

AVNET INC
Form DEF 14A
October 04, 2006

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**SCHEDULE 14A
(Rule 14A-101)**

**INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)**

Filed by the registrant

Filed by a party other than the registrant

Check the appropriate box:

Preliminary proxy statement
Commission only (as permitted by
Rule 14a-6(e)(2).

Confidential, for use of the

Definitive proxy statement.

Definitive additional materials.

Soliciting material pursuant to Rule 14a-12.

AVNET, INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement if Other Than the Registrant)

Payment of filing fee (check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

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(3) Filing Party:

(4) Date Filed:

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AVNET, INC.

NOTICE OF 2006 ANNUAL MEETING OF SHAREHOLDERS

To Be Held Thursday, November 9, 2006

TO ALL SHAREHOLDERS OF AVNET, INC.:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of AVNET, INC., a New York corporation (Avnet), will be held at the Arizona Corporate Broadcast Center, 2617 South 46th Street, Suite 300, Phoenix, Arizona 85034 on Thursday, November 9, 2006, at 2:00 p.m., mountain standard time, for the following purposes:

1. To elect nine (9) directors to serve until the next annual meeting and until their successors have been elected and qualified.
2. To approve the Avnet 2006 Stock Compensation Plan.
3. To ratify the appointment of KPMG LLP as the independent registered public accounting firm to audit the consolidated financial statements of Avnet for the fiscal year ending June 30, 2007.
4. To vote on a shareholder proposal as described in the Proxy Statement, if properly presented at the Annual Meeting.
5. To take action with respect to such other matters as may properly come before the Annual Meeting or any adjournment thereof.

The Board of Directors has fixed the close of business on September 12, 2006 as the record date for the Annual Meeting. Only holders of record of shares of Avnet's Common Stock at the close of business on such date shall be entitled to notice of and to vote at the Annual Meeting or any adjournment thereof.

By Order of the Board of Directors

David R. Birk
Secretary

October 4, 2006

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**AVNET, INC.
2211 South 47th Street
Phoenix, Arizona 85034**

**PROXY STATEMENT
Dated October 4, 2006**

**FOR ANNUAL MEETING OF SHAREHOLDERS
To Be Held November 9, 2006**

This Proxy Statement is being furnished in connection with the solicitation of proxies by the Board of Directors of Avnet, Inc. (Avnet or the Company) to be voted at the Annual Meeting of Shareholders to be held at the Arizona Corporate Broadcast Center, 2617 South 46th Street, Suite 300, Phoenix, Arizona 85034 on November 9, 2006, and at any and all postponements or adjournments thereof (the Annual Meeting), with respect to the matters referred to in the accompanying notice. The approximate date on which this Proxy Statement and the enclosed form of proxy are first being sent or given to shareholders is October 4, 2006. Only holders of record of outstanding shares of Common Stock at the close of business on September 12, 2006, the record date, are entitled to notice of and to vote at the Annual Meeting. Each shareholder is entitled to one vote per share held on the record date. The aggregate number of shares of Common Stock outstanding (net of treasury shares) at September 12, 2006 was 146,662,961, comprising all of Avnet's capital stock outstanding as of that date.

Proxies for shares of Avnet Common Stock, par value \$1.00 per share (the Common Stock), may be submitted by completing and mailing the proxy card that accompanies this Proxy Statement or by submitting your proxy voting instructions by telephone or through the Internet. Shareholders who hold their shares through a broker, bank or other nominee should contact their nominee to determine whether they may submit their proxy by telephone or Internet. Shares of Common Stock represented by a proxy properly signed or submitted and received at or prior to the Annual Meeting will be voted in accordance with the shareholder's instructions. If a proxy card is signed, dated and returned without indicating any voting instructions, shares of Common Stock represented by the proxy will be voted FOR the election as Directors of the nine nominees named herein; FOR the proposal to approve the 2006 Stock Compensation Plan; FOR the ratification of the appointment of KPMG LLP as the independent registered public accounting firm for the fiscal year ending June 30, 2007 and AGAINST the shareholder proposal to separate the positions of CEO and Chairman. The Avnet Board of Directors is not currently aware of any business to be acted upon at the Annual Meeting other than as described herein. If, however, other matters are properly brought before the Annual Meeting, the persons appointed as proxies will have discretion to vote according to their best judgment, unless otherwise indicated on any particular proxy. The persons appointed as proxies will have discretion to vote on adjournment of the Annual Meeting. Proxies will extend to, and be voted at, any adjournment or postponement of the Annual Meeting.

