We believe that everyone should be treated with dignity and respect, and we work to build a collaborative environment where our employees can grow, learn, and make a difference, both as individuals and as part of the team.

## Safety

The safety of our employees is a top priority, and our locations follow consistent safety protocols to prevent injuries and accidents. Our safety program includes ongoing training, hazard communications, and supplying personal protective equipment to employees. We also use technology in our fleet of vehicles to improve safety on the road.

## Compensation and Benefits

Graybar's comprehensive compensation and benefits programs are designed to attract, retain, and reward employees. We offer multiple benefit plan options for medical, prescription, and dental insurance. We also provide short and long-term disability benefits at no cost. The Company offers other benefits such as life insurance, well-being programs and resources, paid vacation and holidays, profit sharing and 401(k) plans, and employee discounts.

## Talent Acquisition, Learning, and Development

Graybar has a long track record of hiring talented employees, investing in employee development, and providing opportunities for employees to advance within the company. All employees are assigned core training requirements based on their role and have access to a large library of online courses from which they can expand their knowledge. In addition to online learning, we host training conferences for employees and offer development programs for interns, early-career employees, sales employees, managers, and leaders. We also offer tuition reimbursement and student loan repayment programs.

## **Item 1A. Risk Factors**

Our liquidity, financial condition, and results of operations are subject to various risks, including, but not limited to, those discussed below. The risks outlined below are those that we believe are currently the most significant, although additional risks not presently known to us or that we currently deem less significant may also impact our liquidity, financial condition, and results of operations.

**Our sales fluctuate with general economic conditions, particularly in the commercial, industrial, and residential building construction industries.** Our operating locations are widely distributed geographically across the U.S. and, to a lesser extent, Canada. Customers for our products and services are similarly diverse – we have approximately 150,000 customers, and our largest customer accounts for approximately 1% of our total sales. While our geographic and customer concentrations are relatively low, our results of operations are nonetheless dependent on favorable conditions in both the general economy and the construction industry. In addition, conditions in the construction industry are greatly influenced by the availability of project financing and the cost of borrowing.

**Our daily activities are highly dependent on the uninterrupted operation of information systems.** We are a recognized industry leader for our use of information technology in all areas of our business – sales, customer service, inventory management, finance, accounting, and human resources. We maintain redundant information systems as part of our disaster recovery program and, if necessary, are able to operate in many respects using a paper-based system to help mitigate a complete interruption in our information processing capabilities. We also rely on the information systems of third parties to achieve some of our business objectives. Nonetheless, our information systems and those of third parties, including cloud service providers, remain vulnerable to natural disasters, wide-area telecommunications or power utility outages, terrorist or cyber-attacks, or other major disruptions. A sustained interruption in the functioning of information systems, however unlikely, could lower income from operations by negatively impacting net sales, expenses, or both.

**We may experience business interruptions as a result of our ERP system upgrade.** In fiscal year 2023, we initiated the process of upgrading our ERP system, which is expected to be completed by the end of 2025. This upgrade has required and will continue to require significant financial and human capital resources. The upgrade has resulted in and may continue to result in changes to many of our existing operational, financial, and administrative business processes, including, but not limited to, our budgeting, purchasing, receiving, provisioning, servicing, accounting, and reporting processes. The upgraded ERP system will necessitate the implementation of new internal controls and modifications to existing internal control frameworks and procedures.

If technical problems or other significant issues arise in connection with the implementation or operation of the upgraded ERP system, it could have a material adverse impact on our operations, business, financial results, and financial condition. Additionally, any delays or disruptions in the upgrade process could lead to business interruptions, negatively affecting our ability to serve customers and manage our operations efficiently. We are taking steps to mitigate these risks, including thorough testing, phased implementation, and continuous monitoring of the upgrade process. However, there can be no assurance that these measures will be successful in preventing potential disruptions.

**Our business and our reputation could be adversely affected by cyber-attacks against our information systems, material breaches of sensitive data or changes in regulations relating to obligations to protect systems, assets, and data from the threat of cyber-attacks.** Cyber-attacks designed to gain access to sensitive information and/or compromise mission-critical systems of large organizations are constantly evolving. High profile cyber-security incidents leading to unauthorized release of confidential information or ransomware of information systems have occurred at a number of major U.S. companies, despite widespread recognition of the cyber-attack threat and generally improved cyber-security protections. While we have invested in the protection of our information technology and maintain what we believe are adequate security procedures and controls over information systems and financial and other sensitive data, the risks to our information systems and data are evolving rapidly. These risks are also applicable where we rely on outside vendors to provide services, which typically operate in a cloud environment. We are dependent on these third-party vendors to operate secure and reliable systems. A material breach in our systems or those of our third party providers that results in system compromise or the unauthorized release of sensitive data, including without limitation, personally identifiable information, could have a material adverse effect on our reputation and lead to financial losses from remedial actions, loss of business, or potential liability. A cyber-security incident resulting in the unauthorized release of sensitive data or compromise of our information systems or those of third parties could also materially increase the costs we already incur to protect against such risks. While we also seek to obtain assurances that third parties we interact with will protect sensitive information, there is a risk that such data may be compromised. In addition, as the regulatory environment relating to a company's obligation to protect information systems and sensitive data becomes more strict, a material failure on our part to comply with applicable regulations could subject us to fines, regulatory sanctions and lawsuits.

**Our results of operations are impacted by changes in industrial commodity and other prices.** Many of the products we sell are subject to wide and frequent price fluctuations. For example, some of the products we sell are composed primarily of copper, steel, or petroleum-based resins, including poly-vinyl chlorides ("PVC"), or other industrial commodities that have been subject to price volatility during the past several years. Examples of such products include wire and cable, conduit, enclosures, and fittings. Our gross margin rate on these products is relatively constant over time, though not necessarily in the short term. Therefore, if the cost of these products to us declined, pricing to our customers may decrease. Alternatively, if the cost of these products to us increased, our sales prices to customers may increase, and demand from our customers may decrease. This impacts our results of operations by lowering both overall sales and gross margin.

**We may experience losses or be subject to increased funding and expenses related to our pension plan.** A decline in the market value of plan assets or a change in the interest rates used to measure the required minimum funding levels and the pension obligation may increase the funding requirements of our defined benefit pension plan, the pension obligation itself, and pension expenses. Government regulations may accelerate the timing and amounts required to fund the plan. Demographic changes in our workforce, including longer life expectancies, increased numbers of retirements, and age at retirement may also cause funding requirements, pension expenses, and the pension obligation to be higher than expected. Any or all of these factors could have a negative impact on our liquidity, financial position, and/or our results of operations.

**We purchase all of the products we sell to our customers from other parties.** As a wholesale distributor, our business and financial results are dependent on our ability to purchase products from manufacturers not controlled by us that we, in turn, sell to our customers. Approximately 50% of our purchases are made from only 25 manufacturers. Disruptions in sources of supply for our manufacturers could occur due to factors beyond our or their control. These factors could include economic downturns, recessions, natural or human induced disasters, cybersecurity attacks, extreme weather, geopolitical unrest, new, threatened or increased tariffs, trade issues and policies, labor problems or shortages experienced by our suppliers or others in the supply chain, transportation availability, staffing and cost, shortage of raw materials, supplier consolidation, unilateral product cost increases by suppliers of products in short supply, inflation and other factors, any of which could adversely affect a supplier's ability to manufacture or deliver products or could result in an increase in our product costs, including increases that we may not be able to pass on to our customers. A sustained disruption in our ability to source products from vendors at historical costs could have a material impact on our ability to fulfill customer orders, resulting in lost net sales, lost gross margin, and, in rare cases, damages for late or non-delivery.

**Our borrowing agreements contain financial covenants and certain other restrictions on our activities and those of our subsidiaries.** Our amended revolving credit facility and private placement shelf agreements impose contractual limits on, among other things, indebtedness, liens, changes in the nature of business, investments, mergers and acquisitions, the issuance of equity securities, the disposition of assets and the dissolution of certain subsidiaries, transactions with affiliates, as well as securitizations, factoring transactions, and transactions with sanctioned parties or parties in violation of certain U.S. or Canadian anti-corruption and anti-money laundering laws. In addition, we are required to maintain acceptable financial ratios relating to debt leverage and interest coverage. Our failure to comply with these obligations may cause an event of default and may trigger an acceleration of the debt owed to our creditors or limit our ability to obtain additional credit under these facilities. While we expect to remain in compliance with the terms of our amended revolving credit facility and private placement shelf agreements, our failure to do so could have a negative impact on our ability to borrow funds and maintain acceptable levels of cash flow from financing activities.

**We are subject to legal proceedings and other claims arising out of the conduct of our business.** These proceedings and claims relate to public and private sector transactions, product liability, contract performance, and employment matters. On the basis of information currently available to us, we do not believe that existing proceedings and claims will have a material impact on our financial position or results of operations. However, litigation is unpredictable, and we could incur judgments or enter into settlements for current or future claims that could adversely affect our financial position or our results of operations in a particular period.

More specifically with respect to asbestos litigation, as of December 31, 2024, 3,591 individual cases and 54 multiple-plaintiff cases are pending that allege actual or potential asbestos-related injuries resulting from the use of or exposure to products allegedly sold by us. Additional claims will likely be filed against us in the future. Our insurance carriers have historically borne virtually all costs and liability with respect to this litigation and are continuing to do so. Accordingly, our future liability with respect to pending and unasserted claims is dependent on the continued solvency of our insurance carriers. Other factors that could impact this liability are: the number of future claims filed against us; the defense and settlement costs associated with these claims; changes in the litigation environment, including changes in federal or state law governing the compensation of asbestos claimants; adverse jury verdicts in excess of historic settlement amounts; and bankruptcies of other asbestos defendants. Moreover, any predictions with respect to these variables are subject to even greater uncertainty as the projection period lengthens. In light of these uncertainties, we believe that our asbestos reserves represent the best estimate within a range of possible outcomes, over an extended period of time, less than or equal to recorded corresponding anticipated recoverable insurance proceeds. As part of the process to develop these off-setting estimates of future asbestos costs and insurance proceeds, a range of long-term cost and recovery models of future asbestos costs was developed. These models are based on national studies that predict the number of people likely to develop asbestos related diseases and are influenced by assumptions regarding long-term inflation rates for indemnity payments and defense costs, as well as other variables previously mentioned. Because any of these factors may change, our future exposure is unpredictable, and it is possible that we may incur costs that would have a material adverse impact on our liquidity, financial position, or results of operations in future periods.

**Compliance with changing government regulations may result in increased costs and risks to the company.** Our public company and multi-national customers are increasingly subject to governmental regulation globally. Existing and future laws and regulations may impede our growth. These regulations and laws may cover, among other things, public health, taxation, privacy, data protection, pricing, content, copyrights, distribution, energy consumption, environmental regulation, electronic contracts, communications and marketing, consumer protection, the design and operation of websites, and the characteristics and quality of products and services. Unfavorable regulations and laws could diminish the demand for our products and services and increase our cost of doing business. If we are not able to obtain for certain customers the information that they require in part as a result of these regulations, they may limit their business with us. These regulatory and customer-driven requirements may increase our operating costs, and, due to competitive pressures, we may not be able to increase our prices sufficiently to avoid a reduction in our income from operations.

**A pandemic, epidemic or other public health emergency could have a material adverse effect on our business, results of operations, financial condition and cash flows.** The impacts relating to the potential effect of a pandemic, epidemic, or other public health emergency similar to the COVID-19 pandemic on our business and the costs that we may incur as a result cannot be reasonably estimated but could be material. These events can put pressure on our supply chain due to several factors, including, but not limited to, global logistics and raw material and labor availability. Depending on the scope and duration of supply chain disruptions, we may experience further increases in product and related costs which we may not be able to pass on to our customers. This could result in a reduction in gross margin dollars and loss of net sales due to product unavailability or delay. In addition, if our customers are directly impacted by business curtailments or weak market conditions, this may result in lower net sales and higher than expected bad debt losses, which could impact our results of operations and our cash flows from operating activities. In the event that our operating performance or that of our suppliers were to decline, our vendor allowances could also be reduced, which could negatively impact our results of operations.

**The value to our shareholders of our common stock depends on the regular payment of dividends, which are paid at the discretion of our Board of Directors.** The purchase price for our common stock under our purchase option is the same as the issue price. Accordingly, as long as we exercise our option to purchase, appreciation in the value of an investment in our common stock is dependent primarily on our ability and our Board of Directors' willingness to declare dividends. Although cash dividends have been paid on the common stock each year since 1929, as with any corporation's common stock, payment of dividends is subject to the discretion of our Board of Directors.

**There is no public trading market for our common stock.** Our common stock is 100% owned by active and retired employees. Common stock may not be sold by the holder thereof, except after first offering it to us. Although we are not required to do so, we have always exercised this purchase option in the past and expect to continue to do so. As a result, no public trading market

for our common stock exists, nor is one expected to develop. This lack of a public trading market for our common stock may limit our ability to raise large amounts of equity capital, which could constrain our long-term business growth.

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

Not applicable.

#### **Item 1C. Cybersecurity**

##### Risk Management and Strategy

We have implemented a cybersecurity program to assess, identify, and manage risks from cybersecurity threats. Our efforts are designed to maintain the confidentiality, integrity, and availability of our information and operational technology systems and the data stored on those systems.

The program includes:

- periodic risk assessments to identify and assess cybersecurity risks and vulnerabilities in our information technology systems;
- security event monitoring, management, and incident response;
- third party engagements to perform periodic penetration testing and reviews of program maturity based on industry standard frameworks;
- reviews by our internal audit team of the effectiveness of information technology-related internal controls;
- cybersecurity risk assessments of our third-party vendors; and
- employee training, including regular phishing simulations.

We have a standing risk committee. The purpose of the risk committee is to oversee a sustainable dynamic process that enables enterprise-wide cross-functional analysis and assessment of risks that may threaten the Company or provide opportunities to leverage resources to create growth opportunities. Under its charter, the risk committee is to be comprised of at least three members of the Board, selected by the President. The committee has established a working group that is comprised of representatives from the following functional areas of the Company: treasury, human resources, legal, supply chain management, sales, and marketing. Currently, the Senior Vice President, Secretary and General Counsel, a member of the risk committee, apprises the Board quarterly of the working group and this Committee's activities.

Cybersecurity threats on our information systems are included as a topic considered by our risk committee working group which identifies, assesses and makes related recommendations for managing a number of risks, including cybersecurity threats. This working group is charged with addressing the full spectrum of its risks and managing the potential individual as well as combined impact of those risks as an interrelated risk portfolio. Moreover, the grouping group engages subject matter experts from various departments within the Company to engage in a bi-annual exercise designed to identify potential worse case scenarios, the estimated likelihood of each, and the potential financial impact of each risk, as well as to prioritize such risks, including the risk of a cybersecurity threat.

As a result of these and other initiatives, we believe we have appropriate processes in place, including in many cases, related contractual provisions, as well as appropriate physical and administrative controls, that are designed to allow oversight and identification of cybersecurity threats related to our use of third-party service providers.

##### Governance

The Audit Committee charter provides that it shall review, at least annually, the Company's cybersecurity program and shall receive frequent updates on cybersecurity and the development of Company's cyber strategy and the Company's corresponding information technology emergency response plan. Our director, information security, reports at least quarterly to the Audit Committee during its regularly scheduled meetings, and engages in weekly dialogue with the Chair of the Audit Committee and Senior Vice President, Secretary and General Counsel, including with respect to matters identified by our information technology department.

##### Impact of Cybersecurity Events

In the fourth quarter of 2024, no risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, materially affected or would reasonably be likely to materially affect Graybar, including our business strategy, results of operations or financial condition.

## Item 2. Properties

We operate in thirteen geographical districts in the U.S., each of which maintains multiple distribution facilities that consist primarily of warehouse space. A small portion of each distribution facility is used for offices. Some districts have sales offices that do not carry an inventory of products. Facilities range in size from 800 to 251,000 square feet, with the average being approximately 34,000 square feet. We also have regional distribution centers ranging in size from 130,000 to 324,000 square feet. Our subsidiaries have sales and distribution facilities ranging in size from 1,000 to 102,000 square feet.

Our headquarters are located in St. Louis, Missouri in an 83,000 square foot building owned by us.

## Item 3. Legal Proceedings

There are presently no pending legal proceedings that are expected to have a material impact on the Company or its subsidiaries.

## Item 4. Mine Safety Disclosures

Not applicable.

## Supplemental Item. Executive Officers of the Registrant

The following table lists the name, age as of March 1, 2025, position, offices and certain other information with respect to our executive officers. The term of office of each executive officer will expire upon the appointment of his or her successor by the Board of Directors.

| Name             | Age | Business experience last five years                                                                                                                                                                                                                                                         |
|------------------|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| D. A. Bender     | 59  | Senior Vice President - East Region, January 2025 to present; Regional Vice President, January 2023 to December 2024; Vice President - Business Performance, January 2021 to December 2022; District Vice President, November 2010 to December 2020.                                        |
| B. P. Delaney    | 48  | Senior Vice President - West Region, January 2025 to present; Regional Vice President - North American Subsidiaries, January 2023 to December 2024; Vice President - Marketing & Strategic Planning, January 2022 to December 2022; District Vice President, January 2019 to December 2021. |
| D. E. DeSousa    | 66  | Chief of Staff, January 2025 to present; Senior Vice President, General Manager, August 2020 to January 2025; Vice President, Western Region, May 2017 to July 2020.                                                                                                                        |
| M. W. Geekie     | 63  | Senior Vice President, Secretary and General Counsel, August 2008 to present.                                                                                                                                                                                                               |
| W. P. Mansfield  | 62  | Senior Vice President - Strategy and Business Development, January 2022 to present; Senior Vice President - Marketing, May 2017 to December 2021.                                                                                                                                           |
| K. M. Mazzarella | 64  | Chairman of the Board, January 2013 to present; President and Chief Executive Officer, June 2012 to present.                                                                                                                                                                                |
| D. M. Meyer      | 53  | Senior Vice President and Chief Financial Officer, April 2022 to present; Vice President - North American Subsidiaries, January 2022 to March 2022; Vice President and Chief Information Officer, March 2015 to December 2021.                                                              |
| B. L. Propst     | 55  | Senior Vice President - Human Resources, June 2009 to present.                                                                                                                                                                                                                              |
| E. S. Rebne      | 57  | Senior Vice President - Sales, June 2024 to present; District Vice President, January 2019 to May 2024.                                                                                                                                                                                     |

## PART II

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

Our common stock is 100% owned by active and retired employees, and there is no public trading market for our common stock. Since 1928, substantially all of the issued and outstanding shares of common stock have been held of record by voting trustees under successive voting trust agreements. The current Voting Trust Agreement was established effective March 3, 2017, which expires by its terms on March 1, 2027 because under applicable New York law, a voting trust may not have a term greater than ten years. At December 31, 2024, approximately 83% of our outstanding common stock was held in the voting trust. The participation of shareholders in the voting trust is voluntary at the time the voting trust is created, but is irrevocable during its term. Shareholders who elect not to participate in the voting trust hold their common stock as shareholders of record. Shareholders may elect to participate in the voting trust at any time during the term of the voting trust.

No holder of our common stock or voting trust interests representing our common stock ("common stock", "common shares", or "shares") may sell, transfer or otherwise dispose of any shares without first offering us the option to purchase those shares at the price at which they were issued. We also have the option to purchase at the issue price the common shares of any shareholder who ceases to be an employee for any reason other than death or "retirement" (as defined in our amended restated certificate of incorporation), and on the first anniversary of any holder's death. In the past, we have always exercised these purchase options, and we expect to continue to do so in the foreseeable future. However, we can make no assurance that we will continue to exercise our purchase option in the future. All outstanding shares have been issued at \$20.00 per share.

The following table sets forth information regarding purchases of common stock by the Company for the three months ended December 31, 2024, all of which were made pursuant to the foregoing provisions:

#### Issuer Purchases of Equity Securities

| Period                          | Total Number of<br>Shares Purchased | Average<br>Price Paid<br>Per Share | Total Number of Shares<br>Purchased as Part of Publicly<br>Announced Plans or<br>Programs |
|---------------------------------|-------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------|
| October 1 to October 31, 2024   | 135,198                             | \$20.00                            | N/A                                                                                       |
| November 1 to November 30, 2024 | 86,121                              | \$20.00                            | N/A                                                                                       |
| December 1 to December 31, 2024 | 57,751                              | \$20.00                            | N/A                                                                                       |
| Total                           | 279,070                             | \$20.00                            | N/A                                                                                       |

#### Capital Stock at December 31, 2024

| Title of Class                                             | Number of<br>Security<br>Holders | Number of Shares |
|------------------------------------------------------------|----------------------------------|------------------|
| Voting Trust Interests issued with respect to Common Stock | 6,104                            | 26,617,078       |
| Common Stock                                               | 1,389                            | 5,515,637        |
| Total                                                      | 7,493                            | 32,132,715       |

| Dividend Data (in dollars per share) | Year Ended December 31, |         |
|--------------------------------------|-------------------------|---------|
| Period                               | 2024                    | 2023    |
| First Quarter                        | \$ 0.30                 | \$ 0.30 |
| Second Quarter                       | 0.30                    | 0.30    |
| Third Quarter                        | 0.30                    | 0.30    |
| Fourth Quarter                       | 6.10                    | 2.10    |
| Total                                | \$ 7.00                 | \$ 3.00 |

On December 13, 2023, our Board of Directors declared a 20% stock dividend to shareholders of record on December 18, 2023. Shares representing this dividend were issued on February 2, 2024.

### Item 6. Reserved

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

Management’s Discussion and Analysis provides a narrative description of the Company’s results of operations, financial condition, liquidity, and cash flows for the years ended December 31, 2024 and 2023. This discussion should be read in conjunction with the accompanying consolidated financial statements and the notes to the consolidated financial statements included in Item 8., “Financial Statements and Supplementary Data”, of this Annual Report on Form 10-K. For comparison of the results of operations relating to the years ended December 31, 2023 and 2022, refer to our Annual Report on Form 10-K for the year ended December 31, 2023, Part II., Item 7., filed with the SEC on March 14, 2024.

### **Business Overview**

Graybar’s net sales for the year ended December 31, 2024 totaled \$11,645.5 million, compared to \$11,042.4 million for the year 2023, an increase of \$603.1 million, or 5.5%. Gross margin for the year ended December 31, 2024 increased \$112.4 million, or 5.1%, to \$2,336.2 million, compared to gross margin of \$2,223.8 million for the year ended December 31, 2023. Our gross margin rate remained consistent at 20.1% for the years ended December 31, 2024 and 2023.

Selling, general and administrative (“SG&A”) expenses increased \$166.2 million, or 10.9%, to \$1,691.2 million for the twelve months ended December 31, 2024, from \$1,525.0 million for the year ended December 31, 2023, primarily due to higher compensation costs and information technology (“IT”) expenses and consulting fees related to our multi-year, strategic business transformation project (“Graybar Connect”). SG&A expenses as a percentage of net sales increased to 14.6% for 2024, compared to 13.8% for the same period in 2023.

Because of the planned increase in SG&A expenses to support Graybar Connect, income from operations decreased \$61.1 million, or 9.6%, to \$576.2 million for the year ended December 31, 2024, from \$637.3 million for the year ended December 31, 2023. Net income attributable to Graybar for the year ended December 31, 2024 decreased by \$40.3 million, or 8.7%, to \$423.1 million for the year ended December 31, 2024 compared to \$463.4 million for the same period last year.

Amid ongoing economic uncertainty, we continue to see demand for our products and services, particularly in areas such as data centers, electrification and industrial automation. Serving our customers and managing our business wisely remain a priority as we work to transform our company for the future. We believe our strategic investments in Graybar Connect will provide a solid technology and process framework to support our growth and profitability, while enhancing the customer experience and reinforcing our long-term position as an industry leader.

## Consolidated Results of Operations

The following table sets forth certain information relating to our operations stated in millions of dollars and as a percentage of net sales for the years ended December 31, 2024, 2023, and 2022:

|                                                                  | 2024            |                      | 2023            |                      | 2022            |                      |
|------------------------------------------------------------------|-----------------|----------------------|-----------------|----------------------|-----------------|----------------------|
|                                                                  | Dollars         | Percent of Net Sales | Dollars         | Percent of Net Sales | Dollars         | Percent of Net Sales |
| <b>Net Sales</b>                                                 | \$ 11,645.5     | 100.0 %              | \$ 11,042.4     | 100.0 %              | \$ 10,534.4     | 100.0 %              |
| Cost of merchandise sold                                         | (9,309.3)       | (79.9)               | (8,818.6)       | (79.9)               | (8,387.3)       | (79.6)               |
| <b>Gross Margin</b>                                              | <b>2,336.2</b>  | <b>20.1</b>          | <b>2,223.8</b>  | <b>20.1</b>          | <b>2,147.1</b>  | <b>20.4</b>          |
| Selling, general and administrative expenses                     | (1,691.2)       | (14.6)               | (1,525.0)       | (13.8)               | (1,442.8)       | (13.7)               |
| Depreciation and amortization                                    | (80.8)          | (0.7)                | (66.1)          | (0.6)                | (53.4)          | (0.5)                |
| Other operating income, net                                      | 12.0            | 0.1                  | 4.6             | 0.1                  | 2.9             | —                    |
| <b>Income from Operations</b>                                    | <b>576.2</b>    | <b>4.9</b>           | <b>637.3</b>    | <b>5.8</b>           | <b>653.8</b>    | <b>6.2</b>           |
| Non-operating expenses, net                                      | (3.0)           | —                    | (8.0)           | (0.1)                | (44.3)          | (0.4)                |
| <b>Income before Provision for Income Taxes</b>                  | <b>573.2</b>    | <b>4.9</b>           | <b>629.3</b>    | <b>5.7</b>           | <b>609.5</b>    | <b>5.8</b>           |
| Provision for income taxes                                       | (149.1)         | (1.3)                | (164.9)         | (1.5)                | (155.8)         | (1.5)                |
| <b>Net Income</b>                                                | <b>424.1</b>    | <b>3.6</b>           | <b>464.4</b>    | <b>4.2</b>           | <b>453.7</b>    | <b>4.3</b>           |
| Net income attributable to noncontrolling interests              | (1.0)           | —                    | (1.0)           | —                    | (0.8)           | —                    |
| <b>Net Income attributable to Graybar Electric Company, Inc.</b> | <b>\$ 423.1</b> | <b>3.6 %</b>         | <b>\$ 463.4</b> | <b>4.2 %</b>         | <b>\$ 452.9</b> | <b>4.3 %</b>         |

### 2024 Compared to 2023

Net sales totaled \$11,645.5 million for the year ended December 31, 2024, compared to \$11,042.4 million for the year ended December 31, 2023, an increase of \$603.1 million, or 5.5%. For the year ended December 31, 2024, net sales in our construction and industrial & utility verticals increased by 8.8%, and 3.1%, respectively, compared to the year ended December 31, 2023. For the year ended December 31, 2024, net sales in our CIG vertical decreased 1.1% compared to the year ended December 31, 2023.