Proxy and Revocation of Proxy

Any person who signs and returns the enclosed proxy or properly votes by telephone or Internet may revoke it by submitting a written notice of revocation or a later dated proxy that is received by Avnet prior to the Annual Meeting,

or by voting in person at the Annual Meeting. However, a proxy will not be revoked by simply attending the Annual Meeting and not voting. All written notices of revocation and other communications with respect to revocation by Avnet shareholders should be addressed as follows: David R. Birk, Secretary, Avnet, Inc., 2211 South 47th Street, Phoenix, Arizona 85034. To revoke a proxy previously submitted by telephone or Internet, a shareholder of record can simply vote again at a later date, using the same procedures, in which case the later submitted vote will be recorded and the earlier vote will thereby be revoked. Please note that any shareholder whose shares are held of record by a broker, bank or other nominee and who provides voting instructions on a form received from the nominee may revoke or change his or her voting instructions only by contacting the nominee who holds his or her shares. Such

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shareholders may not vote in person at the Annual Meeting unless the shareholder obtains a legal proxy from the broker, bank or other nominee.

Quorum and Voting

The presence at the Annual Meeting, in person or by proxy, of the shareholders of record entitled to cast at least a majority of the votes that all shareholders are entitled to cast is necessary to constitute a quorum. Each vote represented at the Annual Meeting in person or by proxy will be counted toward a quorum. If a quorum should not be present, the Annual Meeting may be adjourned from time to time until a quorum is obtained.

Broker Voting

Brokers holding shares of record for a customer have the discretionary authority to vote on some matters if they do not receive timely instructions from the customer regarding how the customer wants the shares voted. There are also some matters (non-discretionary matters) with respect to which brokers do not have discretionary authority to vote if they do not receive timely instructions from the customer. When a broker does not have discretion to vote on a particular matter and the customer has not given timely instructions on how the broker should vote, what is referred to as a broker non-vote results. Any broker non-vote would be counted as present at the meeting for purposes of determining a quorum, but would be treated as not entitled to vote with respect to non-discretionary matters. Therefore, a broker non-vote would not count as a vote in favor of or against such matters and, accordingly, would not affect the outcome of the vote. Brokers will have discretionary authority to vote on Proposals 1 and 3 in the absence of timely instructions from their customers but will not have discretionary authority to vote on Proposals 2 and 4.

Required Vote

Proposal 1

To be elected, each director nominee must receive the affirmative vote of a plurality of the votes of the Common Stock present or represented at the Annual Meeting and entitled to vote. Votes may be cast in favor of or withheld with respect to each nominee. Votes that are withheld will be counted toward a quorum, but will be excluded entirely from the tabulation of votes for the election of directors and, therefore, will not affect the outcome of the vote on such election. However, Avnet's Corporate Governance Guidelines (the Guidelines) require that, in an uncontested election, any director nominee who receives a greater number of votes withheld than votes for in the election must promptly submit a letter of resignation to the Board following the certification of the shareholder election results. The Guidelines specify the procedures that the Board of Directors must follow in such event and the time frame within which the Board must determine and publicly announce the results of its deliberation.

Proposal 2

Approval of the Avnet 2006 Stock Compensation Plan requires the affirmative vote of the holders of a majority of the Common Stock present or represented at the Annual Meeting and entitled to vote, provided that the total vote cast represents over 50% in interest of all securities entitled to vote on the proposal. Abstentions and broker non-votes are not counted in determining the votes cast in connection with the approval of the Avnet 2006 Stock Compensation Plan, but do have the effect of reducing the number of affirmative votes required to achieve a majority for this matter by reducing the total number of shares from which the majority is calculated. Because broker non-votes are not counted as votes cast under the New York Stock Exchange approval requirements, they could have an impact on satisfaction of the requirement that the total votes cast on this proposal represent over 50% in interest of all securities entitled to vote on the proposal.

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Proposal 3

Ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for fiscal 2007 requires the affirmative vote of the holders of a majority of the Common Stock present or represented at the meeting and entitled to vote. Abstentions are not counted in determining the votes cast in connection with the ratification of the appointment of KPMG LLP, but do have the effect of reducing the number of affirmative votes required to achieve a majority for this matter by reducing the total number of shares from which the majority is calculated.

Proposal 4

The passage of the shareholder proposal requires the affirmative vote of the holders of a majority of the Common Stock present or represented at the meeting and entitled to vote. Abstentions and broker non-votes are not counted in determining the votes cast in connection with the approval of the shareholder proposal, but do have the effect of reducing the number of affirmative votes required to achieve a majority for this matter by reducing the total number of shares from which the majority is calculated.

CORPORATE GOVERNANCE

Avnet is committed to good corporate governance practices. This commitment is not new—the Company has developed and evolved its corporate governance practices over many years. The Board of Directors believes that good corporate governance practices provide an important framework that promotes long-term value, strength and stability for shareholders.

Corporate Governance Guidelines

In September 2003, the Board of Directors adopted Corporate Governance Guidelines, which collect in one document many of the corporate governance practices and procedures that had evolved at Avnet over the years. Among other things, the Guidelines address the duties of the Board of Directors, director qualifications and selection process, director compensation, Board operations, Board committee matters and director orientation and continuing education. The Guidelines also provide for annual self-evaluations by the Board and its committees. The Board reviews the Guidelines on an annual basis, most recently at its regularly scheduled meeting in August 2006. As a result of its August 2006 review and upon recommendations from the Corporate Governance Committee, the Board revised the Guidelines to delineate additional responsibilities of the Lead Director and to extend the Lead Director's term from six months to one year, effective with the Lead Director's term that commences at the annual meeting of the Board of Directors on November 10, 2006. The revised Guidelines are available on the Company's website at www.avnet.com/investors/governance under the caption Corporate Governance Guidelines.

As a general policy, as set forth in the Corporate Governance Guidelines, the Board recommends certain limits as to the service of directors on other boards of public companies. These limits are as follows: (1) the Company's Chairman of the Board and Chief Executive Officer may serve on up to two additional boards; (2) Directors who are actively employed on a full-time basis may serve on up to two additional boards; and (3) Directors who are retired from active full-time employment may serve on up to four additional boards.

Director Independence

The Board of Directors believes that a substantial majority of its members should be independent directors. The Board adopted the following Director Independence Standards, which are consistent with criteria established by the New York Stock Exchange, to assist the Board in making these independence determinations.

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No Director can qualify as independent if he or she has a material relationship with the Company outside of his or her service as a Director of the Company. A Director is not independent if:

The Director is, or was within the preceding three years, an employee of the Company.

An immediate family member of the Director is, or was within the preceding three years, an executive officer of the Company.

(a) The Director, or an immediate family member of the Director, is a current partner of the Company's internal or external auditor; (b) the Director is a current employee of the Company's internal or external auditor; (c) an immediate family member of the Director is a current employee of the Company's internal or external auditor who participates in the firm's audit, assurance or tax compliance (but not tax planning) practice; or (d) the Director, or an immediate family member of the Director, was within the last three years (but is no longer) a partner or employee of the Company's internal or external auditor and personally worked on the Company's audit within that time.