Gross margin increased \$112.4 million, or 5.1%, to \$2,336.2 million for the year ended December 31, 2024, from \$2,223.8 million for the year ended December 31, 2023. Our gross margin rate remained consistent at 20.1% for the years ended December 31, 2024 and 2023.

SG&A expenses increased \$166.2 million, or 10.9%, to \$1,691.2 million for the year ended December 31, 2024, compared to \$1,525.0 million for the year ended December 31, 2023, mainly due to higher compensation costs, as well as an increase in IT expenses and consulting fees associated with Graybar Connect. SG&A expenses as a percentage of net sales were 14.6% for the year ended December 31, 2024, compared to 13.8% for the year ended December 31, 2023.

Depreciation and amortization for the year ended December 31, 2024 increased \$14.7 million, or 22.2%, to \$80.8 million from \$66.1 million for the year ended December 31, 2023, primarily due to higher amortization expense of intangible assets associated with our acquisitions and an increase in average property, at cost.

Other operating income, net totaled \$12.0 million for the year ended December 31, 2024, compared to \$4.6 million for the year ended December 31, 2023. The increase is primarily due to net gains on disposals of property of \$10.9 million.

Income before provision for income taxes decreased \$56.1 million, or 8.9%, to \$573.2 million for the year ended December 31, 2024, compared to \$629.3 million for the year ended December 31, 2023. The decrease was primarily due to our increase in SG&A expenses, partially offset by our increase in gross margin.

Our provision for income taxes decreased \$15.8 million, or 9.6%, to \$149.1 million for the year ended December 31, 2024 from \$164.9 million for the year ended December 31, 2023, due to the decrease in income before provision for income taxes. Our effective tax rate was 26.0% for the year ended December 31, 2024, down from 26.2% for the year ended December 31, 2023. The decrease in the effective tax rate is largely due to a decrease in state income tax expense.

Net income attributable to Graybar Electric Company, Inc. for the year ended December 31, 2024 decreased \$40.3 million, or 8.7%, to \$423.1 million from \$463.4 million for the year ended December 31, 2023.

## Financial Condition and Liquidity

### Summary

We manage our liquidity and capital levels so that we have the capability to invest in the growth of our business, meet debt service obligations, pay dividends, fund acquisitions, finance anticipated capital expenditures, finance information technology needs, make benefit payments, and finance other miscellaneous cash outlays. We believe that maintaining a strong company financial condition enables us to competitively access multiple financing channels and invest in strategic long-term growth plans.

We have historically funded our working capital requirements using cash flows generated by the collection of trade receivables and trade accounts payable terms with our suppliers, supplemented by short-term borrowings on our revolving credit facility, if necessary. Acquisitions and capital expenditures have been financed primarily with cash from working capital management and short-term borrowings on our revolving credit facility.

### Cash Flows

The following table summarizes our cash flows from operating, investing and financing activities for each of the past three years:

| <b>Total cash provided by (used by):</b> | <b>2024</b> | <b>2023</b> | <b>2022</b> |
|------------------------------------------|-------------|-------------|-------------|
| Operating Activities                     | \$ 379.7    | \$ 623.1    | \$ 352.9    |
| Investing Activities                     | (182.6)     | (484.7)     | (150.8)     |
| Financing Activities                     | (205.3)     | (109.2)     | (181.2)     |
| Net (Decrease) Increase in Cash          | \$ (8.2)    | \$ 29.2     | \$ 20.9     |

Our cash and cash equivalents were \$90.4 million at December 31, 2024, a decrease of \$8.2 million, or 8.3%, from \$98.6 million at December 31, 2023. The decrease in cash on hand at December 31, 2024 from December 31, 2023 is reflective of increased dividends paid due to strong cash flows from operating activities as a result of increased net income and effective working capital management. We had \$22.0 million of short-term borrowings outstanding at December 31, 2024, compared to no short-term borrowings outstanding at December 31, 2023. Current assets exceeded current liabilities by \$1,074.2 million at December 31, 2024, an increase of \$53.6 million, or 5.3%, from \$1,020.6 million at December 31, 2023.

### Operating Activities

Net cash flows provided by operating activities for the year ended December 31, 2024 was \$379.7 million, compared to net cash flows provided by operating activities of \$623.1 million for the year ended December 31, 2023. Cash provided by operating activities for the year ended December 31, 2024 was attributable to net income of \$424.1 million, adjusted for non-cash depreciation and amortization expenses of \$80.8 million, non-cash operating lease expense of \$60.0 million, and an increase in trade accounts payable of \$29.7 million, partially offset by increases in trade receivables of \$134.8 million and other non-current assets of \$61.9 million, and a decrease in other non-current liabilities of \$62.7 million.

The average number of days of sales in trade receivables for the quarter ended December 31, 2024 increased moderately compared to the same three-month period in 2023. The days in inventory improved significantly for the quarter ended December 31, 2024 compared to the quarter ended December 31, 2023.

### Investing Activities

Net cash used by investing activities was \$182.6 million for the year ended December 31, 2024, compared to \$484.7 million for the year ended December 31, 2023, a decrease of \$302.1 million. Cash used by investing activities for the year ended December 31, 2024 was primarily the result of amounts attributable to acquisitions of \$146.3 million, and capital expenditures for property of \$58.5 million, partially offset by proceeds from disposals of property of \$18.8 million. Cash used by investing activities for the year ended December 31, 2023 was primarily the result of amounts attributable to acquisitions of \$378.8 million, capital expenditures of \$82.0 million, and an investment in an employee deferred compensation trust of \$25.0 million. For further discussion of our acquisitions, refer to Note 17, "Acquisitions", of the notes to the consolidated financial statements included in Item 8., "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K.

## Financing Activities

Net cash used by financing activities totaled \$205.3 million for the year ended December 31, 2024, compared to net cash used by financing activities of \$109.2 million for the year ended December 31, 2023, an increase in cash used of \$96.1 million. The increase in cash used was primarily due to dividends paid of \$225.3 million during the year ended December 31, 2024, compared to dividends paid of \$80.4 million during the year ended December 31, 2023, partially offset by an increase in short-term borrowings of \$22.0 million during the year ended December 31, 2024, compared to net payments on short-term borrowings of \$31.6 million during the year ended December 31, 2023. Cash dividends paid totaled \$7.00 per share, for the year ended December 31, 2024, compared to \$3.00 per share for the year ended December 31, 2023.

## **Liquidity**

Our cash and cash equivalents were \$90.4 million at December 31, 2024, compared to \$98.6 million at December 31, 2023. We had a \$750.0 million amended, unsecured, committed revolving credit facility ("Amended Credit Agreement") with \$724.2 million in available capacity at December 31, 2024, compared to available capacity of \$746.4 million at December 31, 2023 under the Credit Agreement, as defined in Note 12, "Debt", of the notes to the consolidated financial statements included in Item 8., "Financial Statements and Supplemental Data" of this Annual Report on Form 10-K. We had \$22.0 million of short-term borrowings at December 31, 2024, compared to no short-term borrowings at December 31, 2023.

At December 31, 2024 and 2023, we also had two uncommitted, unsecured private placement shelf agreements ("Shelf Agreements"). One of the Shelf Agreements is expected to allow us to issue senior promissory notes up to \$200.0 million to PGIM, Inc. ("the Prudential Shelf Agreement"), at fixed rate terms to be agreed upon at the time of any issuance during a three-year issuance period ending in August 2026. Our other Shelf Agreement is expected to allow us to issue senior promissory notes to MetLife Investment Management, LLC (formerly known as MetLife Investment Advisors, LLC), and MetLife Investment Management Limited (collectively, "MetLife") and each other MetLife affiliate that becomes party to the agreement at fixed or floating rate economic terms to be agreed upon at the time of any issuance during a three-year issuance period. On June 25, 2024, we amended the MetLife Shelf Agreement to, among other things, increase availability from \$150.0 million to \$200.0 million, and extend the issuance period to June 2027, and thereafter, for successive three-year periods until either party notifies the other party at least 30 days prior to the then applicable stated period end date of its intent not to extend.

We have not issued any notes under the Shelf Agreements as of December 31, 2024 and 2023. For further discussion related to our Amended Credit Agreement and our Shelf Agreements, refer to Note 12, "Debt", of the notes to the consolidated financial statements located in Item 8., "Financial Statements and Supplementary Data", of this Annual Report on Form 10-K.

We had total letters of credit of \$9.6 million outstanding at December 31, 2024, of which \$3.8 million were issued under the Amended Credit Agreement. We had total letters of credit of \$9.4 million outstanding at December 31, 2023, of which \$3.6 million were issued under the Credit Agreement. The letters of credit are issued primarily to support certain workers' compensation insurance policies and support performance under certain customer contracts.

## **Contractual Obligations and Commitments**

As of December 31, 2024, we had contractual obligations consisting of \$281.3 million in operating lease obligations and \$2,631.7 million in purchase obligations. Operating lease obligations consist of both principal and interest payments. Purchase obligations consist of open purchase orders issued in the normal course of business. Many of these purchase obligations may be cancelled with limited or no financial penalties.

Additionally at December 31, 2024, we had \$132.0 million of accrued, unfunded pension obligations, and \$70.3 million of accrued, unfunded employment-related benefit obligations, of which \$61.0 million is related to our postretirement benefit plan.

We expect to make contributions totaling \$40.0 million to our qualified defined benefit pension plan during 2025; however, additional contributions may be made at our discretion. In addition, we expect to fund \$2.6 million for nonqualified pension benefits during 2025. We contributed \$40.0 million to our qualified defined benefit pension plan and funded \$1.1 million for nonqualified benefits in 2024.

## **Critical Accounting Estimates**

Our consolidated financial statements are prepared in accordance with generally accepted accounting principles in the U.S. ("GAAP"). In connection with the preparation of our financial statements we are required to make estimates and assumptions about future events and apply judgments that affect the reported amounts of assets, liabilities, revenue, expenses and the related disclosures.

We base our estimates, assumptions and judgments on historical experience, current trends and other factors that management believes to be relevant at the time our consolidated financial statements are prepared. On a regular basis, we review the accounting policies, estimates, assumptions, and judgments to ensure that our financial statements are presented fairly and in accordance with GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our estimates and assumptions, and such differences could be material.

Our significant accounting policies are discussed in Note 2, "Summary of Significant Accounting Policies", of the notes to the consolidated financial statements located in Item 8., "Financial Statements and Supplementary Data", of this Annual Report on Form 10-K. We believe that the following accounting estimates are the most critical to aid in fully understanding and evaluating our reported financial results, and they require our most difficult, subjective or complex judgments, resulting from the need to make estimates about the effect of matters inherently uncertain. We have reviewed these critical accounting estimates and related disclosures with the Audit Committee of our Board.

#### Pension and Postretirement Benefits Plans

We account for our pension and postretirement benefit obligations in accordance with the accounting standards for defined benefit pension and other postretirement plans. These standards require the use of several important assumptions, including the discount rate and expected long-term rate of return on plan assets, among others, in determining our obligations and the annual cost of our pension and postretirement benefits. These assumptions are assessed annually, or more frequently when warranted, in consultation with independent actuaries and investment advisors as of December 31 and adjustments are made as needed.

The following table presents key assumptions used to measure the pension and postretirement benefits obligations at December 31:

|                                | <u>Pension Benefits</u> |             | <u>Postretirement Benefits</u> |             |
|--------------------------------|-------------------------|-------------|--------------------------------|-------------|
|                                | <b>2024</b>             | <b>2023</b> | <b>2024</b>                    | <b>2023</b> |
| Discount rate                  | <b>5.70%</b>            | 5.17%       | <b>5.62%</b>                   | 5.31%       |
| Expected return on plan assets | <b>5.25%</b>            | 5.25%       | —                              | —           |

To determine the long-term expected rate of return, we consider macroeconomic conditions, the historical experience and expected future long-term performance of the plan assets, as well as the current and expected allocation of the plan assets. The pension plan's asset allocation as of December 31, 2024, was approximately 58% fixed income investments, 15% equity securities and 27% other investments, in line with our policy ranges. We periodically evaluate the allocation of plan assets among the different investment classes to ensure that they are within policy guidelines and ranges. Holding all other assumptions constant, we estimate that a one percentage point decrease in the expected return on plan assets would have increased our 2024 pension expense by approximately \$6.1 million. Our expected long-term rate of return on plan assets assumption will increase to 6.00% for fiscal year 2025.

In determining the discount rate, we use yields on high-quality fixed-income investments (including among other things, Moody's Aa corporate bond yields) that match the duration and expected cash flows of the future pension obligations. To the extent the discount rate increases or decreases, our pension and postretirement obligations are decreased or increased accordingly. Holding all other assumptions constant, we estimate that a one percentage point decrease in the discount rate used to calculate both pension expense for 2024 and the pension liability as of December 31, 2024 would have increased pension expense by \$7.1 million in 2024 and the pension liability by \$59.6 million at December 31, 2024. Similarly, a one percentage point decrease in the discount rate would have increased postretirement benefits expense by \$0.1 million in 2024 and the postretirement benefits liability by \$3.4 million at December 31, 2024.

## Business Combinations and Related Goodwill and Intangible Assets

We allocate the purchase price of acquisitions to the tangible and intangible assets acquired and liabilities assumed at their estimated fair values on the date of acquisition, with the excess recorded to goodwill. We use our best estimates and assumptions to assign fair value to the assets acquired and liabilities assumed and determine the useful lives of the acquired intangible assets. We use various valuation techniques to determine the fair value of the intangible assets including the multi-period excess earnings and relief-from-royalty methods. Examples of critical estimates and significant inputs used in valuing the intangible assets include, but are not limited to, projected revenues and expected operating margins, customer attrition rates, discount rates, and royalty rates. We estimate the useful lives of each definite-lived intangible asset based on the expected period over which we anticipate to generate economic benefit from the asset. The amounts and useful lives assigned to the intangible assets impact the amount and timing of future amortization expense.

While we use our best estimates and assumptions to determine fair value of the assets acquired and liabilities assumed, these estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, we may record adjustments.

Our goodwill is not amortized, but rather tested annually for impairment. Goodwill is reviewed annually in the fourth quarter and when circumstances or other events might indicate that impairment may have occurred. Our definite-lived intangible assets are tested for impairment if events or circumstances occur indicating that the respective asset might be impaired.

## Merchandise Inventory

We value most of our inventories at the lower of cost (generally determined using the last-in, first-out ("LIFO") cost method) or market. We value our remaining inventory at the lower of cost or market determined using average cost. LIFO accounting is a method of accounting that, compared with other inventory accounting methods, generally provides better matching of current costs with current sales. In assessing the ultimate realization of inventories, we make judgments as to our return rights to suppliers and future demand requirements and record an inventory reserve for obsolete inventory. If actual future demand, market conditions, or supplier return provisions are less favorable than those projected by management, additional inventory write-downs may be required. For the years ended December 31, 2024, 2023, and 2022, there were no material differences between our estimated reserve levels and actual write-offs.

## Income Taxes

We recognize deferred tax assets and liabilities to reflect the future tax consequences of events that have been recognized in the financial statements or tax returns. A deferred tax asset or liability results from the temporary difference between an item's carrying value as reflected in the financial statements and its tax basis, and is calculated using enacted applicable tax rates. We assess the likelihood that our deferred tax assets will be recovered from future taxable income and, to the extent we believe that recovery is unable to reach the "more likely than not" standard, a valuation allowance is established. Changes in the valuation allowance, when recorded, are included in the provision for income taxes in the consolidated financial statements. We assess uncertainty regarding tax positions taken in previously filed returns and record reserves in accordance with the guidance under Accounting Standards Codification 740-10, "Accounting for Uncertainty in Income Taxes". We classify interest expense and penalties associated with taxes and uncertain tax positions as part of our provision for income taxes based upon applicable federal and state interest/underpayment percentages.

## **New Accounting Standards**

New accounting standards are discussed in Note 2, "Summary of Significant Accounting Policies", of the notes to the consolidated financial statements located in Item 8., "Financial Statements and Supplementary Data", of this Annual Report on Form 10-K.

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

Market risk is the risk of loss arising from adverse changes in market rates and prices, including commodity prices, foreign currency exchange rates, interest rates, and equity prices. Our primary exposures to market risk are commodity price risk, foreign currency exchange rate risk, and interest rate risk associated with debt obligations.

## Commodity Price Risk

We have exposure to commodity price risk on products we purchase for resale. Examples of such products include wire and cable, conduit, enclosures, and fittings.

## Foreign Currency Exchange Rate Risk

The functional currency for our Canadian subsidiary is the Canadian dollar. Accordingly, its balance sheet amounts are translated at the exchange rates in effect at year-end and its income and expenses are translated using average exchange rates prevailing during the year. Currency translation adjustments are included in accumulated other comprehensive loss. Exposure to foreign currency exchange rate fluctuations is not material.

## Interest Rate Risk

Our interest expense is sensitive to changes in the general level of market interest rates. Changes in interest rates have different impacts on the fixed-rate and variable-rate portions of our debt portfolio. A change in market interest rates on the fixed-rate portion of our debt portfolio impacts the fair value of the financial instrument, but has no impact on interest incurred or cash flows. A change in market interest rates on the variable-rate portion of our debt portfolio impacts the interest incurred and cash flows, but does not impact the fair value of the financial instrument.

Based on \$22.0 million in variable-rate debt outstanding at December 31, 2024, a one percentage point increase in interest rates would increase our interest expense by \$0.2 million per year.

The following table provides information about financial instruments that are sensitive to changes in interest rates. The table presents principal payments on debt and related weighted-average interest rates by expected maturity dates:

|                                      |         |        |         |         |         |            | <u>December 31, 2024</u> |  |
|--------------------------------------|---------|--------|---------|---------|---------|------------|--------------------------|--|
| Debt Instruments                     | 2025    | 2026   | 2027    | 2028    | Total   | Fair Value |                          |  |
| Long-term, fixed-rate debt           | \$ 0.9  | \$ 0.7 | \$ 0.3  | \$ 0.3  | \$ 2.2  | \$ 2.1     |                          |  |
| Weighted-average interest rate       | 5.62 %  | 7.09 % | 11.08 % | 12.86 % |         |            |                          |  |
| Short-term, variable-rate borrowings | \$ 22.0 | \$ —   | \$ —    | \$ —    | \$ 22.0 | \$ 22.0    |                          |  |
| Weighted-average interest rate       | 5.46 %  |        |         |         |         |            |                          |  |

The fair value of long-term debt is estimated by calculating future cash flows at interpolated Treasury yields with similar maturities, plus an estimate of our credit risk spread as of December 31, 2024.

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**CAUTION REGARDING FORWARD-LOOKING STATEMENTS:**

For additional information related to risks associated with our future performance, see Part I, "Caution Regarding Forward-looking Statements" above and Item 1A. Risk Factors of this Form 10-K.

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

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## **Report of Independent Registered Public Accounting Firm**

To the Shareholders and the Board of Directors of Graybar Electric Company, Inc.

### **Opinion on the Financial Statements**

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

### **Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the 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 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 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 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 financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the 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 account or disclosure to which it relates.

### ***Defined Benefit Pension Obligation***

***Description of the Matter***

At December 31, 2024, the Company's aggregate defined benefit pension obligation was \$613.8 million and exceeded the fair value of pension plan assets of \$481.8 million, resulting in an unfunded defined benefit pension obligation of \$132.0 million. As discussed in Note 13 to the consolidated financial statements, the Company updates the estimates used to measure the defined benefit pension obligation and plan assets at December 31 or upon a remeasurement event.

Auditing the defined benefit pension obligation was complex and required the involvement of actuarial specialists due to the judgmental nature of certain actuarial assumptions including the discount rate used in the Company's measurement process.

***How We Addressed the Matter in Our Audit***

To test the defined benefit pension obligation, we performed audit procedures that included, among others, evaluating the methodology used, the significant actuarial assumptions described above, and the underlying data used by the Company. We evaluated the actuarial assumptions used by management and the change in the defined benefit pension obligation from the prior year. In addition, we involved an actuarial specialist to assist in evaluating management's methodology for determining the projected benefit obligation, including the actuarial assumptions utilized. For example, we evaluated management's methodology for determining the discount rate that reflects the maturity and duration of the benefit payments used to measure the defined benefit pension obligation. We also tested the completeness and accuracy of the underlying data used in the actuarial calculations.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1996.

St. Louis, Missouri

March 13, 2025

**Graybar Electric Company, Inc. and Subsidiaries**  
**Consolidated Statements of Income**

|                                                                  | <b>For the Years Ended December 31,</b> |                    |                    |
|------------------------------------------------------------------|-----------------------------------------|--------------------|--------------------|
|                                                                  | <b>2024</b>                             | <b>2023</b>        | <b>2022</b>        |
| <i>(Stated in millions, except per share data)</i>               |                                         |                    |                    |
| <b>Net Sales</b>                                                 | <b>\$ 11,645.5</b>                      | <b>\$ 11,042.4</b> | <b>\$ 10,534.4</b> |
| Cost of merchandise sold                                         | <b>(9,309.3)</b>                        | <b>(8,818.6)</b>   | <b>(8,387.3)</b>   |
| <b>Gross Margin</b>                                              | <b>2,336.2</b>                          | <b>2,223.8</b>     | <b>2,147.1</b>     |
| Selling, general and administrative expenses                     | <b>(1,691.2)</b>                        | <b>(1,525.0)</b>   | <b>(1,442.8)</b>   |
| Depreciation and amortization                                    | <b>(80.8)</b>                           | <b>(66.1)</b>      | <b>(53.4)</b>      |
| Other operating income, net                                      | <b>12.0</b>                             | <b>4.6</b>         | <b>2.9</b>         |
| <b>Income from Operations</b>                                    | <b>576.2</b>                            | <b>637.3</b>       | <b>653.8</b>       |
| Non-operating expenses, net                                      | <b>(3.0)</b>                            | <b>(8.0)</b>       | <b>(44.3)</b>      |
| <b>Income before Provision for Income Taxes</b>                  | <b>573.2</b>                            | <b>629.3</b>       | <b>609.5</b>       |
| Provision for income taxes                                       | <b>(149.1)</b>                          | <b>(164.9)</b>     | <b>(155.8)</b>     |
| <b>Net Income</b>                                                | <b>424.1</b>                            | <b>464.4</b>       | <b>453.7</b>       |
| Net income attributable to noncontrolling interests              | <b>(1.0)</b>                            | <b>(1.0)</b>       | <b>(0.8)</b>       |
| <b>Net Income attributable to Graybar Electric Company, Inc.</b> | <b>\$ 423.1</b>                         | <b>\$ 463.4</b>    | <b>\$ 452.9</b>    |
| <b>Net Income attributable to Graybar Electric Company, Inc.</b> |                                         |                    |                    |
| <b>per share of Common Stock<sup>(A)</sup></b>                   | <b>\$ 13.11</b>                         | <b>\$ 14.42</b>    | <b>\$ 14.21</b>    |

<sup>(A)</sup> Adjusted for the declaration of a 20% stock dividend in December 2023, shares related to which were issued in February 2024. Prior to the adjustment, the average common shares outstanding were 26.6 million shares for the year ended December 31, 2022.