A Director, or an immediate family member of the Director, has received, during any 12-month period within the preceding three years, more than \$100,000 in direct compensation from the Company, other than Director and committee fees and pension or other forms of deferred compensation for prior services (provided such compensation is not contingent in any way on continued service).

The Director, or an immediate family member of the Director, is, or was within the preceding three years, employed as an executive officer of another company where any of the Company's present executive officers serves or served at the same time on the compensation committee of that company's board of directors.

The Director is a current executive officer or employee, or an immediate family member of the Director is a current executive officer, of another company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the preceding three fiscal years, exceeded the greater of \$1 million or two percent (2%) of such other company's consolidated gross revenues.

The Director, or an immediate family member of the Director, is a current executive officer of another company that was indebted to the Company, or to which the Company was indebted within the preceding three years, where the total amount of either company's indebtedness to the other was more than five percent (5%) of the total consolidated assets of the company he or she served as an executive officer.

The Director, or an immediate family member of the Director, is a current officer, Director or trustee of a charitable organization where the Company's annual discretionary charitable contributions to the charitable organization exceeded the greater of \$1 million or five percent (5%) of that organization's consolidated gross revenues.

The Board has reviewed all known material transactions and relationships between each Director, or any member of his or her immediate family, and the Company, its senior management and its independent registered public accounting firm. Based on this review and in accordance with its independence standards set forth above, the Board has affirmatively determined that all of the non-employee directors: Eleanor Baum, J. Veronica Biggins, Lawrence W. Clarkson, Ehud Houminer, James A. Lawrence, Frank R. Noonan, Ray M. Robinson, Peter Smitham and Gary L. Tooker are independent (Independent Directors).

Director Nominations

The Corporate Governance Committee is responsible for identifying, screening and recommending candidates for election to the Company's Board of Directors. The Committee reviews the business experience, education and skills of candidates as well as character, judgment and issues of diversity in factors such as age, gender, race and culture. These factors, and others considered useful by the Board,

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are reviewed in the context of an assessment of the perceived needs of the Board at a particular point in time.

Directors must also possess the highest personal and professional ethics, integrity and values and be committed to representing the long-term interests of all shareholders. Board members are expected to diligently prepare for, attend and participate in all Board and applicable Committee meetings. Each Board member is expected to see that other existing and future commitments do not materially interfere with the member's service as a Director.

The Corporate Governance Committee also reviews whether a potential candidate will meet the Company's independence standards and any other director or committee membership requirements imposed by law, regulation or stock exchange rules.

Director candidates recommended to the Corporate Governance Committee are subject to full Board approval and subsequent election by the shareholders. The Board of Directors is also responsible for electing directors to fill vacancies on the Board that occur due to retirement, resignation, expansion of the Board or other events occurring between the shareholders' annual meetings. The Corporate Governance Committee may retain a search firm, from time to time, to assist in identifying and evaluating director candidates. When a search firm is used, the Committee provides specified criteria for director candidates, tailored to the needs of the Board at that time, and pays the firm a fee for these services. Recommendations for director candidates are also received from Board members and management and may be solicited from professional associations as well.

The Corporate Governance Committee will consider recommendations of director candidates received from shareholders on the same basis as recommendations of director candidates received from other sources. The director selection criteria discussed above will be used to evaluate all recommended director candidates. Shareholders who wish to suggest an individual for consideration for election to the Company's Board of Directors may submit a written recommendation to the Corporate Governance Committee by sending it to the Secretary, Avnet, Inc., 2211 South 47th Street, Phoenix, Arizona 85034. Shareholder recommendations must contain the following information:

The shareholder's name, address, number of shares of Avnet Common Stock beneficially owned and, if the shareholder is not a record shareholder, evidence of beneficial ownership,

A statement in support of the director candidate's recommendation,

The director candidate's detailed biographical information describing experience and qualifications, including current employment and a list of any other boards of directors on which the candidate serves,

A description of all agreements, arrangements or understandings between the shareholder and the director candidate,

The candidate's consent to be contacted by a representative of the Corporate Governance Committee for interviews and his or her agreement to provide further information, if needed,

The candidate's consent for a background check, and

The candidate's consent to serve as a director, if nominated and elected.