*The accompanying Notes to Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.*

**Graybar Electric Company, Inc. and Subsidiaries**  
**Consolidated Statements of Comprehensive Income**

| <i>(Stated in millions)</i>                                                                                            | <b>For the Years Ended December 31,</b> |                 |                 |
|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------|-----------------|
|                                                                                                                        | <b>2024</b>                             | <b>2023</b>     | <b>2022</b>     |
| <b>Net Income</b>                                                                                                      | <b>\$ 424.1</b>                         | <b>\$ 464.4</b> | <b>\$ 453.7</b> |
| <b>Other Comprehensive (Loss) Income</b>                                                                               |                                         |                 |                 |
| Foreign currency translation                                                                                           | <b>(16.1)</b>                           | <b>4.0</b>      | <b>(9.8)</b>    |
| Pension and postretirement benefits liability adjustments<br>(net of tax of \$8.3, \$10.1, and \$(13.0), respectively) | <b>(24.2)</b>                           | <b>(29.1)</b>   | <b>37.3</b>     |
| <b>Total Other Comprehensive (Loss) Income</b>                                                                         | <b>(40.3)</b>                           | <b>(25.1)</b>   | <b>27.5</b>     |
| <b>Comprehensive Income</b>                                                                                            | <b>\$ 383.8</b>                         | <b>\$ 439.3</b> | <b>\$ 481.2</b> |
| Less: comprehensive income attributable to noncontrolling<br>interests, net of tax                                     | <b>0.5</b>                              | <b>1.0</b>      | <b>0.6</b>      |
| <b>Comprehensive Income attributable to<br/>    Graybar Electric Company, Inc.</b>                                     | <b>\$ 383.3</b>                         | <b>\$ 438.3</b> | <b>\$ 480.6</b> |

*The accompanying Notes to Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.*

**Graybar Electric Company, Inc. and Subsidiaries**  
**Consolidated Balance Sheets**

|                                                                                               | <b>December 31,</b>           |             |
|-----------------------------------------------------------------------------------------------|-------------------------------|-------------|
|                                                                                               | <b>2024</b>                   | <b>2023</b> |
| <i>(Stated in millions, except share and per share data)</i>                                  |                               |             |
| <b>ASSETS</b>                                                                                 |                               |             |
| <b>Current Assets</b>                                                                         |                               |             |
| Cash and cash equivalents                                                                     | \$ 90.4                       | \$ 98.6     |
| Trade receivables (net of allowances of \$15.2 and \$13.6, respectively)                      | 1,820.3                       | 1,657.3     |
| Merchandise inventory                                                                         | 902.2                         | 908.4       |
| Other current assets                                                                          | 87.0                          | 79.6        |
| Total Current Assets                                                                          | 2,899.9                       | 2,743.9     |
| <b>Property, at cost</b>                                                                      |                               |             |
| Land                                                                                          | 95.4                          | 97.4        |
| Buildings                                                                                     | 577.9                         | 598.7       |
| Furniture and fixtures                                                                        | 342.3                         | 310.3       |
| Software                                                                                      | 154.4                         | 158.7       |
| Finance leases                                                                                | 6.8                           | 13.4        |
| Total Property, at cost                                                                       | 1,176.8                       | 1,178.5     |
| Accumulated depreciation and amortization                                                     | (698.9)                       | (678.6)     |
| Net Property                                                                                  | 477.9                         | 499.9       |
| <b>Operating Lease Right-of-use Assets</b>                                                    | 232.9                         | 219.2       |
| <b>Goodwill</b>                                                                               | 232.2                         | 179.0       |
| <b>Intangible Assets (net of accumulated amortization of \$62.1 and \$38.0, respectively)</b> | 310.5                         | 261.9       |
| <b>Other Non-current Assets</b>                                                               | 153.8                         | 102.2       |
| <b>Total Assets</b>                                                                           | \$ 4,307.2                    | \$ 4,006.1  |
| <b>LIABILITIES</b>                                                                            |                               |             |
| <b>Current Liabilities</b>                                                                    |                               |             |
| Short-term borrowings                                                                         | \$ 22.0                       | \$ —        |
| Trade accounts payable                                                                        | 1,294.0                       | 1,255.3     |
| Accrued payroll and benefit costs                                                             | 207.5                         | 192.1       |
| Current operating lease liabilities                                                           | 55.7                          | 51.9        |
| Other current liabilities                                                                     | 246.5                         | 224.0       |
| Total Current Liabilities                                                                     | 1,825.7                       | 1,723.3     |
| <b>Postretirement Benefits Liability</b>                                                      | 54.1                          | 55.9        |
| <b>Pension Liability</b>                                                                      | 129.0                         | 107.3       |
| <b>Non-current Operating Lease Liabilities</b>                                                | 194.9                         | 183.4       |
| <b>Other Non-current Liabilities</b>                                                          | 55.9                          | 47.9        |
| <b>Total Liabilities</b>                                                                      | 2,259.6                       | 2,117.8     |
| <b>SHAREHOLDERS' EQUITY</b>                                                                   |                               |             |
| <b>Capital Stock</b>                                                                          | <b>Shares at December 31,</b> |             |
|                                                                                               | <b>2024</b>                   | <b>2023</b> |
| Common, stated value \$20.00 per share                                                        |                               |             |
| Authorized                                                                                    | 50,000,000                    | 50,000,000  |
| Issued to voting trustees                                                                     | 26,656,527                    | 26,614,542  |
| Issued to shareholders                                                                        | 5,533,939                     | 5,518,543   |
| In treasury, at cost                                                                          | (57,751)                      | (69,174)    |
| Outstanding Common Stock                                                                      | 32,132,715                    | 32,063,911  |
| Common shares subscribed                                                                      | 1,356,281                     | 1,347,781   |
| Less subscriptions receivable                                                                 | (1,356,281)                   | (1,347,781) |
| Retained Earnings                                                                             | 1,614.9                       | 1,417.1     |
| Accumulated Other Comprehensive Loss                                                          | (217.7)                       | (177.9)     |
| <b>Total Graybar Electric Company, Inc. Shareholders' Equity</b>                              | 2,039.9                       | 1,880.5     |
| <b>Noncontrolling Interests</b>                                                               | 7.7                           | 7.8         |
| <b>Total Shareholders' Equity</b>                                                             | 2,047.6                       | 1,888.3     |
| <b>Total Liabilities and Shareholders' Equity</b>                                             | \$ 4,307.2                    | \$ 4,006.1  |

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

**Graybar Electric Company, Inc. and Subsidiaries**  
**Consolidated Statements of Cash Flows**

| (Stated in millions)                                                          | For the Years Ended December 31, |                |                |
|-------------------------------------------------------------------------------|----------------------------------|----------------|----------------|
|                                                                               | 2024                             | 2023           | 2022           |
| <b>Cash Flows from Operating Activities</b>                                   |                                  |                |                |
| Net Income                                                                    | \$ 424.1                         | \$ 464.4       | \$ 453.7       |
| Adjustments to reconcile net income to cash provided by operating activities: |                                  |                |                |
| Depreciation and amortization                                                 | 80.8                             | 66.1           | 53.4           |
| Non-cash operating lease expense                                              | 60.0                             | 51.1           | 39.5           |
| Deferred income taxes                                                         | 19.0                             | 15.4           | (3.0)          |
| Net (gains) losses on disposals of assets                                     | (10.9)                           | (0.4)          | 0.4            |
| Losses on impairment of assets                                                | 3.0                              | 0.4            | —              |
| Non-cash pension settlement charge                                            | —                                | —              | 27.0           |
| Earnings on investment in employee deferred compensation trust                | (1.4)                            | (0.9)          | —              |
| Net income attributable to noncontrolling interests                           | (1.0)                            | (1.0)          | (0.8)          |
| Changes in assets and liabilities:                                            |                                  |                |                |
| Trade receivables                                                             | (134.8)                          | 115.9          | (235.7)        |
| Merchandise inventory                                                         | 17.8                             | 173.1          | (201.0)        |
| Other current assets                                                          | (7.3)                            | 5.4            | (28.6)         |
| Other non-current assets                                                      | (61.9)                           | 1.3            | (43.3)         |
| Trade accounts payable                                                        | 29.7                             | (79.5)         | 213.6          |
| Accrued payroll and benefit costs                                             | 14.8                             | (32.1)         | 30.5           |
| Other current liabilities                                                     | 10.5                             | (22.3)         | 50.8           |
| Other non-current liabilities                                                 | (62.7)                           | (133.8)        | (3.6)          |
| Total adjustments to net income                                               | (44.4)                           | 158.7          | (100.8)        |
| Net cash provided by operating activities                                     | 379.7                            | 623.1          | 352.9          |
| <b>Cash Flows from Investing Activities</b>                                   |                                  |                |                |
| Proceeds from disposal of property                                            | 18.8                             | 1.1            | 0.6            |
| Capital expenditures for property                                             | (58.5)                           | (82.0)         | (67.7)         |
| Insurance proceeds from property claim                                        | 4.0                              | —              | —              |
| Amounts attributable to acquisitions                                          | (146.3)                          | (378.8)        | (83.7)         |
| Investment in employee deferred compensation trust                            | (0.6)                            | (25.0)         | —              |
| Net cash used by investing activities                                         | (182.6)                          | (484.7)        | (150.8)        |
| <b>Cash Flows from Financing Activities</b>                                   |                                  |                |                |
| Net increase (decrease) in short-term borrowings                              | 22.0                             | (31.6)         | (92.6)         |
| Principal payments under finance arrangements                                 | (1.5)                            | (1.8)          | (2.1)          |
| Proceeds from advance payments on common stock prior to issuance              | 1.0                              | 0.8            | 1.0            |
| Sales of common stock                                                         | 26.1                             | 22.9           | 20.4           |
| Purchases of common stock                                                     | (24.7)                           | (20.3)         | (14.7)         |
| Sales of noncontrolling interests' common stock                               | —                                | 1.5            | —              |
| Purchases of noncontrolling interests' common stock                           | (0.6)                            | (0.3)          | (0.4)          |
| Dividends paid                                                                | (225.3)                          | (80.4)         | (92.8)         |
| Contingent consideration paid                                                 | (2.3)                            | —              | —              |
| Net cash used by financing activities                                         | (205.3)                          | (109.2)        | (181.2)        |
| <b>Net (Decrease) Increase in Cash</b>                                        | <b>(8.2)</b>                     | <b>29.2</b>    | <b>20.9</b>    |
| <b>Cash, Beginning of Year</b>                                                | <b>98.6</b>                      | <b>69.4</b>    | <b>48.5</b>    |
| <b>Cash, End of Year</b>                                                      | <b>\$ 90.4</b>                   | <b>\$ 98.6</b> | <b>\$ 69.4</b> |
| <b>Supplemental Cash Flow Information:</b>                                    |                                  |                |                |
| <b>Non-cash Investing and Financing Activities:</b>                           |                                  |                |                |
| Acquisitions of equipment under finance leases                                | \$ —                             | \$ 1.0         | \$ 1.5         |
| Acquisitions of assets under operating leases                                 | \$ 74.1                          | \$ 92.5        | \$ 82.1        |
| <b>Cash Paid During the Year for:</b>                                         |                                  |                |                |
| Interest, net of amounts capitalized                                          | \$ 0.9                           | \$ 2.6         | \$ 1.6         |
| Income taxes, net of refunds                                                  | \$ 131.4                         | \$ 142.0       | \$ 164.9       |

*The accompanying Notes to Consolidated Financial Statements are an integral part of the Consolidated Financial Statements*

**Graybar Electric Company, Inc. and Subsidiaries**  
**Consolidated Statements of Changes in Shareholders' Equity**

| Graybar Electric Company, Inc.<br>Shareholders' Equity |                 |                      |                                               |                             |                                  |
|--------------------------------------------------------|-----------------|----------------------|-----------------------------------------------|-----------------------------|----------------------------------|
| <i>(Stated in millions)</i>                            | Common<br>Stock | Retained<br>Earnings | Accumulated<br>Other<br>Comprehensive<br>Loss | Noncontrolling<br>Interests | Total<br>Shareholders'<br>Equity |
| <b>Balance, December 31, 2021</b>                      | \$ 456.7        | \$ 850.3             | \$ (180.5)                                    | \$ 5.4                      | \$ 1,131.9                       |
| Net income                                             |                 | 452.9                |                                               | 0.8                         | 453.7                            |
| Other comprehensive income (loss)                      |                 |                      | 27.7                                          | (0.2)                       | 27.5                             |
| Stock issued                                           | 20.4            |                      |                                               |                             | 20.4                             |
| Stock purchased                                        | (14.7)          |                      |                                               | (0.4)                       | (15.1)                           |
| Dividends declared                                     | 69.4            | (162.2)              |                                               |                             | (92.8)                           |
| <b>Balance, December 31, 2022</b>                      | \$ 531.8        | \$ 1,141.0           | \$ (152.8)                                    | \$ 5.6                      | \$ 1,525.6                       |
| Net income                                             |                 | 463.4                |                                               | 1.0                         | 464.4                            |
| Other comprehensive loss                               |                 |                      | (25.1)                                        |                             | (25.1)                           |
| Stock issued                                           | 22.9            |                      |                                               | 1.5                         | 24.4                             |
| Stock purchased                                        | (20.3)          |                      |                                               | (0.3)                       | (20.6)                           |
| Dividends declared                                     | 106.9           | (187.3)              |                                               |                             | (80.4)                           |
| <b>Balance, December 31, 2023</b>                      | \$ 641.3        | \$ 1,417.1           | \$ (177.9)                                    | \$ 7.8                      | \$ 1,888.3                       |
| Net income                                             |                 | 423.1                |                                               | 1.0                         | 424.1                            |
| Other comprehensive loss                               |                 |                      | (39.8)                                        | (0.5)                       | (40.3)                           |
| Stock issued                                           | 26.1            |                      |                                               |                             | 26.1                             |
| Stock purchased                                        | (24.7)          |                      |                                               | (0.6)                       | (25.3)                           |
| Dividends declared                                     |                 | (225.3)              |                                               |                             | (225.3)                          |
| <b>Balance, December 31, 2024</b>                      | \$ 642.7        | \$ 1,614.9           | \$ (217.7)                                    | \$ 7.7                      | \$ 2,047.6                       |

*The accompanying Notes to Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.*

**Graybar Electric Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
*(Stated in millions, except share and per share data)*

## **1. DESCRIPTION OF THE BUSINESS**

Graybar Electric Company, Inc. ("Graybar", "Company", "we", "our", or "us") is a New York corporation, incorporated in 1925. We are engaged in the distribution of electrical, industrial, automation and connectivity products and are a provider of related supply chain management and logistics services. We primarily serve customers in the construction, commercial, institutional and government ("CIG"), and industrial & utility vertical markets, with products and services that support new construction, infrastructure updates, building renovation, facility maintenance, repair and operations ("MRO"), and original equipment manufacturers ("OEM"). In our primary role as third-party wholesale distributor, we neither manufacture nor contract to manufacture the products that we sell; however, one of our subsidiaries may contract to manufacture some of its private label lighting fixtures. Our business activity is primarily based in the United States ("U.S."). We also have subsidiary operations with distribution facilities in Canada and Puerto Rico.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Our accounting policies conform to generally accepted accounting principles in the U.S. ("GAAP") and are applied on a consistent basis among all years presented. Significant accounting policies are described below.

### **Principles of Consolidation**

The consolidated financial statements include the accounts of Graybar and our subsidiary companies. All material intercompany balances and transactions have been eliminated. The ownership interests that are held by owners other than the Company are in subsidiaries owned by the Company and are accounted for and reported as noncontrolling interests.

### **Reclassifications**

Certain reclassifications have been made to prior year's financial information to conform to the December 31, 2024 presentation. These changes consisted of aggregating current portion of long-term debt and other accrued taxes with other current liabilities, and aggregating long-term debt with other non-current liabilities within the December 31, 2023 consolidated balance sheet. The reclassifications had no effect on total assets or liabilities as of December 31, 2023.

### **Estimates**

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

### **Revenue Recognition**

Sales revenue is recognized when performance obligations are satisfied, which is typically upon delivery of the product to the customer. Sometimes product is purchased from the manufacturer and drop-shipped to the customer. We generally take control of the goods when shipped by the manufacturer and then recognize revenue when control of the product transfers to the customer. Revenues recognized are primarily for product sales, but may also include freight and handling charges. Our standard warehouse shipping terms are FOB shipping point, under which control passes to the customer at the time of shipment. Revenue is reported net of all taxes, primarily sales tax, assessed by governmental authorities as a result of revenue-producing transactions.

### **Outgoing Freight Expenses**

We record approximately 95% of outgoing freight expenses as a component of selling, general and administrative expenses. Total outgoing freight expenses were \$106.2 million, \$102.0 million, and \$101.0 million for the years ended December 31, 2024, 2023, and 2022, respectively.

### **Cash and Cash Equivalents**

We account for cash on hand, deposits in banks, and other short-term, highly liquid investments with an original maturity of three months or less as cash and cash equivalents.

## **Allowance for Credit Losses**

We perform ongoing credit evaluations of our customers, and a significant portion of our trade receivables is secured by mechanic's lien or payment bond rights. We maintain allowances to reflect the expected uncollectability of trade receivables based on past collection history pooled on the aging of the receivables, specific risks identified in the receivables portfolio based on current conditions, and expected future economic conditions when necessary. Although actual credit losses have historically been within management's expectations, additional allowances may be required if the financial condition of our customers were to deteriorate.

## **Merchandise Inventory**

Our inventory is comprised entirely of finished goods. Most of our inventory is stated at the lower of cost (generally determined using the last-in, first-out ("LIFO") cost method) or market. LIFO accounting is a method of accounting that, compared with other inventory accounting methods, generally provides better matching of current costs with current sales. Our remaining inventory is stated at the lower of cost or market determined using average cost.

We make provisions for obsolete or excess inventories as necessary to reflect reductions in inventory value.

## **Vendor Allowances**

Our agreements with many of our suppliers provide for us to earn volume incentives based on purchases during the agreement period. Based on the provisions of our vendor agreements, we develop vendor accrual rates by estimating our performance under the agreements and the amounts that will be earned. We perform analyses and review historical trends to ensure the deferred amounts earned are appropriately recorded. Certain vendor agreements contain purchase volume incentives that provide for increased funding when graduated purchase volumes are met. Amounts accrued throughout the year are based on estimates of future activity levels, and could be materially impacted if actual purchase volumes differ. Changes in the estimated amount of incentives are treated as changes in estimate and are recognized in income from operations in the period in which the change in estimate occurs. In the event that the operating performance of our suppliers were to decline, however, there can be no assurance that amounts earned would be paid or that the volume incentives would continue to be included in future agreements.

## **Property and Depreciation**

Property is recorded at cost. Depreciation is expensed on a straight-line basis over the estimated useful lives of the related assets. Interest costs incurred to finance expenditures for major long-term construction projects are capitalized as part of the asset's historical cost and included in property, then depreciated over the useful life of the asset. Leasehold improvements are amortized over the term of the lease or the estimated useful life of the improvement, whichever is shorter. Expenditures for maintenance and repairs are charged to expense when incurred, while the costs of significant improvements, which extend the useful life of the underlying asset, are capitalized.

## **Fair Value**

GAAP has established a fair value hierarchy, which prioritizes the inputs used in measuring fair value. The tiers in the hierarchy include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs for which little or no market data exists, therefore requiring an entity to develop its own data inputs and assumptions. We have used fair value measurements to value our pension plan assets.

## **Foreign Currency Exchange Rate**

The functional currency for our Canadian subsidiary is the Canadian dollar. Accordingly, its balance sheet amounts are translated at the exchange rates in effect at the end of each reporting period and its statements of income amounts are translated at the average rates of exchange prevailing during the current period. Currency translation adjustments are included in accumulated other comprehensive loss.

## **Goodwill**

Our goodwill is not amortized, but rather tested annually for impairment. Goodwill is reviewed annually in the fourth quarter and when circumstances or other events might indicate that impairment may have occurred. We first perform a qualitative assessment of goodwill impairment. The qualitative assessment considers several factors including the excess fair value over carrying value as of

the last quantitative impairment test, the length of time since the last fair value measurement, the current carrying value, market conditions, actual performance compared to forecasted performance, and the current business outlook. If the qualitative assessment indicates that it is more likely than not that goodwill is impaired, the reporting unit would then be quantitatively tested for impairment. If a quantitative assessment would be required, the fair value would be determined using a variety of assumptions including estimated future cash flows of the reporting unit and applicable discount rates.

### **Definite Lived Intangible Assets**

The cost of intangible assets with determinable useful lives is amortized to reflect the pattern of economic benefits consumed on a straight-line basis over the estimated periods benefited. Customer relationships, trade names and other non-contractual intangible assets with determinable lives are amortized over periods generally ranging from 2.5 to 20 years. Intangible assets are tested for impairment if events or circumstances occur indicating that the respective asset might be impaired.

### **Cloud Computing Arrangement**

We capitalize certain cloud computing arrangement implementation costs incurred in hosting arrangements that are service contracts within other non-current assets in the consolidated balance sheets. We amortize capitalized cloud computing arrangement implementation costs using the straight-line method over the term of the hosting arrangement, with amortization expense recorded in selling, general and administrative expenses once the cloud computing arrangement is placed in service.

### **Income Taxes**

We recognize deferred tax assets and liabilities to reflect the future tax consequences of events that have been recognized in the financial statements or tax returns. A deferred tax asset or liability results from the temporary difference between an item's carrying value as reflected in the financial statements and its tax basis, and is calculated using enacted applicable tax rates. We assess the likelihood that our deferred tax assets will be recovered from future taxable income and, to the extent we believe that recovery is unable to reach the 'more likely than not' standard, a valuation allowance is established. Changes in the valuation allowance, when recorded, are included in the provision for income taxes in the consolidated financial statements. We assess uncertainty regarding tax positions taken in previously filed returns and record reserves in accordance with the guidance under the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 740-10, "Accounting for Uncertainty in Income Taxes". We classify interest expense and penalties associated with taxes and uncertain tax positions as part of our provision for income taxes based upon applicable federal and state interest/underpayment percentages.

### **Other Postretirement Benefits**

We account for postretirement benefits other than pensions by accruing the costs of benefits to be provided over the eligible employees' periods of active service. These costs are determined on an actuarial basis. Our consolidated balance sheets reflect the funded status of postretirement benefits.

### **Pension Plan**

We sponsor a noncontributory defined benefit pension plan accounted for by accruing the cost to provide the benefits over the eligible employees' periods of active service. These costs are determined on an actuarial basis. Our consolidated balance sheets reflect the funded status of the defined benefit pension plan.

### **Employee Deferred Compensation Trust**

We have an employee deferred compensation trust to meet funding obligations for nonqualified pension benefits to certain participants in the supplemental benefit plan. Assets in the trust are classified as other non-current assets in the consolidated balance sheet. Earnings and losses on investments in the employee deferred compensation trust are reported in non-operating expenses, net in the consolidated statements of income.

### **Leases**

We determine if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets, current operating lease liabilities, and non-current operating lease liabilities on our consolidated balance sheets. Amounts related to finance leases are included in property, other current liabilities, and other non-current liabilities on our consolidated balance sheets. ROU assets and lease liabilities are recognized and measured on the date the underlying asset is made available to us.

Operating lease ROU assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. We use our incremental borrowing rate based on the information available at the commencement date in determining the present value of future payments. The operating lease ROU asset also includes any lease payments made 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. Operating lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

For certain leases, such as real estate and information technology (“IT”) equipment, we account for the lease and non-lease components as a single lease component. For all other leases, we account for the lease and non-lease components separately. Leases with a term of twelve months or less are not recorded on the consolidated balance sheets. Lease expenses associated with short-term leases are immaterial and are recorded in the consolidated statements of income in selling, general and administrative expenses. Additionally, for certain vehicle leases, we apply a portfolio approach to account for the operating lease ROU assets and liabilities.

### **Non-operating Expenses, net**

Non-operating expenses, net are comprised of interest expense, net, earnings and losses on investments, which consists of highly liquid money market funds and U.S. Treasury securities, and non-service cost components of the net periodic benefit cost for the pension and other postretirement benefit plans. The non-service cost components include interest cost, expected return on plan assets, amortization of net actuarial gains/losses, amortization of prior service costs/gains, and charges due to settlement of certain plan liabilities.

### **Segments and Related Disclosures**

The Company is engaged in the distribution of electrical, industrial, automation and connectivity products. In our primary role as third-party wholesale distributor, we neither manufacture nor contract to manufacture the products that we sell. During the years ended December 31, 2024, 2023 and 2022, domestic revenue accounted for 95% of total revenue. The Company’s long-lived assets consist primarily of property, net. As of December 31, 2024 and 2023, 96% of long-lived assets were in the U.S. The Company manages its business activities and operations in one reportable segment.

The Company’s chief operating decision maker (“CODM”) is considered to be the Chairman of the Board, President and Chief Executive Officer of Graybar. The CODM assesses performance for the Company’s single reportable segment and decides how to allocate resources based on net income attributable to Graybar (see the Consolidated Statements of Income). The CODM makes decisions on resource allocation, assesses performance of the business, and monitors budget versus actual results using net income. Significant expenses within income from operations, as well as within net income, include cost of merchandise sold, selling, general and administrative expenses, depreciation and amortization, and other operating income, net, which are each separately presented on the Company’s Consolidated Statements of Income. Other segment items within net income include non-operating expenses, net, and provision for income taxes.

### **New Accounting Standards**

In November 2023, the FASB issued Accounting Standards Update (“ASU”) 2023-07, “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures” which requires public entities to provide enhanced disclosures of significant segment expenses and other segment items. Public entities with a single reportable segment must provide all the disclosures required by Topic 280, including the significant segment expense disclosures. The guidance requires public entities to provide in interim periods all disclosures about a reportable segment’s profit or loss and assets that are currently required annually. The guidance applies to all public entities and is effective for fiscal years beginning after December 15, 2023, and for interim periods beginning after December 15, 2024. The guidance shall be applied retrospectively to all periods presented in the financial statements. The adoption of this Update did not have a material impact on our consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, “Income Taxes (Topic 740): Improvements to Income Tax Disclosures” which is intended to enhance the transparency and decision usefulness of annual income tax disclosures. The guidance addresses investor requests for enhanced income tax information primarily through changes to the rate reconciliation and income taxes paid information. The guidance is effective for annual periods beginning after December 15, 2024. We are currently evaluating the impact of this Update on our consolidated financial statements and expect expansion of our income tax footnote disclosures. We have not early adopted and will apply the ASU for the periods beginning after December 15, 2024.

In March 2024, the SEC issued final climate-related disclosure rules requiring disclosure of material climate-related risks, board and management governance of such risks, and material direct and indirect greenhouse gas emissions. Disclosures will be made prospectively, with phased-in effective dates starting with fiscal years beginning on or after January 1, 2025. The SEC voluntarily

delayed the implementation of the climate-related disclosure rules in April 2024, pending review of the rules by the Court of Appeals for the Eighth Circuit. On February 11, 2025, the Acting Chairman of the SEC announced that he had directed the Commission staff to request the Court not to schedule the case for argument in order to provide time for the Commission to determine appropriate next steps in the case. We are currently evaluating the impact that these rules could have on our consolidated financial statements and notes thereto.

In November 2024, the FASB issued ASU 2024-04, “Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses” which requires public business entities to disclose, on an annual and interim basis, disaggregated information about certain income statement expense line items. Public business entities are required to disclose purchases of inventory, employee compensation, depreciation, intangible asset amortization and depletion for each income statement line item that contains those expenses. Specified expenses, gains or losses that are already disclosed under existing GAAP are required to be included in the disaggregated income statement expense line item disclosures, and any remaining amounts need to be described qualitatively. Separate disclosures of total selling expenses and an entity’s definition of those expenses are also required. The guidance is effective for annual periods beginning after December 15, 2026, and for interim periods within annual reporting periods beginning after December 15, 2027. The guidance is required to be applied prospectively and may be applied retrospectively. We are currently evaluating the impact of this Update and will adopt it beginning in our December 31, 2027 consolidated financial statements.

### 3. REVENUE

The following table summarizes the percentages of our net sales attributable to each of our vertical markets for the years ended December 31, 2024, 2023 and 2022:

|                      | For the Years Ended December 31, |         |         |
|----------------------|----------------------------------|---------|---------|
|                      | 2024                             | 2023    | 2022    |
| Construction         | 60.3 %                           | 58.4 %  | 56.7 %  |
| CIG                  | 21.8                             | 23.3    | 26.0    |
| Industrial & Utility | 17.9                             | 18.3    | 17.3    |
| Total net sales      | 100.0 %                          | 100.0 % | 100.0 % |

Certain reclassifications have been made to the vertical market assigned to customers in the prior year’s information to conform to the December 31, 2024 presentation.

We had no material contract assets, contract liabilities, or deferred contract costs recorded on the consolidated balance sheet as of December 31, 2024 and 2023. In addition, for the years ended December 31, 2024, 2023 and 2022, revenue recognized in the reporting period that was included in the contract liability balance at the beginning of the period is not material.

#### 4. ALLOWANCES FOR CASH DISCOUNTS AND CREDIT LOSSES

The following table summarizes the activity in the allowances for cash discounts and credit losses:

|                                                    | Beginning<br>Balance | Provision | Deductions | Ending<br>Balance |
|----------------------------------------------------|----------------------|-----------|------------|-------------------|
| <b><u>For the Year Ended December 31, 2024</u></b> |                      |           |            |                   |
| Allowance for cash discounts                       | \$ 3.6               | \$ 54.9   | \$ (54.3)  | \$ 4.2            |
| Allowance for credit losses                        | 10.0                 | 5.7       | (4.7)      | 11.0              |
| Total                                              | \$ 13.6              | \$ 60.6   | \$ (59.0)  | \$ 15.2           |
| <b><u>For the Year Ended December 31, 2023</u></b> |                      |           |            |                   |
| Allowance for cash discounts                       | \$ 3.6               | \$ 51.7   | \$ (51.7)  | \$ 3.6            |
| Allowance for credit losses                        | 9.8                  | 6.2       | (6.0)      | 10.0              |
| Total                                              | \$ 13.4              | \$ 57.9   | \$ (57.7)  | \$ 13.6           |
| <b><u>For the Year Ended December 31, 2022</u></b> |                      |           |            |                   |
| Allowance for cash discounts                       | \$ 3.8               | \$ 47.4   | \$ (47.6)  | \$ 3.6            |
| Allowance for credit losses                        | 5.3                  | 8.9       | (4.4)      | 9.8               |
| Total                                              | \$ 9.1               | \$ 56.3   | \$ (52.0)  | \$ 13.4           |

#### 5. INVENTORY

Our inventory, comprised entirely of finished goods, is stated at the lower of cost (generally determined using the LIFO cost method) or market. Inventories valued using the LIFO method comprised 80% of the total inventories at both December 31, 2024 and 2023. Had the first-in, first-out (“FIFO”) method been used, merchandise inventory would have been \$427.2 million and \$453.3 million greater than reported under the LIFO method at December 31, 2024 and 2023, respectively. We did not liquidate any portion of previously created LIFO layers in 2024 and 2022. In 2023, we liquidated portions of previously created LIFO layers, resulting in increases in cost of merchandise sold of \$5.2 million.

Reserves for excess and obsolete inventories were \$23.0 million and \$23.7 million at December 31, 2024 and 2023, respectively. The change in the reserve for excess and obsolete inventories, included in cost of merchandise sold, was \$(0.7) million, \$5.8 million, and \$3.9 million for the years ended December 31, 2024, 2023, and 2022, respectively.

#### 6. PROPERTY AND DEPRECIATION

We provide for depreciation and amortization using the straight-line method over the following estimated useful asset lives:

| Classification                              | Estimated Useful Asset Life                                   |
|---------------------------------------------|---------------------------------------------------------------|
| Buildings                                   | 42 years                                                      |
| Leasehold improvements                      | Over the shorter of the asset’s useful life or the lease term |
| Furniture, fixtures, equipment and software | 3 to 14 years                                                 |
| Assets held under finance leases            | Over the shorter of the asset’s useful life or the lease term |

Depreciation expense was \$49.4 million, \$43.1 million, and \$37.6 million in 2024, 2023, and 2022, respectively.

At the time property is retired or otherwise disposed, the asset and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is credited or charged to other operating income, net.

We consider properties to be assets held for sale when all of the following criteria are met: (i) a formal commitment to a plan to sell a property has been made and exercised; (ii) the property is available for sale in its present condition; (iii) actions required to complete the sale of the property have been initiated; (iv) sale of the property is probable and we expect the sale will occur within one year; and (v) the property is being actively marketed for sale at a price that is reasonable given its current market value.

Upon designation as an asset held for sale, we record the carrying value of each property at the lower of its carrying value or its estimated fair value, less estimated costs to sell, and depreciation of the property ceases. We had \$1.3 million and \$6.7 million of assets held for sale at December 31, 2024 and 2023, respectively. During the year ended December 31, 2024, we sold assets classified as held for sale with a net book value of \$7.3 million, and recorded a net gain of \$10.6 million in other operating income, net. We did not sell any assets classified as held for sale in 2023 and 2022.

Where applicable, we capitalize qualifying internal and external costs incurred to develop or obtain software for internal use during the application development stage. Costs incurred during the pre-application development and post-implementation stages are expensed as incurred. We capitalized software and software development costs of \$3.1 million and \$11.9 million in 2024 and 2023, respectively, and the amounts are recorded in software.

We review long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. For assets classified as held and used, impairment may occur if projected undiscounted cash flows are not adequate to cover the carrying value of the assets. In such cases, additional analysis is conducted to determine the amount of the loss to be recognized. The impairment loss is calculated as the difference between the carrying amount of the asset and its estimated fair value. The analysis requires estimates of the amount and timing of projected cash flows and, where applicable, selection of an appropriate discount rate. Such estimates are critical in determining whether any impairment charge should be recorded and the amount of such charge if an impairment loss is deemed necessary. For the year ended December 31, 2024, we recognized a net impairment charge of \$3.0 million, which was comprised of impairment on property of \$17.5 million, partially offset with gains on insurance proceeds. The impairment charge is recorded in other operating income, net. We did not recognize any impairment on property for the years ended December 31, 2023 and 2022.

## 7. LEASES

We have operating and finance leases for corporate offices, warehouse buildings, sales offices, branch locations, vehicles, and certain equipment. Our leases have remaining lease terms of one to eleven years, some of which may include options to extend the leases for up to five years, and some of which may include options to terminate the leases within one year. In addition to fixed lease payments, we incur variable lease charges that are recognized as incurred. These charges are primarily for maintenance and real estate taxes on leased facilities.

The components of the lease expense for the years ended December 31, 2024, 2023, and 2022 were as follows:

|                                     |    | For the Years Ended December 31, |    |      |         |
|-------------------------------------|----|----------------------------------|----|------|---------|
|                                     |    | 2024                             |    | 2023 | 2022    |
| Operating lease cost                | \$ | 70.9                             | \$ | 58.4 | \$ 43.8 |
| Finance lease cost:                 |    |                                  |    |      |         |
| Amortization of right-of-use assets |    | 1.2                              |    | 1.5  | 1.9     |
| Interest on lease liabilities       |    | 0.3                              |    | 0.3  | 0.4     |
| Total finance lease cost            |    | 1.5                              |    | 1.8  | 2.3     |
| Variable lease cost                 |    | 18.4                             |    | 15.3 | 12.4    |
| Total lease cost                    | \$ | 90.8                             | \$ | 75.5 | \$ 58.5 |

Supplemental balance sheet information at December 31, 2024 and 2023 related to leases was as follows:

|                                            | <b>December 31,</b> |             |
|--------------------------------------------|---------------------|-------------|
|                                            | <b>2024</b>         | <b>2023</b> |
| Operating leases:                          |                     |             |
| Operating lease right-of-use assets        | \$ 231.1            | \$ 216.8    |
| Favorable lease interests, net             | 1.8                 | 2.4         |
| Total operating lease right-of-use assets  | \$ 232.9            | \$ 219.2    |
| Current operating lease liabilities        | \$ 55.7             | \$ 51.9     |
| Non-current operating lease liabilities    | 194.9               | 183.4       |
| Total operating lease liabilities          | \$ 250.6            | \$ 235.3    |
| Finance leases:                            |                     |             |
| Property, at cost                          | \$ 6.8              | \$ 13.4     |
| Accumulated depreciation and amortization  | (5.0)               | (9.8)       |
| Net property                               | \$ 1.8              | \$ 3.6      |
| Current obligations of finance leases      | \$ 0.9              | \$ 1.9      |
| Finance leases, net of current obligations | 1.3                 | 2.8         |
| Total finance lease liabilities            | \$ 2.2              | \$ 4.7      |
| Weighted average remaining lease term:     |                     |             |
| Operating leases                           | 4.9 years           | 5.0 years   |
| Finance leases                             | 2.8 years           | 2.9 years   |
| Weighted average discount rate:            |                     |             |
| Operating leases                           | 4.6%                | 4.2%        |
| Finance leases                             | 8.4%                | 7.4%        |

Supplemental cash flow and other information for the years ended December 31, 2024, 2023, and 2022 related to leases was as follows:

|                                                                         | <b>For the Years Ended December 31,</b> |             |             |
|-------------------------------------------------------------------------|-----------------------------------------|-------------|-------------|
|                                                                         | <b>2024</b>                             | <b>2023</b> | <b>2022</b> |
| Cash paid for amounts included in the measurement of lease liabilities: |                                         |             |             |
| Operating cash flows from operating leases                              | \$ 69.3                                 | \$ 57.9     | \$ 42.6     |
| Operating cash flows from finance leases                                | 0.3                                     | 0.3         | 0.4         |
| Financing cash flows from finance leases                                | 1.5                                     | 1.8         | 2.1         |
| Right-of-use assets obtained in exchange for lease liabilities:         |                                         |             |             |
| Operating leases <sup>(A)</sup>                                         | \$ 74.1                                 | \$ 92.5     | \$ 82.1     |
| Finance leases                                                          | —                                       | 1.0         | 1.5         |

<sup>(A)</sup> Includes \$3.6 million, \$20.5 million, and \$2.9 million of operating leases established as a result of our acquisitions during 2024, 2023 and 2022, respectively. See Note 17, "Acquisitions", for further information.

Future minimum lease payments under non-cancellable leases as of December 31, 2024, were as follows:

|                                     | <b>December 31, 2024</b>    |                           |
|-------------------------------------|-----------------------------|---------------------------|
|                                     | <b>Operating<br/>Leases</b> | <b>Finance<br/>Leases</b> |
| Future minimum lease payments       |                             |                           |
| 2025                                | \$ 65.8                     | \$ 1.0                    |
| 2026                                | 62.9                        | 0.8                       |
| 2027                                | 53.3                        | 0.4                       |
| 2028                                | 40.1                        | 0.3                       |
| 2029                                | 24.3                        | —                         |
| Thereafter                          | 34.9                        | —                         |
| Total future minimum lease payments | \$ 281.3                    | \$ 2.5                    |
| Less: imputed interest              | (30.7)                      | (0.3)                     |
| Total lease obligation              | \$ 250.6                    | \$ 2.2                    |
| Less: current obligations           | (55.7)                      | (0.9)                     |
| Long-term lease obligation          | \$ 194.9                    | \$ 1.3                    |

## 8. GOODWILL AND INTANGIBLE ASSETS

### Goodwill

The changes in the carrying amount of goodwill for the years ended December 31 were as follows:

|                                                  | <b>2024</b> | <b>2023</b> |
|--------------------------------------------------|-------------|-------------|
| Beginning balance                                | \$ 179.0    | \$ 83.1     |
| Acquisitions and purchase accounting adjustments | 53.8        | 95.7        |
| Foreign currency translation impact              | (0.6)       | 0.2         |
| Ending balance                                   | \$ 232.2    | \$ 179.0    |

As of December 31, 2024, we have completed our annual impairment test and concluded that there is no impairment of our goodwill. We did not recognize any goodwill impairment in 2023 and 2022.

### Intangible Assets

Intangible assets consist of the following:

| <b>As of December 31, 2024</b> |                   |                                  |                                  |                                     |                                |
|--------------------------------|-------------------|----------------------------------|----------------------------------|-------------------------------------|--------------------------------|
|                                | <b>Asset Life</b> | <b>Weighted<br/>Average Life</b> | <b>Gross Carrying<br/>Amount</b> | <b>Accumulated<br/>Amortization</b> | <b>Net Carrying<br/>Amount</b> |
| Customer relationships         | 6 to 20 years     | 15.3 years                       | \$ 277.3                         | \$ (45.9)                           | \$ 231.4                       |
| Trade name                     | 5 to 20 years     | 16.3 years                       | 90.9                             | (14.3)                              | 76.6                           |
| Non-compete agreements         | 3 to 7 years      | 5.0 years                        | 3.7                              | (1.3)                               | 2.4                            |
| Other intangible assets        | 2.5 to 10 years   | 3.9 years                        | 0.7                              | (0.6)                               | 0.1                            |
| Total                          |                   | 15.4 years                       | \$ 372.6                         | \$ (62.1)                           | \$ 310.5                       |

| As of December 31, 2023 |                 |                       |                       |                          |                     |
|-------------------------|-----------------|-----------------------|-----------------------|--------------------------|---------------------|
|                         | Asset Life      | Weighted Average Life | Gross Carrying Amount | Accumulated Amortization | Net Carrying Amount |
| Customer relationships  | 6 to 20 years   | 15.3 years            | \$ 226.9              | \$ (27.9)                | \$ 199.0            |
| Trade name              | 5 to 20 years   | 16.9 years            | 69.8                  | (8.9)                    | 60.9                |
| Non-compete agreements  | 3 to 7 years    | 5.2 years             | 2.5                   | (0.7)                    | 1.8                 |
| Other intangible assets | 2.5 to 10 years | 3.9 years             | 0.7                   | (0.5)                    | 0.2                 |
| Total                   |                 | 15.5 years            | \$ 299.9              | \$ (38.0)                | \$ 261.9            |

We did not incur impairment losses related to our intangible assets during the years ended December 31, 2024, 2023, and 2022. Amortization expense for intangible assets was \$24.1 million, \$15.0 million, and \$6.3 million for the years ended December 31, 2024, 2023, and 2022, respectively.

Estimated future amortization expense related to our intangible assets for the years ending December 31 is as follows:

|            |          |
|------------|----------|
| 2025       | \$ 25.6  |
| 2026       | 24.1     |
| 2027       | 23.8     |
| 2028       | 23.3     |
| 2029       | 22.7     |
| After 2029 | 191.0    |
| Total      | \$ 310.5 |

## 9. INCOME TAXES

The components of income before taxes and the provision for income taxes recorded in the consolidated statements of income are as follows:

| Components of Income before Taxes | For the Years Ended December 31, |                 |                 |
|-----------------------------------|----------------------------------|-----------------|-----------------|
|                                   | 2024                             | 2023            | 2022            |
| Domestic                          | \$ 532.5                         | \$ 591.9        | \$ 573.6        |
| Foreign                           | 40.7                             | 37.4            | 35.9            |
| <b>Income before taxes</b>        | <b>\$ 573.2</b>                  | <b>\$ 629.3</b> | <b>\$ 609.5</b> |

| <b>Components of Income Tax Provision</b> | <b>For the Years Ended December 31,</b> |                 |                 |
|-------------------------------------------|-----------------------------------------|-----------------|-----------------|
|                                           | <b>2024</b>                             | <b>2023</b>     | <b>2022</b>     |
| Current expense:                          |                                         |                 |                 |
| U.S. Federal                              | \$ 94.7                                 | \$ 109.7        | \$ 119.5        |
| State                                     | 23.6                                    | 29.1            | 28.8            |
| Foreign                                   | 11.8                                    | 10.7            | 10.5            |
| Total current expense                     | \$ 130.1                                | \$ 149.5        | \$ 158.8        |
| Deferred expense (benefit):               |                                         |                 |                 |
| U.S. Federal                              | \$ 14.7                                 | \$ 11.9         | \$ (2.1)        |
| State                                     | 4.5                                     | 3.7             | (0.6)           |
| Foreign                                   | (0.2)                                   | (0.2)           | (0.3)           |
| Total deferred expense (benefit)          | \$ 19.0                                 | \$ 15.4         | \$ (3.0)        |
| <b>Total income tax provision</b>         | <b>\$ 149.1</b>                         | <b>\$ 164.9</b> | <b>\$ 155.8</b> |

A reconciliation between the statutory U.S. federal income tax rate and the effective tax rate in the consolidated statements of income is as follows:

|                                                      | <b>For the Years Ended December 31,</b> |               |               |
|------------------------------------------------------|-----------------------------------------|---------------|---------------|
|                                                      | <b>2024</b>                             | <b>2023</b>   | <b>2022</b>   |
| Statutory U.S. federal income tax rate               | 21.0 %                                  | 21.0 %        | 21.0 %        |
| State and local income taxes, net of federal benefit | 3.9                                     | 4.1           | 3.7           |
| Other, net                                           | 1.1                                     | 1.1           | 0.9           |
| <b>Effective tax rate</b>                            | <b>26.0 %</b>                           | <b>26.2 %</b> | <b>25.6 %</b> |

We determine our deferred tax assets and liabilities based upon the difference between the financial statement and tax bases of our assets and liabilities calculated using enacted applicable tax rates. We then assess the likelihood that our deferred tax assets will be recovered from future taxable income and, to the extent we believe that recovery is not likely, we establish a valuation allowance. Changes in the valuation allowance, when recorded, are included in the provision for income taxes in the consolidated financial statements. The following deferred tax assets (liabilities) were recorded at December 31:

| <b>Assets (Liabilities)</b>         | <b>2024</b>    | <b>2023</b>    |
|-------------------------------------|----------------|----------------|
| Pension                             | \$ 28.9        | \$ 23.5        |
| Operating lease liabilities         | 62.2           | 58.8           |
| Postretirement benefits             | 15.7           | 16.1           |
| Inventory                           | 8.7            | 25.2           |
| Payroll accruals                    | 4.5            | 6.1            |
| Computer software                   | 1.4            | 3.7            |
| Bad debt reserves                   | 2.1            | 2.0            |
| Other deferred tax assets           | 23.5           | 19.0           |
| Subtotal                            | 147.0          | 154.4          |
| Less: valuation allowances          | (1.3)          | (1.1)          |
| <b>Deferred tax assets</b>          | <b>145.7</b>   | <b>153.3</b>   |
| Fixed assets                        | (48.9)         | (50.6)         |
| Operating lease right-of-use assets | (57.3)         | (54.1)         |
| Other deferred tax liabilities      | (24.3)         | (23.0)         |
| <b>Deferred tax liabilities</b>     | <b>(130.5)</b> | <b>(127.7)</b> |
| <b>Net deferred tax assets</b>      | <b>\$ 15.2</b> | <b>\$ 25.6</b> |

Deferred income taxes included in non-current assets (liabilities) at December 31 were:

|                                                                    | 2024           | 2023           |
|--------------------------------------------------------------------|----------------|----------------|
| Deferred tax assets included in other non-current assets           | \$ 17.3        | \$ 28.1        |
| Deferred tax liabilities included in other non-current liabilities | (2.1)          | (2.5)          |
| <b>Total</b>                                                       | <b>\$ 15.2</b> | <b>\$ 25.6</b> |

Operating loss and tax credit carryforwards included in net deferred tax assets, all of which expire between 2025 and 2034, at December 31 were:

|              | 2024   | 2023   |
|--------------|--------|--------|
| U.S. Federal | \$ 1.3 | \$ 1.1 |
| State        | 0.1    | 0.1    |

We have placed valuation allowances of \$1.3 million and \$1.1 million for 2024 and 2023, respectively, relating to federal foreign tax credits that are not expected to be utilized prior to expiration.

No additional income taxes have been provided for any outside basis differences inherent in non U.S. subsidiaries, as these amounts continue to be indefinitely reinvested in foreign operations to fund operations and growth.

Our federal income tax returns for the tax years 2021 and forward are available for examination by the United States Internal Revenue Service (“IRS”). The statute of limitations for the 2021 federal return will expire on October 15, 2025, unless extended by consent. Our state income tax returns for 2020 through 2024 remain subject to examination by various state authorities with the latest period closing on December 31, 2029. We have not extended the statutes of limitations in any state jurisdictions with respect to years prior to 2020.

In 2021, the Organization for Economic Cooperation and Development (“OECD”) introduced a framework, referred to as Pillar Two, creating a 15% global minimum effective tax rate for large multinational corporations. Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Company operates, effective beginning January 1, 2024. The Pillar Two effective tax rates in all jurisdictions in which the Company operates are above 15% and management is not currently aware of any circumstances under which this might change. Accordingly, based upon 2024 results and reporting structure, no top-up taxes have been recorded.

We had no unrecognized tax benefits as of December 31, 2024. We had unrecognized tax benefits of \$0.4 million and \$0.5 million as of December 31, 2023 and 2022, respectively, that are uncertain tax positions that would impact our effective tax rate if recognized. We are periodically engaged in tax return examinations, reviews of statute of limitations periods, and settlements surrounding income taxes. We do not anticipate a material change in unrecognized tax benefits during the next twelve months.

Our uncertain tax benefits, and changes thereto, during 2024, 2023, and 2022 were as follows:

|                                             | 2024          | 2023          | 2022          |
|---------------------------------------------|---------------|---------------|---------------|
| <b>Balance at January 1,</b>                | <b>\$ 0.4</b> | <b>\$ 0.5</b> | <b>\$ 1.0</b> |
| Reductions for tax positions of prior years | (0.4)         | (0.1)         | (0.5)         |
| <b>Balance at December 31,</b>              | <b>\$ —</b>   | <b>\$ 0.4</b> | <b>\$ 0.5</b> |

We classify interest expense and penalties as part of our provision for income taxes based upon applicable federal and state interest/underpayment percentages. We had no interest and penalties accrued at December 31, 2024 compared to \$0.1 million in interest and penalties accrued at December 31, 2023. Interest was computed on the difference between the provision for income taxes recognized in accordance with GAAP and the amount of benefit previously taken or expected to be taken in our federal, state, and local income tax returns.

## 10. CAPITAL STOCK

Our common stock is 100% owned by active and retired employees, and there is no public trading market for our common stock. Since 1928, substantially all of the issued and outstanding shares of common stock have been held of record by voting trustees under successive voting trust agreements. A new Voting Trust Agreement was established effective March 3, 2017, which expires by its terms on March 1, 2027 because under applicable New York law, a voting trust may not have a term greater than ten years. At

December 31, 2024, approximately 83% of our outstanding common stock was held in the voting trust. The participation of shareholders in the voting trust is voluntary at the time the voting trust is created, but is irrevocable during its term. Shareholders who elect not to participate in the voting trust hold their common stock as shareholders of record. Shareholders may elect to participate in the voting trust at any time during the term of the voting trust.

No holder of our common stock or voting trust interests representing our common stock ("common stock", "common shares", or "shares") may sell, transfer or otherwise dispose of any shares without first offering us the option to purchase those shares at the price at which they were issued. We also have the option to purchase at the issue price the common shares of any shareholder who ceases to be an employee for any reason other than death or "retirement" (as defined in our amended restated certificate of incorporation), and on the first anniversary of any holder's death. In the past, we have always exercised these purchase options and we expect to continue to do so in the foreseeable future. However, we can make no assurance that we will continue to exercise our purchase option in the future. All outstanding shares have been issued at \$20.00 per share.

During 2024, eligible employees and qualified retirees subscribed for 1,356,281 shares totaling \$27.1 million. Subscribers elected to make payments under one of the following options: (i) all shares subscribed for on or before January 3, 2025; or (ii) all shares subscribed for in installments paid through payroll deductions (or in certain cases where a subscriber is no longer on our payroll, through direct monthly payments) over an eleven-month period.

Common shares were delivered to subscribers as of January 10, 2025, in the case of shares paid for on or before January 3, 2025. Shares will be issued and delivered to subscribers on a quarterly basis, as of the tenth day of March, June, September, and December, to the extent full payments for shares are made in the case of subscriptions under the installment method.

Shown below is a summary of shares purchased and retired by the Company during the three years ended December 31:

|             | <u>Shares of Common Stock</u> |                  |
|-------------|-------------------------------|------------------|
|             | <u>Purchased</u>              | <u>Retired</u>   |
| <b>2024</b> | <b>1,238,010</b>              | <b>1,249,433</b> |
| 2023        | 1,016,132                     | 1,010,521        |
| 2022        | 735,641                       | 725,186          |

We also have authorized 10,000,000 shares of Delegated Authority Preferred Stock ("preferred stock"), par value one cent (\$0.01). The preferred stock may be issued in one or more series, with the designations, relative rights, preferences, and limitations of shares of each such series being fixed by a resolution of our Board of Directors. There were no shares of preferred stock outstanding at December 31, 2024 and 2023.

On December 13, 2023, our Board of Directors declared a 20% common stock dividend. Each shareholder was entitled to one share of common stock for every five shares held as of December 18, 2023. The stock was issued on February 2, 2024. On December 7, 2022, our Board of Directors declared a 15% common stock dividend. Each shareholder was entitled to three shares of common stock for every twenty shares held as of December 12, 2022. The stock was issued on February 3, 2023.

## 11. NET INCOME PER SHARE OF COMMON STOCK

The computation of net income per share of common stock is based on the average number of common shares outstanding during each year, adjusted in all periods presented for the declaration of a 20% stock dividend declared in 2023. The average number of shares used in computing net income per share of common stock at December 31, 2024, 2023, and 2022 was 32,262,812 shares, 32,121,723 shares, and 31,870,071 shares, respectively.

## 12. DEBT

| <u>Long-term Debt</u>                                                                   | <u>December 31,</u> |               |
|-----------------------------------------------------------------------------------------|---------------------|---------------|
|                                                                                         | <u>2024</u>         | <u>2023</u>   |
| Finance arrangements, various maturities, with a weighted average interest rate of 8.4% | \$ 2.2              | \$ 4.7        |
| Less current portion                                                                    | (0.9)               | (1.9)         |
| <b>Long-term Debt</b>                                                                   | <b>\$ 1.3</b>       | <b>\$ 2.8</b> |

**Long-term Debt matures as follows:**

|      |    |     |
|------|----|-----|
| 2025 | \$ | 0.9 |
| 2026 |    | 0.7 |
| 2027 |    | 0.3 |
| 2028 |    | 0.3 |
|      | \$ | 2.2 |

The carrying amount of our outstanding long-term, fixed-rate debt exceeded its fair value by \$0.1 million and \$0.2 million at December 31, 2024 and 2023, respectively. The fair value of the long-term, fixed-rate debt is estimated by calculating future cash flows at interpolated Treasury yields with similar maturities, plus an estimate of our credit risk spread. The fair value of our variable-rate short- and long-term debt approximates its carrying value at December 31, 2024 and 2023, respectively.

**Revolving Credit Facility**

At December 31, 2023, we, along with Graybar Canada Limited, our Canadian operating subsidiary (“Graybar Canada”), had an unsecured, five-year, \$750.0 million committed revolving credit agreement maturing in August 2026 with Bank of America, N.A. and the other lenders named therein (the “Credit Agreement”), which included a combined letter of credit sub-facility of up to \$25.0 million, a U.S. swing-line loan facility of up to \$75.0 million, and a Canadian swing-line loan facility of up to \$20.0 million. The Credit Agreement included a \$100.0 million sublimit (in U.S. or Canadian dollars) available for borrowings by Graybar Canada. Our borrowing availability under the facility is reduced by the amount of borrowings by Graybar Canada, but we may use the sublimit amount to increase our borrowings, to the extent available. If we were to use available borrowings under the Credit Agreement that included the sublimit amount, then Graybar Canada’s available capacity would be reduced by our use of such amount. The Credit Agreement contained an accordion feature, which allowed us to request increases in the aggregate borrowing commitments of up to \$375.0 million.

On June 26, 2024, we, along with Graybar Canada, amended the Credit Agreement, pursuant to the terms and conditions of a CDOR transition amendment (the “CDOR Amendment”), by and among Graybar, as parent borrower, Graybar Canada Limited, as a borrower, the lenders party thereto, Bank of America, N.A. as Domestic Administrative Agent, Domestic Swing Line Lender and Domestic L/C Issuer and Bank of America, N.A., acting through its Canada Branch, as Canadian Administrative Agent, Canadian Swing Line Lender and Canadian L/C Issuer.

The CDOR Amendment amended the Credit Agreement to, among other things, change the interest rate under the Credit Agreement for borrowings denominated in Canadian Dollars from a CDOR-based rate to a rate based on Canadian Overnight Repo Rate Average (CORRA), subject to the adjustments specified in the Credit Agreement. Our borrowing availability remains unchanged under the revised Credit Agreement (the “Amended Credit Agreement”).

Interest on our borrowings under the Amended Credit Agreement will be based on, at the borrower’s election, either (A) (i) the base rate (as defined in the agreement) or (ii) term SOFR (as defined in the agreement, in the case of U.S. dollar-denominated borrowings) or (B) (i) the base rate or (ii) term CORRA (as defined in the agreement, in the case of Graybar Canada as borrower with respect to Canadian dollar-denominated borrowings), in each case plus an applicable rate, as determined by the pricing grid set forth in the Amended Credit Agreement. In connection with such a borrowing, the applicable borrower will also select the term of the loan from available tenors, up to six months, or automatically renew with the consent of the lenders. Swing line loans, which are daily loans, will bear interest at a rate based on, at the borrower’s election, either (i) the base rate or (ii) term SOFR (or term CORRA, in the case of Graybar Canada with respect to Canadian dollar-denominated borrowings). In addition to interest payments, there are certain fees and obligations associated with borrowings, swing-line loans, letters of credit and other administrative matters.