To be considered by the Committee for the slate recommended in the proxy statement for the 2007 annual meeting, shareholders should submit any director recommendation and all required information to the Secretary no later than June 4, 2007.

Under the Company's By-laws, shareholders may also nominate a candidate for election at an annual meeting of shareholders. Details regarding this nomination procedure and the required notice and information are set forth elsewhere in this Proxy Statement under the heading 2007 Annual Meeting.

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Shareholder Communications

Shareholders may contact any or all of the Company's Directors by writing to the Board of Directors or to the Secretary, Avnet, Inc., 2211 South 47th Street, Phoenix, AZ 85034. Shareholders may also submit an email to the Lead Director, the chair of the Audit Committee or the non-employee Directors as a group, by filling out the email form on the Company's website at www.avnet.com/investors/governance.

Communications received are distributed to the Board, or to any individual Director or group of Directors as appropriate, depending on the facts and circumstances outlined in the communication. The Avnet Board of Directors has requested that items that are unrelated to the duties and responsibilities of the Board be excluded, including spam, junk mail and mass mailings, product and services inquiries, product and services complaints, resumes and other forms of job inquiries, surveys and business solicitations or advertisements. Any product and services inquiries or complaints will be forwarded to the proper department for handling. In addition, material that is unduly hostile, threatening, illegal or similarly unsuitable will be excluded. Any such communication will be made available to any non-employee Director upon request.

Code of Conduct

The Company has adopted a Code of Conduct that applies to Directors, officers and employees, including the Chief Executive Officer and all financial and accounting personnel. A copy of the Code of Conduct can be reviewed at www.avnet.com/investors/governance. Any future amendments to, or waivers for executive officers and Directors from, certain provisions of the Code of Conduct, will be posted on the Company's website.

Reporting of Ethical Concerns

The Audit Committee of the Board of Directors has established procedures for employees, shareholders, vendors and others to communicate concerns about the Company's ethical conduct or business practices, including accounting, internal controls or financial reporting issues. Matters may be reported in the following ways:

Employees of the Company are encouraged to contact their manager, Human Resources representative or the Code of Conduct Advisor assigned to their facility to report and discuss matters of concern.

All persons, including employees, may contact:

The Legal Department, at (480) 643-7106, or at 2211 South 47th Street, Phoenix, Arizona 85034.

The Ethics Advice Line at 1-800-861-2899 (within the United States) or via email at ethicsadvice@avnet.com. Calls and emails to the Ethics Advice Line will be treated confidentially as necessary and permitted by law, and may be made on an anonymous basis.

Lead Director

The Board of Directors has established a rotation system for Lead Director service. Each Independent Director serves as the Lead Director from time to time as service rotates among the Independent Directors on an annual basis. J. Veronica Biggins currently serves as the Lead Director. At its regularly scheduled meeting in August 2006, the Board of Directors acting upon the Corporate Governance Committee's recommendation, amended the Corporate Governance Guidelines to expand the Lead Director's responsibilities and to extend the Lead Director's term from six months to one

year, starting November 2006. Lawrence W. Clarkson will be the first Lead Director serving a one year term.

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The Lead Director has the following responsibilities:

Presiding at all meetings of the Board at which the Chairman is not present, including executive sessions of the Independent Directors;

Setting meeting agendas for the executive sessions of the Independent Directors;

Reviewing information to be sent to the Board and the proposed agenda for Board meetings;

Reviewing Board meeting schedules to ensure sufficient time for discussion of all agenda items;

Helping ensure adequate distribution of information to members of the Board in a timely manner;

Having the authority to call meetings of the Independent Directors; and

Performing such other duties as the Board may from time to time delegate to assist the Board in the fulfillment of its responsibilities.