Borrowings of Graybar Canada may be in U.S. dollars or Canadian dollars. The obligations of Graybar Canada are secured by the guaranty of Graybar and any material domestic subsidiaries of Graybar (as defined). Under no circumstances will Graybar Canada use its borrowings to benefit Graybar or its operations, including without limitation to repay any of Graybar’s obligations under the facility.

The Amended Credit Agreement provides for a quarterly commitment fee ranging from 0.25% to 0.40% per annum, subject to adjustment based upon the consolidated leverage ratio for a fiscal quarter, and letter of credit fees ranging from 1.00% to 1.60% per annum payable quarterly, subject to such adjustment. Borrowings can be either base rate loans plus a margin ranging from 0.00% to 0.60%, or SOFR loans plus a margin ranging from 1.00% to 1.60%, both subject to adjustment based upon the consolidated leverage ratio, or an alternative benchmark rate. Availability under the Amended Credit Agreement is subject to the accuracy of representations and warranties and absence of a default and, in the case of Canadian borrowings denominated in Canadian dollars, the absence of a

material adverse change in the national or international financial markets, which would make it impracticable to lend Canadian dollars.

The Amended Credit Agreement contains customary affirmative and negative covenants for credit facilities of this type, including limitations on us and all but certain of our subsidiaries with respect to indebtedness (with specified, limited exceptions), liens, changes in the nature of our business, investments, mergers and acquisitions, issuance of equity securities, dispositions of assets and dissolution of certain subsidiaries, transactions with affiliates, as well as securitizations, factoring transactions, and transactions with sanctioned parties or in violation of certain U.S. or Canadian anti-corruption and anti-money laundering laws. There are also maximum leverage ratio and minimum interest coverage ratio financial covenants to which we will be subject during the term of the Amended Credit Agreement.

The Amended Credit Agreement also provides for customary events of default, including a failure to pay principal, interest or fees when due, failure to comply with covenants, the fact that any representation or warranty made by any of the credit parties is materially incorrect, the occurrence of an event of default under certain other indebtedness by us and our subsidiaries, the commencement of certain insolvency or receivership events affecting any of the credit parties, certain actions under the Employee Retirement Income Security Act of 1974 ("ERISA") and the occurrence of a change in control of any of the credit parties (subject to certain permitted transactions as described in the Amended Credit Agreement). Upon the occurrence of an event of default, the commitments of the lenders may be terminated and all outstanding obligations of the credit parties under the Amended Credit Agreement may be declared immediately due and payable.

We were in compliance with all covenants under the Amended Credit Agreement and Credit Agreement, respectively, as of December 31, 2024 and 2023.

There were \$22.0 million in short-term borrowings at December 31, 2024, of which all were issued under the Amended Credit Agreement. There were no short-term borrowings at December 31, 2023.

Short-term borrowings outstanding during the year ended December 31, 2024 ranged from a minimum of no short-term borrowings to a maximum of \$55.0 million. Short-term borrowings outstanding during the year ended December 31, 2023 ranged from a minimum of no short-term borrowings to a maximum of \$232.0 million. The average daily amount of borrowings outstanding under the Amended Credit Agreement during 2024 amounted to approximately \$2.8 million at weighted-average interest rates of 6.28%. The average daily amount of borrowings outstanding under the Credit Agreement during 2023 amounted to approximately \$62.1 million at weighted-average interest rates of 6.09%.

At December 31, 2024, we had available unused committed lines of credit under the Amended Credit Agreement amounting to \$724.2 million, compared to \$746.4 million at December 31, 2023 under the Credit Agreement.

We had interest income, net of \$2.1 million for the year ended December 31, 2024, compared to interest expense, net of \$2.7 million and \$2.0 million for the years ended December 31, 2023, and 2022, respectively.

### **Private Placement Shelf Agreements**

We have an uncommitted, unsecured \$200.0 million private placement shelf agreement (the "Prudential Shelf Agreement") with PGIM, Inc., which is expected to allow us to issue senior promissory notes to affiliates of PGIM, Inc. at fixed rate terms to be agreed upon at the time of any issuance during a three-year issuance period ending in August 2026.

We also have an uncommitted, unsecured private placement shelf agreement (the "MetLife Shelf Agreement") with MetLife Investment Management, LLC (formerly known as MetLife Investment Advisors, LLC), and MetLife Investment Management Limited (collectively, "MetLife") and each other MetLife affiliate that becomes a party to the agreement. The MetLife Shelf Agreement is expected to allow us to issue senior promissory notes to MetLife at fixed or floating rate economic terms to be agreed upon at the time of issuance. On June 25, 2024, we amended the MetLife Shelf Agreement to, among other things, increase availability from \$150.0 million to \$200.0 million, and extend the issuance period to June 2027, and thereafter, for successive three-year periods until either party notifies the other party at least 30 days prior to the then applicable stated period end date of its intent not to extend.

We remain obligated under a most favored lender clause which is designed to ensure that any notes in the future under the Prudential Shelf Agreement and MetLife Shelf Agreement will continue to be of equal ranking with indebtedness under our Amended Credit Agreement.

No notes have been issued under either the Prudential Shelf Agreement or the MetLife Shelf Agreement as of December 31, 2024 and 2023.

Each shelf agreement contains representations and warranties of the Company and the applicable lender, events of default and affirmative and negative covenants, customary for agreements of this type. These covenants are substantially similar to those contained in the Amended Credit Agreement, subject to a number of exceptions and qualifications set forth in the applicable shelf agreement. All outstanding obligations of Graybar under one or both of these agreements may be declared immediately due and payable upon the occurrence of an event of default.

We were in compliance with all covenants under the Prudential Shelf Agreement and the MetLife Shelf Agreement as of December 31, 2024 and 2023.

### **Letters of Credit**

We had total letters of credit of \$9.6 million outstanding at December 31, 2024, of which \$3.8 million were issued under the Amended Credit Agreement. We had total letters of credit of \$9.4 million outstanding at December 31, 2023, of which \$3.6 million were issued under the Credit Agreement. The letters of credit are issued primarily to support certain workers' compensation insurance policies and support performance under certain customer contracts.

### **13. PENSION AND OTHER POSTRETIREMENT BENEFITS**

We have a noncontributory defined benefit pension plan (the "Pension Plan") covering substantially all employees first hired prior to July 1, 2015 after the completion of one year of service and 1,000 hours of service. The Pension Plan provides retirement benefits based on an employee's final average earnings and years of service. A supplemental benefit plan provides nonqualified pension benefits for compensation in excess of the IRS compensation limits applicable to the Pension Plan and eligible compensation deferred by a participant.

Our funding policy is to make contributions to the Pension Plan, provided that the total annual contributions will not be less than ERISA and the Pension Protection Act of 2006 minimums or greater than the maximum tax-deductible amount, to review the contribution and funding strategy on a regular basis, and to allow discretionary contributions to be made by us from time to time. The assets of the Pension Plan are invested primarily in fixed income investments and equity securities. We pay nonqualified pension benefits when they are due according to the terms of the supplemental benefit plan. We have an employee deferred compensation trust to meet funding obligations for nonqualified pension benefits to certain participants in the supplemental benefit plan. The assets of the employee deferred compensation trust are invested in highly liquid money market funds and U.S. Treasury securities.

We provide certain postretirement healthcare and life insurance benefits to retired employees. Substantially all of our employees hired or rehired prior to 2014 may become eligible for postretirement medical benefits if they reach the age and service requirements of the retiree medical plan and retire on a pension (except a deferred pension) under the Pension Plan. Postretirement life insurance benefits are insured through an insurance company. We fund postretirement benefits as incurred, and accordingly, there were no assets held in the postretirement benefits plan at December 31, 2024 and 2023.

The following table sets forth information regarding the funded status of our pension and other postretirement benefits as of December 31, 2024 and 2023:

|                                                  | <u>Pension Benefits</u> |          | <u>Postretirement Benefits</u> |         |
|--------------------------------------------------|-------------------------|----------|--------------------------------|---------|
|                                                  | 2024                    | 2023     | 2024                           | 2023    |
| Change in Benefit Obligation:                    |                         |          |                                |         |
| Benefit obligation at beginning of period        | \$ 616.8                | \$ 577.9 | \$ 62.4                        | \$ 62.3 |
| Service cost                                     | 22.6                    | 24.3     | 1.4                            | 1.4     |
| Interest cost                                    | 31.9                    | 31.9     | 3.2                            | 3.4     |
| Actuarial (gain) loss                            | (7.9)                   | 36.8     | (1.8)                          | —       |
| Benefits paid from plan assets                   | (47.0)                  | (44.7)   | —                              | —       |
| Benefits paid from Company assets                | (1.0)                   | (3.9)    | (4.2)                          | (4.8)   |
| Plan participants' contributions                 | —                       | —        | —                              | 0.1     |
| Administrative expenses paid                     | (1.6)                   | (5.5)    | —                              | —       |
| Benefit Obligation at End of Period              | 613.8                   | 616.8    | 61.0                           | 62.4    |
| Change in Plan Assets:                           |                         |          |                                |         |
| Fair value of plan assets at beginning of period | 508.2                   | 433.1    | —                              | —       |
| Actual return on plan assets                     | (17.8)                  | 25.3     | —                              | —       |
| Employer contributions <sup>(A)</sup>            | 41.1                    | 103.9    | 4.2                            | 4.7     |
| Plan participants' contributions                 | —                       | —        | —                              | 0.1     |
| Benefits paid <sup>(A)</sup>                     | (48.1)                  | (48.6)   | (4.2)                          | (4.8)   |
| Administrative expenses paid                     | (1.6)                   | (5.5)    | —                              | —       |
| Fair Value of Plan Assets at End of Period       | 481.8                   | 508.2    | —                              | —       |
| Unfunded Status                                  | \$ 132.0                | \$ 108.6 | \$ 61.0                        | \$ 62.4 |

<sup>(A)</sup> Includes \$1.1 million and \$3.9 million paid from our assets for unfunded nonqualified pension benefits in fiscal years 2024 and 2023, respectively.

The accumulated benefit obligation for our Pension Plan was \$570.1 million and \$572.2 million at December 31, 2024 and 2023, respectively.

Amounts recognized in the consolidated balance sheet for the years ended December 31 consist of the following:

|                                  | <u>Pension Benefits</u> |          | <u>Postretirement Benefits</u> |         |
|----------------------------------|-------------------------|----------|--------------------------------|---------|
|                                  | 2024                    | 2023     | 2024                           | 2023    |
| Current accrued benefit cost     | \$ 3.0                  | \$ 1.3   | \$ 6.9                         | \$ 6.5  |
| Non-current accrued benefit cost | 129.0                   | 107.3    | 54.1                           | 55.9    |
| Net amount recognized            | \$ 132.0                | \$ 108.6 | \$ 61.0                        | \$ 62.4 |

Current accrued benefit cost for both pension benefits and postretirement benefits is included in other current liabilities in the consolidated balance sheets. Non-current accrued benefit cost for pension benefits and postretirement benefits are included in pension liability and postretirement benefits liability, respectively, in the consolidated balance sheets.

Amounts recognized in accumulated other comprehensive loss for the years ended December 31, net of tax, consist of the following:

|                                             | <u>Pension Benefits</u> |          | <u>Postretirement Benefits</u> |        |
|---------------------------------------------|-------------------------|----------|--------------------------------|--------|
|                                             | 2024                    | 2023     | 2024                           | 2023   |
| Net actuarial loss (gain)                   | \$ 192.7                | \$ 167.2 | \$ (1.2)                       | \$ —   |
| Prior service cost                          | —                       | —        | —                              | 0.1    |
| Accumulated other comprehensive loss (gain) | \$ 192.7                | \$ 167.2 | \$ (1.2)                       | \$ 0.1 |

The actuarial gain for the Pension Plan in 2024 was primarily due to increases in the discount rate compared to 2023 and due to plan experience. The actuarial loss for the Pension Plan in 2023 was primarily due to decreases in the discount rate compared to 2022 and due to plan experience.

Weighted-average assumptions used to determine the actuarial present value of the pension and postretirement benefit obligations as of December 31 are:

|                                          | <u>Pension Benefits</u> |        | <u>Postretirement Benefits</u> |        |
|------------------------------------------|-------------------------|--------|--------------------------------|--------|
|                                          | 2024                    | 2023   | 2024                           | 2023   |
| Discount rate                            | 5.70 %                  | 5.17 % | 5.62 %                         | 5.31 % |
| Rate of compensation increase            | 4.03 %                  | 4.14 % | —                              | —      |
| Healthcare cost trend on covered charges | —                       | —      | 5.00 %                         | 5.00 % |

The net periodic benefit cost for the years ended December 31, 2024, 2023, and 2022 included the following components:

| Components of Net Periodic Benefit Cost            | <u>Pension Benefits</u> |         |         | <u>Postretirement Benefits</u> |        |        |
|----------------------------------------------------|-------------------------|---------|---------|--------------------------------|--------|--------|
|                                                    | 2024                    | 2023    | 2022    | 2024                           | 2023   | 2022   |
| Selling, general and administrative expenses:      |                         |         |         |                                |        |        |
| Service cost                                       | \$ 22.6                 | \$ 24.3 | \$ 26.4 | \$ 1.4                         | \$ 1.4 | \$ 2.0 |
| Total selling, general and administrative expenses | \$ 22.6                 | \$ 24.3 | \$ 26.4 | \$ 1.4                         | \$ 1.4 | \$ 2.0 |
| Non-operating expenses, net:                       |                         |         |         |                                |        |        |
| Interest cost                                      | 31.9                    | 31.9    | 25.5    | 3.2                            | 3.4    | 2.0    |
| Expected return on plan assets                     | (31.9)                  | (28.9)  | (30.2)  | —                              | —      | —      |
| Amortization of:                                   |                         |         |         |                                |        |        |
| Net actuarial loss                                 | 7.6                     | 1.1     | 17.4    | —                              | —      | 0.6    |
| Settlement charge                                  | —                       | —       | 27.0    | —                              | —      | —      |
| Total non-operating expenses, net                  | \$ 7.6                  | \$ 4.1  | \$ 39.7 | \$ 3.2                         | \$ 3.4 | \$ 2.6 |
| Net periodic benefit cost                          | \$ 30.2                 | \$ 28.4 | \$ 66.1 | \$ 4.6                         | \$ 4.8 | \$ 4.6 |

During 2022, we made lump-sum pension benefit distributions exceeding the cumulative amount of service and interest cost components of the net periodic pension cost for the year, which is the settlement accounting threshold. Accordingly, we recorded a non-cash pension settlement charge of \$27.0 million in non-operating expenses, net on our consolidated statements of income for the year ended December 31, 2022. The settlement charge represented the immediate recognition into expense of a portion of the unrecognized loss within accumulated other comprehensive loss in proportion to the share of the projected benefit obligation that was settled by the lump-sum pension benefit distributions. We did not have a non-cash pension settlement charge for the years ended December 31, 2024, and 2023.

Weighted-average assumptions used to determine net periodic benefit cost for the years ended December 31 were:

|                                          | <u>Pension Benefits</u> |        |               | <u>Postretirement Benefits</u> |        |        |
|------------------------------------------|-------------------------|--------|---------------|--------------------------------|--------|--------|
|                                          | 2024                    | 2023   | 2022          | 2024                           | 2023   | 2022   |
| Discount rate                            | 5.17 %                  | 5.55 % | 2.86% / 4.83% | 5.31 %                         | 5.70 % | 2.71 % |
| Expected return on plan assets           | 5.25 %                  | 5.25 % | 5.00 %        | —                              | —      | —      |
| Rate of compensation increase            | 4.14 %                  | 4.14 % | 4.21 %        | —                              | —      | —      |
| Healthcare cost trend on covered charges | —                       | —      | —             | 5.00 %                         | 5.00 % | 5.00 % |

A discount rate of 5.17% was used as of January 1, 2024 to determine the net periodic benefit cost for the Pension Plan. A discount rate of 5.55% was used as of January 1, 2023 to determine the net periodic benefit cost for the Pension Plan. A discount rate of 2.86% was used as of January 1, 2022 to determine the net periodic benefit cost for the Pension Plan, which was increased to 4.83% effective September 30, 2022 for the remeasurement of the plan liability upon triggering settlement accounting. The expected return on plan assets assumption for the Pension Plan is a long-term assumption and was determined after evaluating input from both the plan's actuary and pension fund investment advisors, consideration of macroeconomic conditions, historical rates of return on plan assets, and anticipated current and long-term rates of return on the various classes of assets in which the plan invests.

For measurement of the postretirement benefits net periodic cost, a 5.00% annual rate of increase in per capita cost of covered healthcare benefits was assumed for 2024. The rate was assumed to remain at 5.00% in 2025 and to remain at that level thereafter.

We expect to fund \$2.6 million for nonqualified pension benefits during 2025. Qualified pension contributions are expected to be \$40.0 million in 2025; however, additional contributions may be made at our discretion.

Estimated future defined benefit pension and other postretirement benefit plan payments to plan participants for the years ending December 31 are as follows:

| <b>Year</b> | <b>Pension Benefits</b> | <b>Postretirement Benefits</b> |
|-------------|-------------------------|--------------------------------|
| 2025        | \$ 58.2                 | \$ 7.1                         |
| 2026        | 54.7                    | 7.4                            |
| 2027        | 55.3                    | 7.5                            |
| 2028        | 56.9                    | 7.5                            |
| 2029        | 56.9                    | 7.3                            |
| 2030-2034   | 276.9                   | 30.4                           |

The investment objective of our Pension Plan is to ensure that there are sufficient assets to fund regular pension benefits payable to employees over the long-term life of the plan. Our Pension Plan seeks to allocate plan assets in a manner that is closely duration-matched with the actuarial projected cash flow liabilities, consistent with prudent standards for preservation of capital, tolerance of investment risk, and maintenance of liquidity. Assets of the qualified pension plan are held by U.S. Bank National Association (the "Trustee").

Our Pension Plan utilizes a liability-driven investment ("LDI") approach to help meet these objectives. The LDI strategy employs a structured fixed-income portfolio designed to reduce volatility in the plan's future funding requirements and funding status. This is accomplished by using a blend of long duration government, quasi-governmental and corporate fixed-income securities, as well as appropriate levels of equity and alternative investments designed to optimize the plan's liability hedge ratio. Derivatives may also be used on fixed-income investments to manage interest rate exposure, volatility, duration, credit exposures, and asset class allocation. Derivatives are not allowed if the position creates economic portfolio leverage beyond the portfolio's investment objectives or if used for speculative purposes. In practice, the value of an asset portfolio constructed primarily of fixed income securities is inversely correlated to changes in market interest rates, primarily offsetting changes in the value of the pension benefit obligation caused by changes in the interest rate used to discount plan liabilities.

Asset allocation information for the Pension Plan at December 31, 2024 and 2023 is as follows:

| <b>Investment</b>                 | <b>2024 Actual Allocation</b> | <b>2024 Target Allocation Range</b> | <b>2023 Actual Allocation</b> | <b>2023 Target Allocation Range</b> |
|-----------------------------------|-------------------------------|-------------------------------------|-------------------------------|-------------------------------------|
| Equity securities - U.S.          | 9 %                           | 7-15 %                              | 6 %                           | 3-10 %                              |
| Equity securities - International | 6 %                           | 3-10 %                              | 5 %                           | 2-10 %                              |
| Fixed income investments          | 53 %                          | 40-80 %                             | 52 %                          | 40-80 %                             |
| Hedge funds                       | 0 %                           | 0 %                                 | 1 %                           | 2-8 %                               |
| Real assets                       | 5 %                           | 0-10 %                              | 6 %                           | 2-10 %                              |
| Private equity                    | 9 %                           | 5-15 %                              | 8 %                           | 2-8 %                               |
| Other investments                 | 5 %                           | 2-8 %                               | 4 %                           | 0-8 %                               |
| Short-term investments            | 13 %                          | 1-10 %                              | 18 %                          | 1-10 %                              |
| Total                             | 100 %                         | 100 %                               | 100 %                         | 100 %                               |

Actual asset allocation may occasionally fall outside of the target allocation range until rebalancing occurs.

The following is a description of the valuation methodologies used for assets held by the Pension Plan measured at fair value:

### **Equity securities - U.S.**

Equity securities - U.S. consist of investments in publicly traded U.S. equity mutual funds. U.S. equity mutual funds are primarily invested in large-capitalization stocks (defined as companies with market capitalization of more than \$10 billion). U.S. publicly traded mutual funds are valued at the closing price reported on the active public market in which the individual securities are traded and are classified as Level 1.

### **Equity securities - International**

Equity securities - International consist of investments in two collective investment trusts and are primarily investments within developed and emerging markets. The collective investment trusts are valued at the net asset value ("NAV") of units of the fund. The NAV, as provided by the Trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund. Audited financial statements are produced on an annual basis for the collective investment trusts.

### **Fixed income investments**

Fixed income investments consist of U.S. and international corporate bonds, government and government agency bonds, derivatives, U.S. Treasury securities, as well as a collective trust that invests in U.S. government debt securities. U.S. and international corporate bonds and government and government agency bonds are valued by independent pricing services using various market and industry inputs and may include, but are not limited to, interest rates, yield curves, and credit spreads. As the significant inputs used are observable market inputs, these investments are classified as Level 2. Derivatives could include, but are not limited to, instruments such as U.S. Treasury futures, total returns swaps, and credit default swaps. Derivatives are valued by independent pricing services using direct and observable market inputs and are thus classified as Level 2. U.S. Treasury securities are valued using quoted market prices obtained from active markets and are classified as Level 1. The collective trust is valued at the NAV of units of the fund. The NAV, as provided by the Trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund.

### **Hedge funds**

Hedge funds consist of investments in various hedge funds structured as fund-of-funds (defined as a single fund that invests in multiple funds). The hedge funds use various investment strategies in an attempt to generate non-correlated returns. A fund-of-funds is designed to help diversify and reduce the risk of the overall portfolio. The hedge funds are valued at the NAV of units of the fund. The NAV, as provided by the Trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund. Audited financial statements are produced on an annual basis for the hedge funds.

### **Real assets**

Real assets consist of a diversified mutual fund, and limited partnerships ("LP") that invest in real estate. The diversified mutual fund is valued using quoted prices in an active market, and is therefore classified as Level 1. The LP investments are valued at the NAV of units of the trust. The NAV, as provided by the Trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund. Audited financial statements are produced on an annual basis for the LP investments.

### **Private equity**

Private equity is an asset class that is generally characterized as requiring long-term commitments and where liquidity is typically limited. Private equity investments do not have an actively traded market with readily observable prices. The investments are limited partnerships and are diversified across typical private equity strategies including: buyouts, co-investments, secondary offerings, venture capital, and special situations. Valuations are developed using a variety of proprietary model methodologies. Valuations may be derived from publicly available sources as well as information obtained from each fund's general partner based upon public market conditions and returns. All private equity investments are classified as Level 3, other than limited partnerships valued at the NAV of units of the fund. The NAV, as provided by the Trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund. Audited financial statements are produced on an annual basis for the private equity investments.

### **Other investments**

Other investments consist of investments in a private debt fund and a high-yield bond fund. The private debt fund is valued using unobservable inputs with limited trading activity, and is therefore classified as Level 3. The high-yield bond fund is valued using the NAV based on the fair value of the underlying investments held by the fund. The NAV, as provided by the Trustee, is used as a practical expedient to estimate fair value. Audited financial statements are produced on an annual basis for the private debt fund and the high-yield bond fund.

### Short-term investments

Short-term investments includes cash and cash equivalents in a short-term fund which is valued at the NAV of units of the fund. The NAV, as provided by the Trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund.

The methods described above may produce fair value calculations that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while we believe our Pension Plan valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

There have been no changes in the methodologies for determining fair value at December 31, 2024 or 2023.

The following tables set forth, by level within the fair value hierarchy, the Pension Plan assets measured at fair value as of December 31, 2024 and 2023:

| December 31, 2024                 |                                   |         |          |         |       |       |
|-----------------------------------|-----------------------------------|---------|----------|---------|-------|-------|
| Investment                        | Investments<br>Measured at<br>NAV | Level 1 | Level 2  | Level 3 | Total |       |
| Equity securities - U.S.          | \$ —                              | \$ 42.0 | \$ —     | \$ —    | \$    | 42.0  |
| Equity securities - International | 27.0                              | —       | —        | —       |       | 27.0  |
| Fixed income investments          | 11.1                              | 19.7    | 225.8    | —       |       | 256.6 |
| Real assets                       | 12.8                              | 10.0    | —        | —       |       | 22.8  |
| Private equity                    | 26.3                              | —       | —        | 19.7    |       | 46.0  |
| Other investments                 | 11.8                              | —       | —        | 11.4    |       | 23.2  |
| Short-term investments            | 64.2                              | —       | —        | —       |       | 64.2  |
| Total                             | \$ 153.2                          | \$ 71.7 | \$ 225.8 | \$ 31.1 | \$    | 481.8 |

  

| December 31, 2023                 |                                   |         |          |         |       |       |
|-----------------------------------|-----------------------------------|---------|----------|---------|-------|-------|
| Investment                        | Investments<br>Measured at<br>NAV | Level 1 | Level 2  | Level 3 | Total |       |
| Equity securities - U.S.          | \$ —                              | \$ 30.1 | \$ —     | \$ —    | \$    | 30.1  |
| Equity securities - International | 20.0                              | 5.1     | —        | —       |       | 25.1  |
| Fixed income investments          | 12.9                              | —       | 252.1    | —       |       | 265.0 |
| Hedge funds                       | 7.5                               | —       | —        | —       |       | 7.5   |
| Real assets                       | 14.9                              | 13.1    | —        | —       |       | 28.0  |
| Private equity                    | 17.6                              | —       | —        | 22.2    |       | 39.8  |
| Other investments                 | 8.1                               | —       | —        | 11.4    |       | 19.5  |
| Short-term investments            | 93.2                              | —       | —        | —       |       | 93.2  |
| Total                             | \$ 174.2                          | \$ 48.3 | \$ 252.1 | \$ 33.6 | \$    | 508.2 |

The tables below set forth a summary of changes in the fair value of the Pension Plan's Level 3 assets for the years ended December 31, 2024 and 2023:

| December 31, 2024          |                |                      |       |       |
|----------------------------|----------------|----------------------|-------|-------|
|                            | Private Equity | Other<br>Investments | Total |       |
| Balance, beginning of year | \$ 22.2        | \$ 11.4              | \$    | 33.6  |
| Unrealized gains           | 0.3            | 1.2                  |       | 1.5   |
| Sales                      | (2.8)          | (1.2)                |       | (4.0) |
| Balance, end of year       | \$ 19.7        | \$ 11.4              | \$    | 31.1  |

**December 31, 2023**

|                            | <b>Private Equity</b> | <b>Other Investments</b> | <b>Total</b> |
|----------------------------|-----------------------|--------------------------|--------------|
| Balance, beginning of year | \$ 23.6               | \$ 11.4                  | \$ 35.0      |
| Realized gains             | 0.2                   | —                        | 0.2          |
| Unrealized (losses) gains  | (0.7)                 | 1.3                      | 0.6          |
| Purchases                  | 0.1                   | —                        | 0.1          |
| Sales                      | (1.0)                 | (1.3)                    | (2.3)        |
| Balance, end of year       | \$ 22.2               | \$ 11.4                  | \$ 33.6      |

#### **14. PROFIT SHARING AND SAVINGS PLAN**

We provide a defined contribution profit sharing and savings plan (the "Plan") covering substantially all of our eligible employees with an individual account for each participant. Employees may make voluntary before-tax and/or after-tax contributions to the saving portion of the Plan, ranging from 2% to 50% of pay, subject to limitations imposed by federal tax law, ERISA, and the Pension Protection Act of 2006. Substantially all employees hired or rehired after July 1, 2015 are eligible to receive a Company matching contribution beginning the first pay period after the completion of six months of service and 500 hours of service. The Company match is equal to 50% of an eligible employee's before-tax or Roth payroll contribution, up to 6% of pay per payroll period, with a maximum match per payroll period of 3%. The matching contribution expense under the Plan recognized by us was \$8.0 million, \$7.2 million, and \$5.9 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Annual contributions made by us to the profit-sharing portion of the Plan are determined by the Board of Directors at its discretion, and are generally based on the profitability of the Company. Expense recognized by us under the profit-sharing portion of the Plan was \$67.1 million, \$56.2 million, and \$78.7 million for the years ended December 31, 2024, 2023, and 2022, respectively.

#### **15. COMMITMENTS AND CONTINGENCIES**

We are subject to various claims, disputes, and administrative and legal matters incidental to our past and current business activities. As a result, contingencies can arise resulting from an existing condition, situation, or set of circumstances involving an uncertainty as to the realization of a possible loss.

We have in place insurance coverage for litigation defense and claim settlement costs incurred in connection with our asbestos claims. We estimate the value of probable insurance recoveries associated with our asbestos reserve based on management's interpretations and estimates surrounding the available or applicable insurance coverage. We estimate the future payments for litigation defense and claim settlement costs based on our historical liabilities and current and projected caseloads. At December 31, 2024, Graybar had \$2.7 million and \$39.6 million of insurance receivables recorded in other current assets and other non-current assets, respectively, and \$2.7 million and \$39.6 million recorded in other current liabilities and other non-current liabilities, respectively, related to our asbestos litigation defense and claims settlement reserve. At December 31, 2023, Graybar had \$2.3 million and \$38.4 million of insurance receivables recorded in other current assets and other non-current assets, respectively, and \$2.3 million and \$38.4 million recorded in other current liabilities and other non-current liabilities, respectively, related to our asbestos litigation defense and claims settlement reserve.

Estimated loss contingencies are accrued only if the loss is probable and the amount of the loss can be reasonably estimated. With respect to a particular loss contingency, it may be probable that a loss has occurred but the estimate of the loss is a wide range. If we deem an amount within the range to be a better estimate than any other amount within the range, that amount will be accrued. However, if no amount within the range is a better estimate than any other amount, the minimum amount of the range is accrued. While we believe that none of these claims, disputes, or administrative and legal matters will have a material adverse effect on our financial position, these matters are uncertain and we cannot at this time determine whether the financial impact, if any, of these matters will be material to our results of operations in the period in which such matters are resolved or a better estimate becomes available.

## 16. ACCUMULATED OTHER COMPREHENSIVE LOSS

The components of accumulated other comprehensive loss as of December 31 are as follows:

|                                      | 2024       | 2023       |
|--------------------------------------|------------|------------|
| Currency translation                 | \$ (26.2)  | \$ (10.6)  |
| Pension liability                    | (192.7)    | (167.2)    |
| Postretirement benefits liability    | 1.2        | (0.1)      |
| Accumulated other comprehensive loss | \$ (217.7) | \$ (177.9) |

The following table represents the total amounts of actuarial losses recognized that were reclassified from accumulated other comprehensive loss for the years ended December 31, 2024 and 2023:

|                                                    | 2024                                                            | 2023                                                            |
|----------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|
|                                                    | Amortization of Pension and Other Postretirement Benefits Items | Amortization of Pension and Other Postretirement Benefits Items |
|                                                    | Actuarial Losses Recognized                                     | Actuarial Losses Recognized                                     |
| Affected Line in Consolidated Statement of Income: |                                                                 |                                                                 |
| Non-operating expenses, net                        | \$ 7.6                                                          | \$ 1.1                                                          |
| Tax benefit                                        | (2.0)                                                           | (0.3)                                                           |
| Total reclassifications for the period, net of tax | \$ 5.6                                                          | \$ 0.8                                                          |

The following table represents the activity included in accumulated other comprehensive loss for the years ended December 31, 2024 and 2023:

|                                                                                                 | 2024                                      | 2023                                      |
|-------------------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
|                                                                                                 | Pension and Other Postretirement Benefits | Pension and Other Postretirement Benefits |
|                                                                                                 | Foreign Currency                          | Foreign Currency                          |
|                                                                                                 | Total                                     | Total                                     |
| Beginning balance January 1,                                                                    | \$ (10.6)                                 | \$ (14.6)                                 |
| Other comprehensive (loss) income before reclassifications                                      | (15.6)                                    | 4.0                                       |
| Amounts reclassified from accumulated other comprehensive loss (net of tax \$(2.0) and \$(0.3)) | 5.6                                       | 0.8                                       |
| Actuarial loss, (net of tax \$10.3 and \$10.4)                                                  | (29.8)                                    | (29.9)                                    |
| Net current-period other comprehensive (loss) income                                            | (15.6)                                    | (29.1)                                    |
| Ending balance December 31,                                                                     | \$ (26.2)                                 | \$ (167.3)                                |

## 17. ACQUISITIONS

In 2024, we completed four acquisitions for a combined preliminary purchase price of \$149.3 million in cash, net of cash acquired. The acquisitions were financed using cash on hand. Additionally, during 2024, we received a post-closing working capital adjustment of \$3.0 million related to a 2023 acquisition.

The following table sets forth the preliminary purchase price allocation and summarizes the estimated fair values of the assets acquired and liabilities assumed for the acquisitions. The purchase price allocation is preliminary pending finalization of the calculations of the fair values of the assets acquired and liabilities assumed, and the valuations of the acquired identifiable intangible assets.

|                                                  | <b>Fair Value</b> |
|--------------------------------------------------|-------------------|
| Current Assets                                   | \$ 28.6           |
| Property                                         | 1.5               |
| Goodwill                                         | 56.8              |
| Intangible Assets                                | 73.5              |
| Current Liabilities                              | (11.1)            |
| <b>Total combined preliminary purchase price</b> | <b>\$ 149.3</b>   |

The fully tax-deductible goodwill resulting from the acquisitions largely consists of our expected future product sales and synergies from combining the newly acquired subsidiaries' products and services with our existing product and service offerings. The following table sets forth the components of preliminary identifiable intangible assets acquired and their useful lives:

|                                | <b>Weighted Average Life (in years)</b> | <b>Fair Value</b> |
|--------------------------------|-----------------------------------------|-------------------|
| Customer relationships         | 15.3                                    | \$ 51.1           |
| Tradename                      | 14.3                                    | 21.1              |
| Non-Compete Agreements         | 4.8                                     | 1.3               |
| <b>Total Intangible Assets</b> | <b>14.8</b>                             | <b>\$ 73.5</b>    |

The fair values of the identified customer relationships and trade name intangible assets were estimated using the multi-period excess earnings and relief-from-royalty methods, respectively. Significant inputs used to value these identifiable intangible assets included projected revenues and expected operating margins, customer attrition rates, discount rates, and royalty rates.

Since the respective dates of the acquisitions, the results of the newly acquired subsidiaries are reflected in our consolidated financial statements, which consisted of approximately \$85.3 million in revenue and \$4.4 million in income from operations. Pro forma results of the acquisitions were not material; therefore, they are not presented.

In 2023, we completed two acquisitions for a combined purchase price of \$375.8 million in cash, net of cash acquired. The acquisitions were financed using cash on hand and short-term borrowings.

The following table sets for the purchase price allocation and summarizes the estimated fair values of the assets acquired and liabilities assumed for the acquisitions.

|                                      | <b>Fair Value</b> |
|--------------------------------------|-------------------|
| Current Assets                       | \$ 153.6          |
| Property                             | 5.0               |
| Goodwill                             | 92.6              |
| Intangible Assets                    | 186.1             |
| Other Non-current Assets             | 2.9               |
| Current Liabilities                  | (64.4)            |
| <b>Total combined purchase price</b> | <b>\$ 375.8</b>   |

The fully tax-deductible goodwill resulting from the acquisitions largely consists of our expected future product sales and synergies from combining the newly acquired subsidiaries' products and services with our existing product and service offerings. The following table sets forth the components of identifiable intangible assets acquired and their useful lives.

|                                | Weighted Average Life (in years) | Fair Value      |
|--------------------------------|----------------------------------|-----------------|
| Customer relationships         | 16.5                             | \$ 148.3        |
| Tradename                      | 15.0                             | 36.6            |
| Non-Compete Agreements         | 5.0                              | 1.2             |
| <b>Total Intangible Assets</b> | <b>16.2</b>                      | <b>\$ 186.1</b> |

The fair values of the identified customer relationships and trade name intangible assets were estimated using the multi-period excess earnings and relief-from-royalty methods, respectively. Significant inputs used to value these identifiable intangible assets included projected revenues and expected operating margins, customer attrition rates, discount rates, and royalty rates.

In 2022, we completed acquisitions for a combined purchase price of \$83.8 million in cash, net of cash acquired. The combined purchase price allocation resulted in \$12.8 million and \$27.4 million of tax-deductible goodwill and other intangible assets, respectively, and \$12.4 million and \$5.3 million of nondeductible goodwill and other intangible assets, respectively.

The acquisitions above present a strategic opportunity for us to expand our reach in current geographies and provide a solid foundation for growth into new adjacent product lines and services.

## 18. QUARTERLY FINANCIAL INFORMATION (UNAUDITED)

The following tables set forth selected quarterly financial data for the years ended December 31, 2024 and 2023:

| For the Quarter Ended                                               | 2024       |            |               |              |
|---------------------------------------------------------------------|------------|------------|---------------|--------------|
|                                                                     | March 31,  | June 30,   | September 30, | December 31, |
| Net sales                                                           | \$ 2,732.7 | \$ 3,005.3 | \$ 2,979.5    | \$ 2,928.0   |
| Gross margin                                                        | 548.0      | 585.8      | 597.2         | 605.2        |
| Net income attributable to the Company                              | 105.2      | 110.4      | 110.2         | 97.3         |
| Net income attributable to the Company<br>per share of common stock | \$ 3.24    | \$ 3.42    | \$ 3.42       | \$ 3.03      |

| For the Quarter Ended                                                              | 2023       |            |               |              |
|------------------------------------------------------------------------------------|------------|------------|---------------|--------------|
|                                                                                    | March 31,  | June 30,   | September 30, | December 31, |
| Net sales                                                                          | \$ 2,672.6 | \$ 2,792.1 | \$ 2,852.6    | \$ 2,725.1   |
| Gross margin                                                                       | 546.9      | 560.9      | 568.9         | 547.1        |
| Net income attributable to the Company                                             | 124.8      | 124.2      | 117.7         | 96.7         |
| Net income attributable to the Company<br>per share of common stock <sup>(A)</sup> | \$ 3.87    | \$ 3.86    | \$ 3.67       | \$ 3.02      |

<sup>(A)</sup>All periods adjusted for a 20% stock dividend declared in December 2023. Prior to these adjustments, the average common shares outstanding for the first, second, third, and fourth quarters of 2023 were 26,891,485 shares, 26,798,704 shares, 26,741,319 shares, and 26,680,115 shares, respectively.

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

None.

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

#### *Evaluation of Disclosure Controls and Procedures*

Our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) are designed to ensure that information required to be disclosed in the reports that we file and submit under the Exchange Act is accumulated and communicated to Company management, including our Principal Executive Officer and Principal Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

An evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2024 was performed under the supervision and with the participation of management. Based on that evaluation, our management, including the Principal Executive Officer and Principal Financial Officer, concluded that our disclosure controls and procedures were effective as of December 31, 2024 to ensure that information required to be disclosed in the reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

Management of the Company, including its Principal Executive Officer and Principal Financial Officer, does not expect that our disclosure controls will prevent or detect all errors. A control system, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance that the control system's objective will be met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, if any, have been detected. These inherent limitations include the realities that disclosure requirements may be misinterpreted and judgments in decision-making may be inexact.

#### *Management's Report on Internal Control Over Financial Reporting*

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management of the Company conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in *Internal Control – Integrated Framework (2013)*, issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") issued in May 2013. Based on that evaluation, management of the Company concluded that our internal control over financial reporting was effective as of December 31, 2024.

As permitted by the SEC, management excluded the 2024 acquisitions from the assessment of internal control over financial reporting. The 2024 acquisitions represented approximately 4% of consolidated total assets and 1% consolidated net sales as of and for the year ended December 31, 2024. The operations of the acquired businesses will be included in the 2025 evaluation.

#### *Changes in Internal Control Over Financial Reporting*

There were no changes in our internal control over financial reporting that have occurred during our last fiscal quarter that have materially affected, or are likely to materially affect, our internal control over financial reporting.

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

On March 12, 2025, the Board of Directors (the "Board") of Graybar Electric Company, Inc. ("Graybar" or the "Company") approved amendments to certain provisions in three different sections of the Company's By-laws: (i) Article I, Sections 1, 2 and 3, (ii) Article II, Sections 1 and 2, and (iii) Article VIII, and the additions of new Article I, Sections 9-11, Article II, Section 5 and Article VI, Section 3 (collectively, the "By-laws Amendments").

In general, the By-laws Amendments adopt a more modern approach to corporate governance and make additional cosmetic changes throughout. Some of the updates include adding notice provisions/disclosure requirements for shareholder proposals, special meeting request requirements and provisions requiring that director nominees be employees of the company, among other things. The

amendment to Article II, Section 2 is conditioned upon approval of Proposal #3 by the Company's shareholders at the 2025 annual meeting of the shareholders (as such proposal will be described in the Information Statement with respect to such meeting).

The summary of the By-laws Amendments set forth above is qualified in its entirety by reference to the full text of the Company's By-laws, attached as Exhibit 3.2, and is incorporated by reference into this Item 9B.

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

Not applicable.

## **PART III**

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

The information with respect to the directors of the Company who are nominees for election at the 2025 annual meeting of shareholders that is required to be included pursuant to this Item 10 will be included under the caption “Proposal 1: Nominees for Election as Directors” and “Information About the Board of Directors and Corporate Governance Matters” in the Company’s Definitive Information Statement relating to the 2025 Annual Meeting (the “Information Statement”) to be filed with the SEC pursuant to Rule 14c-5 under the Exchange Act, and is incorporated herein by reference.

The information with respect to our audit committee and audit committee financial expert, and nominating committee required to be included pursuant to this Item 10 will be included under the caption “Information About the Board of Directors and Corporate Governance Matters” in our Information Statement and is incorporated herein by reference.

We have adopted a code of ethics that applies to our principal executive officer, principal financial officer and principal accounting officer (collectively “Covered Officers”). This code of ethics is appended to our business conduct guidelines for all employees. The business conduct guidelines and specific code for Covered Officers may be accessed at: [www.graybar.com/store/en/gb/cm/company/legal](http://www.graybar.com/store/en/gb/cm/company/legal) and is also available in print without charge upon written request addressed to the Secretary of the Company at our principal executive offices.

Additionally, because there is no public trading market for our common stock, we have not adopted a separate insider trading policy governing the purchase, sale, and other dispositions of our securities by our directors, senior management, and employees or by the Company itself. However, our Code of Ethics requires that all of our employees (which covers all of our officers and directors) to comply fully with all applicable laws and governmental rules and regulations, which includes compliance with insider trading laws, rules and regulations. Moreover, our Code of Ethics provides that no employee may, either directly or indirectly through family members or third parties, purchase or sell stock of publicly-traded companies on the basis of material, non-public information received or learned while acting as a Company employee or share such information with any person to use in connection with their purchase or sale of any publicly-traded security.

### **Item 11. Executive Compensation**

The information with respect to executive compensation, our advisory compensation committee, and the compensation committee interlocks and insider participation required to be included pursuant to this Item 11 will be included under the captions “Information About the Board of Directors and Corporate Governance Matters” and “Compensation Discussion and Analysis” in the Information Statement and is incorporated herein by reference.

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

The information with respect to the security ownership of beneficial owners of more than 5% of the Common Stock and of directors and executive officers of the Company required to be included pursuant to this Item 12, will be included under the captions “Beneficial Ownership of More Than 5% of the Outstanding Common Stock” and “Beneficial Ownership of Management” in the Information Statement and is incorporated herein by reference.

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

At the date of this report, there are no reportable transactions, business relationships or indebtedness of the type required to be included pursuant to this Item 13 between the Company and any beneficial owner of more than 5% of the Common Stock, the directors or nominees for director of the Company, the executive officers of the Company or the members of the immediate families of such individuals. If there is any change in that regard prior to the filing of the Information Statement, such information will be included under the caption “Transactions with Related Persons” in the Information Statement and shall be incorporated herein by reference.

The information with respect to director independence and to corporate governance required to be included pursuant to this Item 13 will be included under the captions “Proposal 1: Nominees for Election as Directors” and “Information about the Board of Directors and Corporate Governance Matters” in the Information Statement and is incorporated herein by reference.

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

The information with respect to principal accountant fees and services required to be included pursuant to this Item 14 will be included under the caption “Relationship with Independent Registered Public Accounting Firm” in our Information Statement and is incorporated herein by reference.

Our independent registered public accounting firm is Ernst & Young LLP (PCAOB ID: 42).

## PART IV

### Item 15. Exhibits and Financial Statement Schedules

(a) List of documents filed as part of this report:

- 1. Financial Statements**  
All Consolidated Financial Statements of the Company as set forth under Item 8 of this Annual Report on Form 10-K.
- 2. Financial Statement Schedule**  
None.
- 3. Exhibits**
  - 3.1 [Restated Certificate of Incorporation, as amended, filed as Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q dated October 28, 2024 \(Commission File No. 000-00255\) and incorporated herein by reference.](#)
  - 3.2 [By-laws of Graybar Electric Company, Inc., as amended as of March 12, 2025.](#)
  - 4 [Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934, filed as Exhibit 4 to the Company's Annual Report on Form 10-K for the year ended December 31, 2019 \(Commission File No. 000-00255\) and incorporated herein by reference.](#)
  - 4.2 [Voting Trust Agreement, dated as of March 3, 2017, a form of which is attached as Exhibit A to the Prospectus dated January 6, 2017, constituting a part of the Company's Registration Statement on Form S-1/A \(Registration No. 333-214560\), and incorporated herein by reference.](#)
  - 9 Voting Trust Agreement dated as of March 3, 2017, included at Exhibit 4.2 above.
  - 10.1 [Management Incentive Plan effective January 1, 2025, filed as Exhibit 10 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 \(Commission File No. 000-002555\) and incorporated herein by reference.\\*](#)
  - 10.2 [Graybar Electric Company, Inc. Supplemental Benefit Plan, amended and restated, entered into between the Company and certain employees effective January 1, 2024, filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 \(Commission File No. 000-00255\) and incorporated herein by reference.\\*](#)
  - 10.3 [Form of Deferral Agreement under Graybar Electric Company, Inc. Supplemental Benefit Plan filed as Exhibit 10.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 2021 \(Commission File No. 000-00255\) and incorporated herein by reference.\\*](#)
  - 10.4 [Graybar Long Term Incentive Plan filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 \(Commission File No. 000-00255\) and incorporated herein by reference.\\*](#)
  - 10.5 [Form of Award Agreement under Graybar Long Term Incentive Plan filed as Exhibit 10 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2022 \(Commission File No. 000-00255\) and incorporated herein by reference.\\*](#)
  - 10.6 [Fifth Amendment to Credit Agreement, dated as of March 29, 2023, among the Company, as parent borrower, Graybar Canada Limited, as a borrower, the lenders party thereto, Bank of America, N.A., as Domestic Administrative Agent, Domestic Swing Line Lender and Domestic L/C Issuer and Bank of America, N.A., acting through its Canada Branch, as Canadian Administrative Agent, Canadian Swing Line Lender and Canadian L/C Issuer, filed as Exhibit 10 to the Company's Current Report on Form 8-K dated March 29, 2023 \(Commission File No. 000-00255\) and incorporated herein by reference.](#)

|         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10.7    | <a href="#"><u>CDOR Transition Amendment to Credit Agreement, dated as of June 26, 2024, among the Company, as a parent borrower, Graybar Canada Limited, as a borrower, the lenders party thereto, Bank of America, N.A., as Domestic Administrative Agent, Domestic Swing Line Lender and Domestic L/C Issuer and Bank of America N.A., acting through its Canada Branch, as Canadian Administrative Agent, Canadian Swing Line Lender and Canadian L/C Issuer filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (Commission File No. 000-00255) and incorporated herein by reference.</u></a> |
| 10.8    | <a href="#"><u>Private Shelf Agreement, dated September 22, 2014, between the Company and Prudential Investment Management, Inc., filed as Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2014 (Commission File No. 000-00255) and incorporated herein by reference.</u></a>                                                                                                                                                                                                                                                                                                                           |
| 10.9    | <a href="#"><u>Amendment No. 1 to Private Shelf Agreement, dated August 2, 2017, between the Company and PGIM, Inc. (formerly known as Prudential Investment Management, Inc.), filed as Exhibit 10 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2017 (Commission File No. 000-00255) and incorporated herein by reference.</u></a>                                                                                                                                                                                                                                                                               |
| 10.10   | <a href="#"><u>Amendment No. 2 to Private Shelf Agreement, dated August 10, 2018, between the Company and PGIM, Inc., filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018 (Commission File No. 000-00255) and incorporated herein by reference.</u></a>                                                                                                                                                                                                                                                                                                                                       |
| 10.11   | <a href="#"><u>Amendment No. 3 to Private Shelf Agreement, dated July 29, 2020, between the Company and PGIM, Inc., filed as Exhibit 10 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020 (Commission File No. 000-00255) and incorporated herein by reference.</u></a>                                                                                                                                                                                                                                                                                                                                                |
| 10.12   | <a href="#"><u>Amendment No. 4 to Private Shelf Agreement, dated August 13, 2021, between the Company and PGIM, Inc. filed as Exhibit 10.3 to the Company's Current Report on Form 8-K dated August 13, 2021 (Commission File No. 000-00255) and incorporated herein by reference.</u></a>                                                                                                                                                                                                                                                                                                                                                              |
| 10.13   | <a href="#"><u>Amendment No. 5 to Private Shelf Agreement, dated July 20, 2023, between the Company and PGIM, Inc. filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 (Commission File No. 000-00255) and incorporated herein by reference.</u></a>                                                                                                                                                                                                                                                                                                                                          |
| 10.14   | <a href="#"><u>Amendment No. 4 to Private Shelf Agreement, dated June 25, 2024, among the Company and MetLife Investment Management, LLC and MetLife Investment Management Limited and any MetLife affiliates filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (Commission File No. 000-00255) and incorporated herein by reference.</u></a>                                                                                                                                                                                                                                                    |
| 19      | <a href="#"><u>Graybar Electric Company, Inc. Code of Ethics for Covered Officers</u></a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 21      | <a href="#"><u>List of subsidiaries of the Company</u></a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 31.1    | <a href="#"><u>Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Principal Executive Officer.</u></a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 31.2    | <a href="#"><u>Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Principal Financial Officer.</u></a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 32.1    | <a href="#"><u>Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 – Principal Executive Officer.</u></a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 32.2    | <a href="#"><u>Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 – Principal Financial Officer.</u></a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 101.SCH | XBRL Taxonomy Extension Schema Document                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

|         |                                                                                      |
|---------|--------------------------------------------------------------------------------------|
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document                                      |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document                               |
| 104     | Cover Page Interactive Data File (formatted in Inline XBRL contained in Exhibit 101) |

\* Compensation arrangement

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized, as of the 13th day of March 2025.

GRAYBAR ELECTRIC COMPANY, INC.

By /s/ K. M. Mazzarella  
(K. M. Mazzarella, Chairman of the Board, President and Chief Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed below by the following persons on behalf of the Registrant in the capacities indicated, on March 13, 2025.

|                                                   |                                                                                                                               |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| <u>/s/ K. M. Mazzarella</u><br>(K. M. Mazzarella) | Director, Chairman of the Board, President and Chief Executive Officer<br>(Principal Executive Officer)                       |
| <u>/s/ D. M. Meyer</u><br>(D. M. Meyer)           | Director, Senior Vice President and Chief Financial Officer<br>(Principal Financial Officer and Principal Accounting Officer) |
| <u>/s/ D. A. Bender</u><br>(D. A. Bender)         | Director                                                                                                                      |
| <u>/s/ D. E. DeSousa</u><br>(D. E. DeSousa)       | Director                                                                                                                      |
| <u>/s/ M. W. Geekie</u><br>(M. W. Geekie)         | Director                                                                                                                      |
| <u>/s/ R. H. Harvey</u><br>(R. H. Harvey)         | Director                                                                                                                      |
| <u>/s/ W. P. Mansfield</u><br>(W. P. Mansfield)   | Director                                                                                                                      |
| <u>/s/ B. L. Propst</u><br>(B. L. Propst)         | Director                                                                                                                      |

**GRAYBAR ELECTRIC COMPANY, INC.**

**(A New York Corporation)**

— ♦ —

*By-Laws*

— ♦ —

*Adopted June 12, 1970*

*with amendments through March 12, 2025*

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**BY-LAWS**  
**OF**  
**GRAYBAR ELECTRIC COMPANY, INC.**

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**ARTICLE I**

**Meetings of Shareholders**

**Section 1. *Annual Meetings.*** The annual meeting of shareholders for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held on such date and at such time as the Board of Directors shall fix by resolution.

**Section 2. *Special Meetings.***

(A) Special meetings of the shareholders may be called at any time by the President, a Senior Vice-President or a majority of the members of the Board of Directors, and it shall be the duty of any of the foregoing officers and that of the Board of Directors to call forthwith such a meeting upon demand as prescribed by law and whenever the holders of record of one-third of the outstanding shares of the stock of the corporation entitled to vote (the “Special Meeting Request Required Shares”) shall so request in writing, and who continue to own the Special Meeting Request Required Shares at all times between such record date and the date of the applicable meeting of shareholders. Business transacted at any special meeting of shareholders shall be limited to the purpose(s) stated in the notice for such special meeting, provided, however, that nothing herein shall prohibit the Board of Directors from submitting matters to the shareholders at any special meeting of shareholders.