Executive Sessions

To promote free and open discussion and communication, non-management Directors meet in executive session without management present at regularly scheduled Board meetings. Non-management Directors may meet at other times at the discretion of the Lead Director or upon the request of any Independent Director. Executive sessions are chaired by the Lead Director.

Stock Ownership Guidelines

The Board has adopted stock ownership guidelines providing that each Director should own, within four years of joining the Board, 10,000 shares of Avnet Common Stock. Shares that are awarded to Directors as part of director compensation, as well as Phantom Share Units acquired by Directors under the Avnet Deferred Compensation Plan for Outside Directors, count towards the ownership requirements under the guidelines, but options, even if vested, do not. All Directors who have served four or more years on the Board are in compliance with this requirement.

Avnet Website

In addition to the information about Avnet and its subsidiaries contained in this Proxy Statement, extensive information about the Company can be found on its website located at www.avnet.com, including information about the Company's management team, products and services and its corporate governance practices.

The corporate governance information on Avnet's website includes the Company's Corporate Governance Guidelines, the Code of Conduct, the charters for each of the standing committees of the Board of Directors, how a shareholder can nominate a director candidate for election and how shareholders can communicate with the Lead Director, the chair of the Audit Committee and the non-employee Directors. In addition, amendments to the Code of Conduct and waivers granted to the Company's Directors and executive officers under the Code of Conduct, if any, will be posted in this area of the website. These documents can be accessed at www.avnet.com/investors/governance. Printed versions of the Corporate Governance Guidelines, the Code of Conduct and the charters for the Board committees can be obtained, free of charge, by writing to the Company at: Secretary, Avnet, Inc., 2211 South 47th Street, Phoenix, AZ 85034.

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In addition, the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those Reports, if any, filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as well as Section 16 filings made by any of the Company's executive officers or Directors with respect to Avnet Common Stock, are available on the Company's website (www.avnet.com under the Investor Relations SEC Filings caption) as soon as reasonably practicable after the report is electronically filed with, or furnished to, the Securities and Exchange Commission (the SEC).

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This information about Avnet's website and its content, together with other references to the website made in this Proxy Statement, is for information only. The content of the Company's website is not and should not be deemed to be incorporated by reference in this Proxy Statement or otherwise filed with the Securities and Exchange Commission.

THE BOARD OF DIRECTORS AND ITS COMMITTEES

Avnet's Board of Directors held six meetings during fiscal 2006. The non-management Directors met separately in executive session six times during fiscal 2006.

During fiscal 2006, each Director standing for re-election attended at least 75% of the combined number of meetings of the Board held during the period for which the Director served and of the committees on which such Director served. All members of the Board of Directors are expected to attend the annual meeting of shareholders, unless unusual circumstances prevent such attendance. Board and committee meetings are scheduled in conjunction with the annual meeting. All of the Directors standing for election attended Avnet's 2005 annual meeting of shareholders.

The Board currently has, and appoints the members of, a standing Audit Committee, a Compensation Committee, a Corporate Governance Committee and a Finance Committee. Each committee reports regularly to the full Board and annually evaluates its performance. The members of the committees are identified in the following table.

Director	Audit	Compensation	Corporate Governance	Finance
Eleanor Baum			ü	ü
J. Veronica Biggins		ü	ü	
Lawrence W. Clarkson			ü	Chair
Ehud Houminer	ü	ü		
James A. Lawrence	Chair			ü
Frank R. Noonan	ü			ü
Ray M. Robinson	ü	Chair		
Peter Smitham (1)		ü		ü
Gary L. Tooker		ü	Chair	

(1) Not standing for re-election to the Board of Directors.