(B) Ownership Record Date. No shareholder may submit a written request to call a special meeting (“Special Meeting Request”) unless a shareholder of record (whether acting for him, her or itself, or at the direction of a beneficial owner) has first submitted to the Secretary a written request that the Board of Directors fix a record date to determine the shareholders of record who are entitled to deliver a Special Meeting Request (such record date, the “Ownership Record Date”). A written request to fix an Ownership Record Date must include (1) the signature of the shareholder(s) of record submitting such request and the date such request was signed, together with the identity of the beneficial owner, if any, directing such shareholder of record to submit such request and (2) the text of each business proposal desired to be submitted for shareholder approval at the special meeting. Within ten (10) days of the Secretary’s receipt of a valid request to fix the Ownership Record Date in compliance with this Section 2, the Board of Directors shall pass a resolution fixing the Ownership Record Date, which Ownership Record Date shall not be more than ten (10) days after the date of such resolution and shall not precede the date such resolution is adopted. If an Ownership Record Date is not fixed by the Board of Directors within the required period set forth above, the Ownership Record Date shall be the close of business on

the tenth (10th) day after a valid written request to fix an Ownership Record Date is received by the Secretary. To be valid, any Special Meeting Request must be delivered to the Secretary no earlier than the applicable Ownership Record Date and no later than sixty (60) days after the applicable Ownership Record Date.

(C) Certain Beneficial Owner Requirements. A beneficial owner who wishes to deliver a Special Meeting Request must cause the nominee or other person who serves as the shareholder of record of such beneficial owner's stock to sign the Special Meeting Request. If a shareholder of record is the nominee for more than one beneficial owner of stock, the shareholder of record may deliver a Special Meeting Request solely with respect to the capital stock of the corporation beneficially owned by the beneficial owners who are directing the shareholder of record to sign such Special Meeting Request.

(D) Special Meeting Request. Each Special Meeting Request shall include the following and shall be delivered to the Secretary:

(1) the signature of the shareholder(s) of record submitting such request and the date such request was signed, together with the identity of the beneficial owner, if any, directing such shareholder of record to submit such request;

(2) a brief description of the business desired to be brought before the meeting, and the text of each proposal (including the text of any resolutions proposed for consideration and, in the event that such proposal or business includes a proposal to amend the By-laws of the corporation, the text of the proposed amendment) desired to be submitted for shareholder approval at the special meeting; and

(3) as to any matter proposed to be presented at the special meeting and as to the beneficial owner, if any, directing such shareholder(s) of record to sign the written request and as to such shareholder(s) of record (unless such shareholder of record is acting solely as a nominee for a beneficial owner) (each such beneficial owner and each shareholder of record who is not acting solely as a nominee, a "Disclosing Party"):

i. all of the information required to be disclosed pursuant to Section 11 of these By-laws (which information, in each case, shall, if necessary, be updated and supplemented (by delivery to the Secretary)) by each Disclosing Party, (1) not later than the later of (x) ten (10) days after the record date for determining the shareholders of record entitled to notice of the special meeting (or any adjournment, recess, rescheduling or postponement thereof) (such record date, the "Meeting Record Date") or (y) the first public announcement of the date of notice of the Meeting Record Date, to disclose the foregoing information as of the Meeting Record Date and (2) not later than the eighth (8<sup>th</sup>) day before the special meeting (or any adjournment, recess, rescheduling or postponement thereof), to disclose the foregoing information as of the date that is ten (10) days prior to the special meeting or any adjournment, recess, rescheduling or postponement thereof;

ii. with respect to each proposal to be submitted for shareholder approval at the special meeting, a statement whether or not any Disclosing Party

will deliver any information or communication to any holder of shares of stock of the corporation, including the holders of at least the percentage of voting power of all of the shares of stock of the corporation entitled to vote for the election of directors (“Voting Stock”);

iii. any additional information reasonably requested by the corporation to verify the Voting Stock ownership position of such Disclosing Party or otherwise in connection with such Special Meeting Request, within five (5) days of such request from the corporation; and

iv. an acknowledgment by the Disclosing Party that the Special Meeting Request shall be deemed to be revoked (and any meeting scheduled in response may be cancelled) if the Voting Stock owned by all Disclosing Parties is less than the Special Meeting Request Required Shares at any time between the date the Special Meeting Request is delivered to the Secretary and the date of the applicable special meeting or any adjournment, recess, rescheduling or postponement thereof.

(E) Certain Requirements and Limitations. Each time a Disclosing Party’s Voting Stock ownership position decreases following the delivery of the foregoing information to the Secretary, such Disclosing Party must notify the Corporation of his, her or its decreased Voting Stock ownership position, together with any information reasonably requested by the Board of Directors to verify such position, within ten (10) days of such decrease or as of the fifth (5<sup>th</sup>) day before the applicable special meeting (or any adjournment, recess, rescheduling or postponement thereof), whichever date is earlier. If the Disclosing Party is a record owner of Voting Stock that has been directed by the relevant beneficial owner(s) of such Voting Stock to submit a request pursuant to this By-law, the preceding sentence shall apply only with respect to the Voting Stock owned on behalf of such requesting beneficial owner(s). The Secretary shall not accept, and shall consider ineffective, a Special Meeting Request pursuant to this Section 2:

(1) that does not comply with the provisions of this Section 2;

(2) that relates to an item of business that is not a proper subject for shareholder action under these By-laws or applicable law;

(3) that was made in a manner that involved a violation of an applicable rule, regulation or law; or

(4) if the first date on which a valid Special Meeting Request has been received by the Secretary from holders of the Special Meeting Request Required Shares occurs (a) during the period commencing ninety (90) days prior to the first anniversary of the date of the immediately preceding annual meeting and ending on the date of the next annual meeting or (b) in the thirty (30) days following the date of any annual meeting.

(F) Revocations:

(1) A shareholder of record may revoke a request to call a special meeting at any time before the special meeting, or a request to set an Ownership Record Date at any

time before such Ownership Record Date has been set, by sending written notice of such revocation to the Secretary.

(2) All Special Meeting Requests shall be deemed revoked upon the first date that, after giving effect to revocation(s) and notices of ownership position decreases (including pursuant to this Section 2), the aggregate Voting Stock ownership position of all the Disclosing Parties who are listed on the unrevoked Special Meeting Requests, decreases to a number of shares of Voting Stock less than the Special Meeting Request Required Shares.

(3) The requests to set an Ownership Record Date or Special Meeting Requests of any Disclosing Party shall be deemed to be revoked if such Disclosing Party fails to comply with the provisions of this Section 2, including failing to provide the supplemental information required by Section 2(D) or by Section 2(E), in accordance with such provisions.

(4) If a deemed revocation of all Special Meeting Requests has occurred after the special meeting has been called by the Secretary, the Board of Directors shall have the discretion to determine whether or not to proceed with the special meeting.

(G) The Board of Directors may submit its own proposal(s) and/or nomination(s) for consideration at a special meeting called at the request of one or more shareholders pursuant to this Section 2.

(H) The Meeting Record Date for, and the date and time of, any special meeting shall be fixed by the Board of Directors; provided that the date of any such special meeting shall not be more than ninety (90) days after the date on which valid Special Meeting Request(s) from holders of the Special Meeting Required Shares are delivered to the Secretary.

**Section 3. *Place of Meetings.*** Annual meetings of the shareholders shall be held at such place, within or without the State of New York, as may be fixed by the Board of Directors by resolution, or, if not so fixed, at the principal office of the corporation in the County of New York. Except as otherwise provided by statute, special meetings of the shareholders shall be held at such place, within or without the State of New York, as shall be specified in the respective notices or waivers of notice thereof. The Board of Directors may, in its sole discretion, determine that the annual meeting be held solely by means of electronic communication, the platform or service of which shall be the place of the meeting. If the annual meeting is to be held at a physical location, the Board of Directors may, in its discretion, authorize shareholders not physically present to participate and/or vote in the proceedings of such meeting by means of electronic communication.

**Section 4. *Notice of Meetings.*** Except as otherwise provided by statute, notice of each meeting of the shareholders, whether annual or special, shall be in writing and signed by the President or a Senior Vice-President or the Secretary or an Assistant Secretary and shall state the place, date and hour thereof. Such notice in the case of a special meeting shall also state the purpose or purposes for which the meeting is called and shall indicate that it is being issued by or at the direction of the person or persons calling the meeting. A copy of the notice of every annual and special meeting of shareholders shall be served, either personally, by mail or by electronic

transmission, upon each shareholder of record entitled to vote thereat and upon any shareholder who, by reason of any action proposed at such meeting, would be entitled to have his stock appraised if such action were taken, not less than ten (10) nor more than sixty (60) days before the meeting. If mailed, such notice shall be deemed given when deposited in the United States Mail, with postage thereon prepaid, directed to the shareholder at his address as it appears on the record of shareholders, or, if he shall have filed with the Secretary of the corporation a written request that notices to him be mailed to some other address, then directed to him at such other address. If at any meeting, annual or special, action is proposed to be taken which would, if taken, entitle shareholders fulfilling the requirements of law to receive payment for their shares, the notice of the meeting shall include a statement of that purpose and to that effect. Nevertheless, notice of any meeting need not be given to any shareholder who in person or by attorney thereunto duly authorized, shall waive notice of such meeting, in writing or by telegraph, either before or after such meeting. The attendance of any shareholder at a meeting, in person, or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by him. Notice of any adjourned meeting of shareholders need not be given if the time and place of such adjourned meeting are announced at the meeting at which the adjournment is taken, unless the Board of Directors fixes a new record date for the adjourned meeting.

**Section 5. *Quorum.*** Except as otherwise provided by law, at all meetings of shareholders there shall be present, in person or by proxy, shareholders of record of a majority of the shares entitled to vote at such meetings in order to constitute a quorum, but less than a quorum shall have the power to adjourn any meeting. If no shareholder entitled to vote is present in person or by proxy, any officer entitled to preside or act as secretary of such meeting may adjourn the meeting from time to time for a period not exceeding twenty (20) days in any one case. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally called if a quorum had been there present. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any shareholders.

**Section 6. *Inspectors of Voting.*** The Board of Directors, in advance of any shareholders' meeting, may appoint one or more inspectors to act at the meeting or any adjournment thereof. If inspectors are not so appointed, the person presiding at a shareholders' meeting may, and on the request of any shareholder entitled to vote thereat shall, appoint one or more inspectors. In case any person appointed fails to appear or act, the vacancy may be filled by appointment made by the Board of Directors in advance of the meeting or at the meeting by the person presiding thereat. Inspectors, none of whom shall be an officer, director or a candidate for the office of director, shall determine the number of shares outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall determine and report to the meeting as to the results of all voting (by ballot or otherwise) on all matters submitted to a vote at the meeting. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability.

**Section 7. *Voting.*** At each meeting of shareholders every shareholder of record of stock entitled to vote shall be entitled to one vote for every share of such stock outstanding in his name on the record of shareholders and all questions, except as otherwise provided by statute, or by the

Certificate of Incorporation of this corporation, or by these By-laws, shall be determined by a majority of the votes so cast. Persons holding stock in a fiduciary capacity shall be entitled to vote the shares so held. Any shareholder entitled to vote may vote by proxy, provided that the instrument authorizing such proxy to act shall have been executed in writing by the shareholder or by his duly authorized attorney. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise provided in the proxy. Such instrument shall be exhibited to the Secretary and the Inspectors of Voting at the meeting and shall be filed with the records of the corporation.

**Section 8. *List of Shareholders.*** A list of shareholders as of the record date, certified by the corporate officer responsible for its preparation or by a transfer agent, shall be produced at any meeting of shareholders upon the request thereat or prior thereto of any shareholder. If the right to vote at any meeting is challenged, the inspectors of voting, or person presiding thereat, shall require such list of shareholders to be produced as evidence of the right of the persons challenged to vote at such meeting, and all persons who appear from such list to be shareholders entitled to vote thereat may vote at such meeting.

**Section 9. *Conduct of Meetings.*** The Board of Directors shall, in its sole discretion, be entitled to make such rules or regulations for the conduct of meetings of shareholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chair of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chair, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing (a) an agenda or order of business for the meeting, (b) rules and procedures for maintaining order at the meeting and the safety of those present, (c) limitations on participation in the meeting to shareholders of record of the corporation, their duly authorized and constituted proxies and such other persons as the chair shall permit, (d) restrictions on entry to the meeting after the time fixed for the commencement thereof, (e) limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting and matters which are to be voted on by ballot and (f) restrictions on the use of cell phones, audio or video recording devices and similar devices at the meeting. Unless and to the extent determined by the Board of Directors or the chair of the meeting, meetings of shareholders shall not be required to be held in accordance with the rules of parliamentary procedure.

**Section 10. *Order of Business.***

(A) Annual Meetings of Shareholders. At any annual meeting of the shareholders, only such nominations of individuals for election to the Board of Directors shall be made, and only such other business shall be conducted or considered, as shall have been properly brought before the meeting. For nominations to be properly made at an annual meeting, and for other business to be properly brought before an annual meeting, such nominations and other business must be: (a) specified in the corporation's notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors; (b) otherwise made at the annual meeting by or at the direction of the Board of Directors; or (c) otherwise properly requested to be brought before the annual meeting by a shareholder of the corporation in accordance with Section 10 and Section 11 of these By-laws. For nominations of individuals for election to the Board of Directors or other business to be properly requested by a shareholder to be made at or brought before an annual meeting

pursuant to clause (c) above, a shareholder must: (i) be a shareholder of record at the time of giving of notice of such annual meeting by or at the direction of the Board of Directors, on the record date for determination of shareholders entitled to vote at such meeting, and at the time of the annual meeting; (ii) be entitled to vote at such annual meeting; and (iii) comply with the procedures set forth in these By-laws as to such nomination or other business. Clause (c) of this Section 10(A) shall be the exclusive means for a shareholder to make nominations for a shareholder to bring other business before an annual meeting of shareholders.

(B) Special Meetings of Shareholders. At any special meeting of the shareholders, only such business shall be conducted or considered as shall have been properly brought before the meeting. To be properly brought before a special meeting, such business must be: (a) specified in the corporation's notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors; (b) otherwise brought before the special meeting by or at the direction of the Board of Directors; or (c) otherwise properly requested to be brought before the special meeting by a shareholder of the corporation in accordance with Section 2 of these By-laws; provided, however, that nothing herein shall prohibit the Board of Directors from submitting additional matters to shareholders at any such special meeting.

Nominations of individuals for election to the Board of Directors may be made at a special meeting of shareholders at which directors are to be elected pursuant to the corporation's notice of meeting: (a) by or at the direction of the Board of Directors; or (b) by any shareholder of the Corporation who: (i) is a shareholder of record at the time of giving of notice of such special meeting, on the record date for determination of shareholders entitled to vote at such meeting, and at the time of the special meeting; (ii) is entitled to vote at the meeting; and (iii) complies with the procedures set forth in these By-laws as to such nomination (including, but not limited to, the requirement in Article II, Section 1 hereunder that each director be an employee of the corporation (or one of its wholly owned subsidiaries)). This Section 10 shall be the exclusive means for a shareholder to make nominations before a special meeting of shareholders.

(C) General. Except as otherwise provided by law, the Certificate of Incorporation or these By-laws, the chair of any annual or special meeting shall have the power to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with these By-laws and, if any proposed nomination or other business is not in compliance with these By-laws, to declare that no action shall be taken on such nomination or other business and such nomination or other business shall be disregarded.

## ***Section 11. Advance Notice of Shareholder Business and Nominations.***

(A) Annual Meeting of Shareholders. Without qualification or limitation, for any nominations or any other business to be properly brought before an annual meeting by a shareholder pursuant to Section 10 of these By-laws, the shareholder must have given timely notice thereof in writing to the Secretary in proper form, and in accordance with this Section 11.

To be timely, a shareholder's notice shall be delivered to the Secretary at the principal executive offices of the corporation not earlier than the close of business on the one hundred twentieth (120<sup>th</sup>) day and not later than the close of business on the ninetieth (90<sup>th</sup>) day prior to the first anniversary of the preceding year's annual meeting; provided,

however, that in the event that no annual meeting was held in the previous year or the date of the annual meeting is more than thirty (30) days before or more than sixty (60) days after such anniversary date, notice by the shareholder must be so delivered not earlier than the close of business on the one hundred twentieth (120<sup>th</sup>) day prior to the date of such annual meeting and not later than the close of business on the later of the ninetieth (90<sup>th</sup>) day prior to the date of such annual meeting or, if the first public announcement of the date of such annual meeting is less than one hundred (100) days prior to the date of such annual meeting, the tenth (10<sup>th</sup>) day following the day on which public announcement of the date of such meeting is first made by the corporation. In no event shall any adjournment, recess, rescheduling or postponement of an annual meeting, or the public announcement thereof, commence a new time period for the giving of a shareholder's notice as described above. For the avoidance of doubt, a shareholder shall not be entitled to make additional or substitute nominations following the expiration of the time periods set forth in these By-laws.

(B) Special Meetings of Shareholders. Without qualification or limitation, for any business to be properly requested to be brought before a special meeting by a shareholder pursuant to Section 10(B) of these By-laws, the shareholder must have given timely notice thereof in writing to the Secretary in proper form and in accordance with this Section 11, and such business must otherwise be a proper matter for shareholder action.

In the event a special meeting of shareholders is called pursuant to Section 2, a purpose of which is the election of one or more directors to the Board of Directors, any shareholder may nominate an individual or individuals for election to such position(s) as specified in the Corporation's notice of meeting; provided that the shareholder gives timely notice thereof; provided, further, that such nomination complies with these By-Laws, (including, but not limited to, the requirement in Article II, Section 1 hereunder that each director be a full-time employee of the corporation (or one of its wholly owned subsidiaries)). To be timely, a shareholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the one hundred twentieth (120<sup>th</sup>) day prior to the date of such special meeting and not later than the close of business on the later of the ninetieth (90<sup>th</sup>) day prior to the date of such special meeting or, if the first public announcement of the date of such special meeting is less than one hundred (100) days prior to the date of such special meeting, the tenth (10<sup>th</sup>) day following the day on which public announcement is first made of the date of the special meeting and if applicable, of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall any adjournment, recess, rescheduling or postponement of a special meeting of shareholders, or the public announcement thereof, commence a new time period for the giving of a shareholder's notice as described above. For the avoidance of doubt, a shareholder shall not be entitled to make additional or substitute nominations following the expiration of the time periods set forth in these By-laws.

(C) Disclosure Requirements. To be in proper form, a shareholder's notice pursuant to these By-Laws must include the following, as applicable:

(1) As to the shareholder giving the notice and the beneficial owner, if any, on whose behalf the nomination is made or business is brought, as applicable, a shareholder's notice must set forth: (i) the name and address of such shareholder, as they appear on the corporation's books, of such beneficial owner, if any, and any persons that are acting in

concert therewith; (ii) a representation that the shareholder giving the notice is a holder of record of Voting Stock entitled to vote at such meeting, will continue to be a shareholder of record of Voting Stock entitled to vote at such meeting through the date of such meeting and intends to appear in person or by proxy at the meeting to make such nomination or to propose such business; (iii) (A) the class or series and number of shares of the corporation which are, directly or indirectly, owned of record and owned beneficially by such shareholder, such beneficial owner and their respective affiliates or associates, or others acting in concert therewith, (B) any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any security of the corporation or with a value derived, in whole or in part, from the value of any security of the corporation, (C) any proxy, contract, arrangement, understanding, or relationship pursuant to which such shareholder, such beneficial owner or any of their respective affiliates or associates, or others acting in concert therewith has or pursuant to any proxy, contract, understanding or relationship may acquire any right to vote any security of the corporation, (sub-clauses (A) through (C) above of this Section 11(C)(1)(iii) shall be referred to, collectively, as the “Ownership Information”); (iv) if any such shareholder, such beneficial owner or any of their respective affiliates or associates, or others acting in concert therewith, intends to engage in a solicitation with respect to a nomination or other business pursuant to this Section 11, a statement disclosing the name of each participant in such solicitation; and (v) the names and addresses of other shareholders (including beneficial owners) known by any such shareholder, such beneficial owner or any of their respective affiliates or associates, or others acting in concert therewith, to financially or otherwise materially support (it being understood, for example, that statement of an intent to vote for, or delivery of a revocable proxy to such proponent, does not require disclosure under this section, but solicitation of other shareholders by such supporting shareholder would require disclosure under this section) such nomination(s) or proposal(s), and to the extent known the class and number of all shares of the corporation’s capital stock owned beneficially or of record by, and any other information contemplated by clause (iii) of this Section 11(C)(1) with respect to, such other shareholder(s) or other beneficial owner(s);

(2) If the notice includes any business other than a nomination of a director or directors that the shareholder proposes to bring before the meeting, a shareholder’s notice must, in addition to the matters set forth in Section 11(C)(1), also set forth: (i) a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest of such shareholder, such beneficial owner and each of their respective affiliates or associates or others acting in concert therewith, if any, in such business; (ii) the text of the business proposal (including the text of any resolutions proposed for consideration and, in the event that such proposal includes a proposal to amend the By-laws of the corporation, the text of the proposed amendment); and (iii) a description of all agreements, arrangements and understandings between such shareholder, such beneficial owner and each of their respective affiliates or associates or others acting in concert therewith, if any, on the one hand, and any other person or persons (including their names), on the other hand, in connection with the business proposal by such shareholder;

(3) As to each individual, if any, whom the shareholder proposes to nominate

for election or reelection to the Board of Directors, a shareholder's notice must, in addition to the matters set forth in Section 11(C)(1), also set forth: (i) the name, age, business and residence address of such person; (ii) the principal occupation or employment of such person (present and for the past five (5) years); (iii) written confirmation that such individual is an employee of the corporation (or one of its wholly owned subsidiaries) and specifying such position(s); and (iv) an acknowledgment and agreement by the shareholder giving the notice that such nomination will be automatically withdrawn and revoked, if any information required under these By-laws are not given or shall become untrue (including, but not limited to, the requirement in Article II, Section 1 hereunder that each director be a full-time employee of the corporation (or one of its wholly owned subsidiaries));

(4) In addition, to be considered timely, a shareholder's notice shall further be updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for determining the shareholders of record entitled to notice of the meeting (or any adjournment, recess, rescheduling or postponement thereof) and as of the date that is ten (10) days prior to the meeting (or any adjournment, recess, rescheduling or postponement thereof), and such update and supplement shall be delivered to the Secretary at the principal executive offices of the corporation not later than (a) the later of (i) ten (10) days after the record date for determining the shareholders of record entitled to notice of the meeting (or any adjournment, recess, rescheduling or postponement thereof) or (ii) the first public announcement of the date of notice of such record date in the case of the update and supplement required to be made as of the record date, and (b) not later than eight (8) days prior to the date for the meeting (or any adjournment, recess, rescheduling or postponement thereof) in the case of the update and supplement required to be made as of ten (10) days prior to the meeting or any adjournment, recess, rescheduling or postponement thereof. The obligation to update and supplement as set forth in this paragraph or any other Section of these By-laws shall not limit the corporation's rights with respect to any deficiencies in any notice provided by a shareholder, extend any applicable deadlines hereunder or under any other provision of these By-laws or enable or be deemed to permit a shareholder who has previously submitted notice hereunder or under any other provision of these By-laws to amend or update any nomination or business proposal or to submit any new nomination or business proposal, including by changing or adding nominees, matters, business and or resolutions proposed to be brought before a meeting of the shareholders.

(D) Only persons who are nominated by shareholders in accordance with the procedures set forth in Section 10 and Section 11 shall be eligible to be elected at an annual or special meeting of shareholders of the Corporation to serve as directors and only such business shall be conducted at a meeting of shareholders as shall have been brought before the meeting in accordance with the procedures set forth in Section 10 and Section 11, as applicable. The procedures set forth in Section 10 and Section 11 for nomination for the election of directors by shareholders are in addition to, and not in limitation of, any procedures now in effect or hereafter adopted by or at the direction of the Board of Directors or any committee thereof.

(E) Notwithstanding anything to the contrary in these By-laws, if the shareholder giving the notice (or a qualified representative thereof) does not appear at the annual or special meeting of shareholders of the corporation to present a nomination or proposed business, such

nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the corporation.

(F) Except as otherwise provided by law, the Board of Directors or the chair of the meeting shall have the power (a) to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in Section 10 and Section 11 (including whether the shareholder or beneficial owner, if any, on whose behalf the nomination or business proposal is made solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies in support of such shareholder's nominee or business proposal in compliance with such shareholder's representation as required by these By-laws) and (b) if any proposed nomination or business was not made or proposed in compliance with these By-laws, or if any of the information provided to the corporation pursuant to these By-laws was inaccurate, to declare that such nomination shall be disregarded or that such proposed business shall not be transacted.

## ARTICLE II

### Board of Directors

**Section 1. *General Power and Qualifications.*** Except as otherwise provided by law or by the Certificate of Incorporation or any amendment thereto, the business of the corporation shall be managed by the Board of Directors, which may adopt such rules and regulations for that purpose and for the conduct of its meetings as it may deem proper. The Board of Directors may have one or more offices and keep the books, records and minutes of the corporation, except such records as are required to be kept in the State of New York, at such places as it may from time to time determine. Any of such records may be in written form or in any other form capable of being converted into written form within a reasonable time. In addition to the powers and authority expressly conferred upon it by these by-laws, the Board of Directors may exercise all such powers of the corporation and do all such lawful acts and things as are allowed by the Certificate of Incorporation or by law. Each director shall be a full-time employee of the corporation (or one of its wholly owned subsidiaries). Each director shall be at least twenty-one years of age and shall not exceed sixty-five years of age, subject to the next sentence of this Section 1. Each employee of the corporation (or one of its wholly owned subsidiaries) serving as a director of the corporation who elects to take early retirement or who for any other reason is no longer an officer of the corporation (or such subsidiary) shall retire from the Board of Directors as of the date he or she ceases to be an officer and a regular employee (as determined under the corporation's standard personnel policies), unless the Chairman of the Board recommends and the Board approves his or her continued service as a director. Notwithstanding the foregoing, no person shall be qualified or eligible to serve, be elected or reelected, or be appointed or reappointed as a director at any time following the last day of the calendar month in which such person attains seventy years of age, and any such person shall tender his or her resignation, effective on the first day of the calendar month immediately following such birthday month; provided, however, that the Board of Directors may waive such requirement by Board action (excluding the affected director, nominee or appointee), and further provided that any such waiver shall be effective only until the next annual meeting or earlier attempted appointment or reappointment of such person.

**Section 2. *Number and Term of Office.*** The number of directors shall be fixed from time to time exclusively pursuant to a resolution adopted by a majority of the directors then in office. The directors shall be elected by a plurality of the votes cast at the annual meeting of shareholders in each year to hold office until the next annual meeting and until their successors shall have been elected and qualified, except in the event of death, resignation, removal or the earlier termination of their respective terms of office.

**Section 3. *Notices, Time and Place of Meetings.*** The annual meeting of the Board of Directors shall be held, without other notice than this By-law, promptly after the annual meeting of shareholders, at the place where such annual meeting of shareholders was held, or at such other time and place, within or without the State of New York, as the Board of Directors may fix by resolution. Special meetings of the Board of Directors may be called by the Chairman of the Board, President or a Senior Vice-President. Notices of such meetings shall be given as hereinafter provided in this Section 3 of Article II and shall be held at such place, within or without the State of New York, as may be specified in the respective notices or waivers of notice thereof.

Notice of the time, place and purpose of any special meeting of the Board of Directors shall be mailed to each director, addressed to him at his residence or usual place of business at least two (2) days before the day on which the meeting is to be held, or shall be given to him at such place by telephone or electronic means (as defined below), or delivered personally not later than the day before the day on which the meeting is to be held. Notice of any special meeting need not be given to any director if waived by him in writing (which may be by electronic means), either before or after such meeting. At any meeting at which every member of the Board of Directors shall be present, though held without notice, any business may be transacted which might have been transacted if the meeting had been duly called.

**Section 4. *Quorum and Manner of Acting.*** One-third of the entire Board of Directors shall constitute a quorum for the transaction of business and, except as otherwise provided by law, by the Certificate of Incorporation or these By-Laws, the act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum, a majority of the directors present at the time and place of any meeting may adjourn the meeting from time to time until a quorum be present, and notice of any adjourned meeting need not be given.

**Section 5. *Director Resignations.*** If at any time while serving as a director, such person ceases to be a full-time employee of the corporation, such person shall immediately tender his resignation, effective immediately; provided, however, that the Board of Directors may waive such requirement by Board action, and further provided that any such waiver shall be effective only until the next election, reelection, appointment, reappointment or qualification of such person.

**Section 6. *Removal of Directors.*** Any director may be removed from office, either with or without cause, at any time by vote of the holders of a majority of the outstanding shares of stock, given at any special meeting of the shareholders called for the purpose. Any vacancy so created may be filled by a plurality of the votes of the shareholders given at such meeting. In case any vacancy so created shall not be so filled by the shareholders at such meeting, such vacancy may be filled by the directors as provided in Section 6 of this Article II.

**Section 7. *Vacancies.*** Vacancies in the Board of Directors however resulting may be filled only by vote of a majority of the directors then in office, although less than a quorum may exist, at any special meeting called for that purpose or at any regular meeting of the Board of Directors. A director elected to fill a vacancy shall be elected to hold office for the unexpired term of his predecessor.

**Section 8. *Executive Committee.*** The Board of Directors, by resolution passed by a majority of the entire Board of Directors, may designate from among its members an executive committee consisting of not less than three directors nor more than eight directors, of whom the President shall be one, which shall have the power to exercise, during the interval between meetings of the Board of Directors, all the authority of the Board of Directors except that such committee shall not have authority as to (a) the submission to shareholders of any action that needs shareholders' authorization or approval under law, (b) the filling of vacancies in the Board of Directors or in such committee, (c) the fixing of compensation of the directors for serving on the Board of Directors or on such committee, (d) the amendment or repeal of the By-Laws, or the adoption of new by-laws or (e) the amendment or repeal of any resolution of the Board of Directors

which by its terms shall not be so amendable or repealable or the taking of any action as may be proscribed by such resolution of the Board of Directors. The Board of Directors may designate one or more directors as alternate members of such committee. Such committee and the members thereof shall serve at the pleasure of the Board of Directors. At all meetings of the executive committee the presence of members constituting a majority of the membership of the entire executive committee shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which a quorum is present shall be the act of such committee. Such committee may adopt its own rules of procedure, may meet at stated times or on such notice as such committee may determine, and shall keep regular minutes of its proceedings and report the same to the Board of Directors when required.

**Section 9. *Other Committees of Directors.*** The Board of Directors, by resolution or resolutions passed by a majority of the entire Board of Directors, may designate one or more committees, in addition to the Executive Committee, each committee to consist of two or more of the directors of the corporation.

Vacancies in membership of any such committee shall be filled by the vote of a majority of the entire Board of Directors. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. Members of any such committee shall hold office for such period as may be fixed by a resolution adopted by a majority of the entire Board of Directors, subject, however, to removal at any time by the vote of the Board of Directors.

Except as otherwise provided by law, any such committee, to the extent provided in the resolution or resolutions creating such committee, shall have all the authority of the Board of Directors except that no such committee shall have authority as to the following matters: (a) the submission to shareholders of any action that needs shareholders' approval; (b) the filling of vacancies on the Board of Directors or on any committee; (c) the fixing of compensation of the directors for serving on the Board of Directors or on any committee; (d) the amendment or repeal of these By-Laws, or the adoption of new By-Laws; and (e) the amendment or repeal of any resolution of the Board of Directors that by its terms shall not be so amendable or repealable.

Each such committee may adopt its own rules of procedure and may meet at stated times or on such notice as such committee may determine. Except as otherwise permitted by these By-Laws, each committee shall keep regular minutes of its proceedings and report the same to the Board of Directors when required.

**Section 10. *Action Without a Meeting.*** Unless otherwise provided by the Certificate of Incorporation, any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board of Directors or the committee consent in writing (which may be by electronic means) to the adoption of a resolution authorizing the action. The resolution and written consents thereto by the members of the Board of Directors or committee shall be filed with the minutes of the proceedings of the Board of Directors or the committee.

**Section 11. *Telephonic Meetings.*** Any one or more members of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or such committee

by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at such meeting.

**Section 12. *Electronic Means.*** As used in these By-Laws, “electronic means” shall include email, telecopier, or any other form of electronic transmission that identifies the director and clearly identifies his or her intent with respect to a given action.

## ARTICLE III

### Officers

**Section 1. *Number.*** The principal officers of the corporation shall be elected by the Board of Directors and shall include a President, one or more Senior Vice-Presidents, one or more Vice-Presidents, a Secretary, a Treasurer and a Controller, and, at the discretion of the Board of Directors, may include a Chairman of the Board. Any two or more offices may be held by the same person except the offices of President and Secretary. The Executive Committee shall not have the right to elect a Chairman of the Board.

**Section 2. *Election, Term of Office and Qualifications.*** Each officer, except such officers as may be appointed in accordance with the provisions of Section 3 of this Article III, shall be elected or appointed by the Board of Directors at its annual meeting, but in the event of the failure of the Board of Directors so to elect any officer, such officer may be elected at any subsequent meeting of the Board. The Chairman of the Board may be elected at any meeting of the Board if the office is vacant or being created. Each officer shall hold office until the annual meeting of the Board of Directors next after his or her election and until his or her successor has been duly elected or appointed and qualified or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided. The Chairman of the Board and the President shall be and remain a director, but no other officer need be a director. No person shall be qualified or eligible to serve, be elected or reelected, or be appointed or reappointed as such an officer at any time such person is not a regular employee of the corporation (or one of its wholly owned subsidiaries) (as determined under the corporation's standard personnel policies) following the last day of the calendar month in which such person attains seventy years of age, and any such person shall tender his or her resignation, effective on the first day of the calendar month immediately following such birthday month; provided, however, that the Board of Directors may waive such requirement by Board action (excluding the affected individual, in the event that the officer is also a director), and further provided that any such waiver shall be effective only until the next election, reelection, appointment, reappointment or qualification of such person.

**Section 3. *Subordinate Officers and Agents.*** The Board of Directors from time to time may appoint other officers or agents, including one or more additional Senior Vice-Presidents, one or more additional Vice-Presidents, one or more Assistant Vice-Presidents, one or more Assistant Treasurers, one or more Assistant Secretaries, and one or more Assistant Controllers, each of whom shall hold office for such period, have such authority and perform such duties as the Board of Directors from time to time may determine; provided that the qualification and eligibility requirements of the elected officers set forth in the last sentence of Section 2 of this Article III also shall apply to officers appointed in accordance with this Section 3. The Board of Directors may delegate to any officer or agent the power to appoint any subordinate officer or agent and to prescribe his respective authority and duties.

**Section 4. *Removal.*** The officers specifically designated in Section 1 of this Article III may be removed, either with or without cause, by the vote of a majority of the entire Board of Directors at a special meeting of the Board of Directors called for the purpose. The officers appointed in accordance with the provisions of Section 3 of this Article III may be removed, either

with or without cause, by the Board of Directors, by a majority vote of the directors present at any meeting, or by any officer or agent upon whom such power of removal may be conferred by the Board of Directors.

**Section 5. *Vacancies.*** A vacancy in any office because of death, resignation, removal or disqualification, or any other cause, may be filled for the unexpired portion of the term in the manner prescribed by these By-Laws for regular appointments or elections to such offices.

**Section 6. *Chairman of the Board.*** The Chairman of the Board shall preside at all meetings of shareholders and of the Board of Directors at which he or she is present and shall perform such other duties and have such other authority as from time to time may be assigned to him or her by the Board of Directors.

**Section 7. *President.*** The President shall be the chief executive officer of the corporation and, subject to the instructions of the Board of Directors, shall have general charge of the business, affairs and property of the corporation and control over its other officers, agents and employees. In the absence of the Chairman of the Board, the President shall preside at all meetings of the shareholders and of the Board of Directors at which he or she may be present. The President shall do and perform such other duties and have such other authority as from time to time may be assigned by the Board of Directors.

**Section 8. *Senior Vice-Presidents and Vice-Presidents.*** The Senior Vice-Presidents and Vice-Presidents shall perform such duties, including those of the President, as may be assigned them by the President or Board of Directors from time to time, and, during absence or disability of the President, his full powers shall devolve upon such Senior Vice-President or Vice-President as the President may designate (or in the absence of such designation, as the Board of Directors may designate).

**Section 9. *Secretary.*** The Secretary shall keep the minutes of the meetings of shareholders and the Board of Directors and shall see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law. He shall be custodian of the records, books, reports, statements, certificates and other documents of the corporation and of the seal of the corporation, and see that the seal is affixed to all stock certificates prior to their issuance and to all documents requiring such seal. In general, he shall perform all duties and possess all authority incident to the office of Secretary, and he shall perform such other duties and have such other authority as from time to time may be assigned to him by the Board of Directors.

**Section 10. *Assistant Secretary.*** The Assistant Secretary, or if there be more than one, the Assistant Secretaries, shall, in the absence of the Secretary, perform all the duties of that officer and at all times shall perform such duties as may be assigned to him or to them by the President or Secretary.

**Section 11. *Treasurer.*** The Treasurer shall have supervision over the funds, securities, receipts and disbursements of the corporation. He shall in general perform all duties and have authority incident to the office of Treasurer and shall perform such other duties and have such other authority as from time to time may be assigned or granted to him by the Board of Directors.

He may be required to give a bond for the faithful performance of his duties in such form and amount as the Board of Directors may determine.

**Section 12. *Assistant Treasurer.*** The Assistant Treasurer, or if there be more than one, the Assistant Treasurers, shall, in the absence of the Treasurer, perform all the duties of that officer and at all times shall perform such duties as may be assigned to him or to them by the President or Treasurer. Each Assistant Treasurer may be required to give a bond for the faithful performance of his duties in such form and amount as the Board of Directors may determine.

**Section 13. *Controller.*** The Controller shall have custody and charge of all books of account, except those required by the Secretary or the Treasurer in keeping record of the work of their offices, and shall have supervision over such subsidiary accounting records as may be kept in departmental offices. He shall have access to all books of account, including the Treasurer's records and the stock books, for purposes of audit and for obtaining information necessary to verify or complete the records of his office. The Controller shall perform such other duties as may be required by the Board of Directors or the President.

**Section 14. *Assistant Controller.*** The Assistant Controller, or if there be more than one, the Assistant Controllers, shall, in the absence of the Controller, perform all the duties of that officer and at all times shall perform such duties as may be assigned to him or to them by the President or Controller.

## ARTICLE IV

### **Contracts, Loans, Deposits, Checks, Drafts, Etc.**

**Section 1. *Contracts.*** Except as otherwise provided in these By-Laws, the Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or to execute or deliver any instrument on behalf of the corporation, and such authority may be general or confined to specific instances.

**Section 2. *Loans.*** No loans shall be contracted on behalf of the corporation and no negotiable papers shall be issued in its name, unless and except as authorized by the Board of Directors. Any officer or agent of the corporation thereunto so authorized may effect loans or advances for the corporation and for such loans and advances may make, execute and deliver promissory notes, bonds or other evidences of indebtedness of the corporation. When authorized as aforesaid, such officer may pledge, hypothecate or transfer as security for the payment of any and all loans, advances, indebtedness and liabilities of the corporation any and all stocks, bonds, other securities and other personal property at any time held by the corporation, and to that end may endorse, assign and deliver the same, and do every act and thing necessary or proper in connection therewith. Such authority may be general or confined to specific instances.

**Section 3. *Deposits.*** All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks or trust companies or with such bankers or other depositories as the Board of Directors may select, or as may be selected by any officer or officers, agent or agents of the corporation to whom such power may from time to time be delegated by the Board of Directors.

**Section 4. *Checks.*** Checks drawn on the funds of the corporation shall be paid out only when signed by one of the following: Chief Financial Officer, Treasurer or Assistant Treasurer.

The Chief Financial Officer, Treasurer or Assistant Treasurer shall have power to endorse checks, drafts, warrants and notes for deposit to the credit of the corporation and to give receipts on behalf of the corporation.

All notes or other evidences of indebtedness shall be signed by the President, a Senior Vice President or a Vice-President, and by any one of the following: Secretary, Assistant Secretary, Treasurer or Assistant Treasurer, or in such other manner as the Board of Directors from time to time may determine.

**Section 5. *Proxies.*** Any shares of stock in any other corporation which may from time to time be held by this corporation may be represented and voted at any meeting of shareholders of such corporation by any person or persons thereunto authorized by the Board of Directors or, if no one be so authorized, by the President, a Senior Vice-President or a Vice-President or by any proxy appointed in writing by the President, a Senior Vice-President or any Vice-President.

## ARTICLE V

### Shares of Stock and Their Transfer

**Section 1. *Stock Issuance.*** The shares of the corporation may be represented by certificates or shall be uncertificated; provided, however, that after March 12, 2015, all shares of the corporation shall be uncertificated upon issuance. The issuance of shares in uncertificated form shall not affect outstanding shares already represented by a certificate until the certificate is surrendered to the corporation. Except as otherwise expressly provided by law, the rights and obligations of holders of uncertificated shares and the rights and obligations of the holders of certificates representing shares of the same class and series shall be identical.

Certificates for shares of stock of the corporation shall be in such form as shall be approved by the Board of Directors. They shall be signed by the President, a Senior Vice-President or a Vice-President and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer and sealed with the seal of the corporation. Such seal may be facsimile, engraved or printed. If any such certificate is signed by a transfer agent or a transfer clerk and by a registrar, the signature of any such President, Senior Vice-President, Vice-President, Secretary, Assistant Secretary, Treasurer or Assistant Treasurer and the seal of the corporation upon certificate may be facsimile, engraved or printed.

Within a reasonable time after the issuance or transfer of uncertificated shares, as long as the same is required by the laws of the State of New York, the corporation shall send to the registered owner thereof a written notice stating that a full statement of the designation, relative rights, preferences and limitations of the shares of each class authorized to be issued and of certain other information required to be set forth in or stated on certificates for stock by the laws of the State of New York will be furnished to such registered owner upon request and without charge.

**Section 2. *Transfers of Stock.*** A stock record shall be kept containing the names, alphabetically arranged, of all persons who are shareholders of the corporation, showing their places of residence, the number of shares of stock held by them, respectively, the time when they respectively became the owners thereof, whether such shares are certificated or uncertificated and the amount paid thereon. Subject to the provisions of the Certificate of Incorporation, transfers of the shares of stock of the corporation shall be made on the books of the corporation (a) if the shares are certificated, upon presentation and surrender of the certificate or certificates at the executive offices of the corporation duly endorsed by the registered holder or his or her attorney-in-fact duly authorized by a power of attorney duly executed and filed with the Secretary of the corporation or accompanied by a written instrument of transfer, in form satisfactory to the corporation, duly executed by the registered owner or his or her attorney-in-fact or (b) in the case of uncertificated shares, upon receipt of a written instrument of transfer, in form satisfactory to the corporation, duly executed by the registered owner or his or her attorney-in-fact duly authorized by a power of attorney duly executed and filed with the Secretary of the corporation. The corporation shall be entitled to treat the holder of record of any share or shares of stock as the holder and owner thereof and shall not be bound to recognize any legal, equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise expressly provided by the laws of the State of New York.

**Section 3. *Lost or Destroyed Certificates.*** The holder of any stock of the corporation represented by certificates shall immediately notify the corporation of any loss, destruction, theft or mutilation of the certificate representing such stock and the corporation may, upon request to the Secretary of the corporation, issue uncertificated shares in the place of such certificate theretofore issued by it alleged to have been lost, destroyed, stolen or mutilated. The Board of Directors in its discretion may require the owner of the certificate alleged to have been lost, destroyed, stolen or mutilated, or his legal representatives, to give the corporation and its transfer agent and its registrar of transfers if any, before the issuance of such uncertificated shares, a bond of indemnity in such sum and in such form and with such surety or sureties as the Board of Directors may direct.

**Section 4. *Regulations.*** The Board of Directors may make such rules and regulations as it may deem expedient concerning the issuance and transfer of shares of stock of the corporation and may appoint transfer agents or registrars, or both, and may require all certificates of stock to bear the signature of either or both.

**Section 5. *Fixing of Record Date.*** The Board of Directors may at any time fix a record date not more than sixty (60) nor less than ten (10) days prior to (a) the date of any meeting of shareholders or (b) the last day on which shareholders are entitled to express consent to or dissent from any proposal without a meeting, as the date as of which shareholders entitled to notice of or to vote at such a meeting, or whose consent or dissent is required or may be expressed, for any purpose, as the case may be, shall be determined, and, except as otherwise provided by law, all persons who were the holders of record of voting shares at such date and no others shall be entitled to notice of and to vote at such meeting or to express their consent or dissent, as the case may be. The Board of Directors may at any time fix a record date not exceeding sixty (60) days prior to the date fixed for the payment of any dividend or the making of any distribution or for the delivery or allotment of evidences of rights or evidences of interest arising out of any change, conversion, or exchange of capital shares, as the date for the determination of the shareholders entitled to receive any such dividend, distribution, rights or interest, and in any such case only shareholders of record at the date so fixed shall be entitled to receive such dividend, distribution, rights or interest.

## ARTICLE VI

### Miscellaneous

**Section 1. *Corporate Seal.*** The corporate seal shall be in such form as shall be approved from time to time by the Board of Directors.

**Section 2. *Fiscal Year.*** The fiscal year of the corporation shall end on the 31st day of December in each year.

**Section 3. *Dividends.*** The Board of Directors may from time to time declare, and the corporation may pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law and the Certificate of Incorporation.

## ARTICLE VII

### Amendments

**Section 1. *By the Shareholders.*** These By-Laws may be amended, added to, altered or repealed, or new by-laws may be adopted, at any meeting of shareholders of the corporation by the affirmative vote of the holders of a majority of the shares entitled to vote in the election of directors present and voting at such meeting, provided, in the case of a special meeting, notice that an amendment is to be considered and acted upon is inserted in the notice or waiver of notice of said meeting.

**Section 2. *By the Directors.*** Except as otherwise provided by law or these By-Laws, these By-Laws may be amended, added to, altered or repealed, or new by-laws may be adopted, at any meeting of the Board of Directors at which a quorum is present, by the affirmative vote of a majority of the directors then in office, but any by-law adopted by the Board of Directors may be amended or repealed by the shareholders entitled to vote thereon. If any by-law regulating an impending election of directors is adopted, amended or repealed by the Board of Directors, there shall be set forth in the notice of the next meeting of shareholders for the election of directors the by-law so adopted, amended or repealed, together with a concise statement of the changes made.

## **ARTICLE VIII**

### **Indemnification**

To the fullest extent authorized by law, the corporation may indemnify and maintain insurance, at its expense, to protect itself and any person who shall at any time be made, or threatened to be made, a party in any civil or criminal action or proceeding by reason of the fact that he, his testator or his intestate is or was (a)(i) a director or officer of the corporation or (ii) corporate personnel other than a director or officer who served on a subcommittee of the Board of Directors of the corporation or (b) a director or officer of the corporation or corporate personnel other than a director or officer who served another corporation (including any subsidiaries of the corporation) in any capacity at the request of the corporation.

## **ARTICLE IX**

### **Exclusive Forum**

Unless the corporation consents in writing to the selection of an alternative forum, the federal courts in the Southern District of New York, or if those courts are unavailable, the courts of the State of New York sitting in New York County, New York, shall be the sole and exclusive forum for (i) any derivative action or derivative proceeding brought on behalf of the corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director or officer of the corporation to the corporation or the corporation's shareholders, (iii) any action asserting a claim against the corporation arising pursuant to any provision of the laws of the State of New York or the corporation's certificate of incorporation or by-laws (in each case, as they may be amended from time to time), or (iv) any action asserting a claim against the corporation or any director, officer or other employee of the corporation governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the corporation shall be deemed to have notice of and consented to the provisions of this Article IX.

G. I. 8

Appendix B

February 23, 2011

**GRAYBAR ELECTRIC COMPANY, INC**  
**Code of Ethics for Covered Officers**

**Introduction**

This Code of Ethics has been adopted by the Board of Directors of Graybar Electric Company, Inc., to deter wrongdoing and promote honest and ethical conduct, proper disclosure of financial information in the filings with, or submissions to, the Securities and Exchange Commission, and in other public communications made by the Company, and compliance with applicable laws, rules, and regulations by the Company's principal executive officer, principal financial officer, principal accounting officer and controller. This Code of Ethics is intended to supplement the General Instruction titled Business Conduct ([G. I. 8](#)) that is applicable to all employees of the Company.

**Applicability**

This Code of Ethics is applicable to the principal executive officer, principal financial officer, principal accounting officer and controller (the "Covered Officers"). References in this Code of Ethics to the Company include its subsidiaries and divisions.

**Principles and Practices**

In performing his or her duties, each Covered Officer must:

- (1) Maintain high standards of honest and ethical conduct in all dealings with other employees, customers, and suppliers of the Company and with other third parties, including the Company's independent auditors, on behalf of the Company;
- (2) Avoid any actual or apparent conflict of interest between personal and professional relationships as defined in G. I. 8;
- (3) Report to the Audit Committee of the Board of Directors any conflict of interest that may arise and any material transaction or relationship that reasonably could be expected to give rise to a conflict;
- (4) Take reasonable measures to protect the confidentiality of non-public information about the Company or its customers or suppliers and prevent the unauthorized disclosure

of such information unless required by applicable law or regulation or legal or regulatory process;

- (5) Maintain all Company accounting records and reports derived from them in accordance with applicable laws, in a manner that fairly and accurately reflects the transactions or occurrences to which they relate and assures that they fairly and accurately reflect in reasonable detail the Company's assets, liabilities, revenues, and expenses and do not contain any false or intentionally misleading entries. In this regard, compliance with the Company's system of internal controls is required at all times;
- (6) Endeavor to assure full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with or submits to the Securities and Exchange Commission and in other public communications made by the Company;
- (7) Comply and take reasonable action to cause others to comply with applicable governmental laws, rules, and regulations; and
- (8) Promptly report suspected violations of this Code of Ethics by any Covered Officer to the Audit Committee, which may be done anonymously.

### **Waiver**

Any request for a waiver of any provision of this Code must be in writing and addressed to the Audit Committee. Any waiver of this Code will be disclosed promptly in accordance with the rules of the Securities and Exchange Commission and any other requirement then in effect.

### **Compliance and Accountability**

The Audit Committee will regularly assess compliance with this Code, report material violations to the Board of Directors, and recommend to the Board appropriate action to assure accountability for violation of this Code by any Covered Officer.

### **Personal Commitment to the Graybar Code of Ethics**

***Covered Officers shall review the Graybar Code of Ethics and acknowledge the following by electronic signature.***

I understand that failure to observe the terms of the Code of Ethics may result in disciplinary action, including termination of employment, and that a violation of the Code of Ethics may also constitute a violation of law that may result in civil or criminal penalties for me and/or the Company. I further understand that my agreement to comply with the Code of Ethics does not constitute a contract of employment.

**GRAYBAR ELECTRIC COMPANY, INC.****LIST OF SUBSIDIARIES**

Graybar International, Inc., a Missouri corporation

Graybar Financial Services, Inc., a Missouri corporation

Graybar Management Services, LLC, a Delaware limited liability company

GBE Sub, LLC, a Missouri limited liability company

Graybar Electric Limited, a Nova Scotia corporation

Graybar Canada Limited, a Nova Scotia corporation

Électro-Mag Inc., a Quebec corporation

Les Contrôles J.A.D. Inc., a Quebec corporation

Distribution Associates, Inc., a Missouri corporation

Graybar Business Services, Inc., a Missouri corporation

Graybar Electric Canada Limited, a Nova Scotia corporation

Graybar Newfoundland Limited, a Newfoundland and Labrador corporation

Graybar Energy Limited, an Ontario corporation

Advantage Industrial Automation, Inc., a Georgia corporation

Cape Electrical Supply LLC, a Delaware limited liability company

Lab Development, LLC (d/b/a Connexion), an Illinois limited liability company

St. Louis-Metro Electrical Supply, Inc., a Missouri corporation

Shingle & Gibb Automation, LLC, a Delaware limited liability company

Steven Engineering Incorporated, a California corporation

Process Distribution Group, a California corporation

Valin Corporation, a California corporation

USAutomation, a California corporation

Shepherd Electric Company, LLC, a Maryland limited liability company

Shepherd Electric Supply of Washington D.C., LLC, a Delaware limited liability company

Blazer Electric Supply Management Co., a Colorado corporation

Blazer Electric Supply Co. of Colorado Springs, a Colorado corporation

Blazer Electric Supply Co. of Pueblo, a Colorado corporation

**CERTIFICATION**

I, Kathleen M. Mazzarella, certify that:

- 1) I have reviewed this annual report on Form 10-K of Graybar Electric Company, Inc.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 13, 2025

/s/ Kathleen M. Mazzarella  
Kathleen M. Mazzarella  
President and Chief Executive Officer  
(Principal Executive Officer)

**CERTIFICATION**

I, David M. Meyer, certify that:

- 1) I have reviewed this annual report on Form 10-K of Graybar Electric Company, Inc.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 13, 2025

/s/ David M. Meyer

David M. Meyer

Senior Vice President and Chief Financial Officer  
(Principal Financial Officer)

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Kathleen M. Mazzarella, President and Principal Executive Officer of Graybar Electric Company, Inc. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

- (1) The Annual Report on Form 10-K of the Company for the annual period ended December 31, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Kathleen M. Mazzarella

Kathleen M. Mazzarella  
President and Chief Executive Officer  
(Principal Executive Officer)

March 13, 2025

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, David M. Meyer, Senior Vice President and Principal Financial Officer of Graybar Electric Company, Inc. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

- (1) The Annual Report on Form 10-K of the Company for the annual period ended December 31, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David M. Meyer

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David M. Meyer

Senior Vice President and Chief Financial Officer  
(Principal Financial Officer)

March 13, 2025