Audit Committee

The Audit Committee is charged with assisting and representing the Board of Directors in fulfilling its oversight responsibilities with respect to the integrity of the financial statements of the Company, the independence and performance of the Company's corporate audit and independent registered public accounting firm, and compliance with legal and regulatory requirements, as well as the Company's internal ethics compliance program. Moreover, the Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the independent registered public accounting firm. All of the members of the Audit Committee are independent under Avnet's Director Independence Standards and also meet the additional requirements for audit committee independence established by the SEC. The Board of Directors has determined that three members of the Committee (Messrs. Houminer, Lawrence and Noonan) qualify as audit committee financial experts, as defined in rules adopted by the SEC. Please see the Audit Committee Report set forth elsewhere in this Proxy Statement for more information about the Committee and its operations. The Committee operates under a written charter that outlines the Committee's

purpose, member qualifications, authority and responsibilities. The charter is available on the Company's website at www.avnet.com/investors/governance. During fiscal 2006, the Audit Committee held twelve meetings.

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Compensation Committee

The Compensation Committee is responsible for evaluating the performance of and setting compensation for the Chief Executive Officer, and reviewing the compensation and overseeing the evaluation of the Company's other executive officers, particularly the executives whose total salary and target bonus exceed or are expected to exceed \$500,000 in any fiscal year and the four most highly compensated executive officers, whether or not their total compensation exceeds \$500,000. In addition, the Committee administers all of Avnet's equity compensation plans. The Committee also oversees Avnet's diversity and community relations programs. All of the members of the Compensation Committee are independent under Avnet's Director Independence Standards. The Committee operates under a written charter that outlines the Committee's purpose, member qualifications, authority and responsibilities. The charter is available on the Company's website at www.avnet.com/investors/governance. During fiscal 2006, the Compensation Committee held eight meetings.

Corporate Governance Committee

The Corporate Governance Committee is charged with identifying, screening and recommending to the Board of Directors appropriate candidates to serve as directors of the Company and is responsible for overseeing the process for evaluating the Board of Directors and its Committees. This Committee also oversees and makes recommendations with respect to corporate governance issues affecting the Board of Directors and the Company. All of the members of the Corporate Governance Committee are independent under Avnet's Director Independence Standards. The Committee operates under a written charter that outlines the Committee's purpose, member qualifications, authority and responsibilities. The charter is available on the Company's website at www.avnet.com/investors/governance. During fiscal 2006, the Corporate Governance Committee held six meetings.

Finance Committee

The Finance Committee is responsible for evaluating the Company's short and long-term financing needs and capital structure and for making recommendations about future financing. The Committee also oversees the administration of the Avnet Pension Plan and Trust and the Avnet 401(k) Plan and Trust. The Committee's charter is available on the Company's website at www.avnet.com/investors/governance. During fiscal 2006, the Finance Committee held five meetings.

Executive Committee

The Board of Directors has also established an Executive Committee, which is charged with the authority of the full Board and, between meetings of the Board, is authorized to exercise the powers of the Board in the management of the business and affairs of Avnet to the extent permitted by law. The Executive Committee is comprised of the Chairman and four other Directors. All of the Independent Directors rotate service on the Executive Committee. The Executive Committee did not meet in fiscal 2006.

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Nine Directors are to be elected at the Annual Meeting to hold office until the next annual meeting of shareholders and until their successors have been elected and qualified. It is the intention of the persons named in the enclosed proxy card to vote each properly signed and returned proxy (unless otherwise directed by the shareholder executing such proxy) for the election as Directors of Avnet of the nine persons listed below. Each nominee has consented to being named herein and to serving if elected. Mr. Peter Smitham will not be standing for re-election and the Board of Directors wishes to thank Mr. Smitham for his service during the past year. All of the nominees listed below were most recently elected as Directors at the Annual Meeting of Shareholders held on November 10, 2005.

Directors will be elected by a plurality of the votes properly cast at the Annual Meeting. Only votes cast for the election of Directors will be counted in determining whether a nominee for Director has been elected. Thus, shareholders who do not vote, or who withhold their vote, will not affect the outcome of the election. Under the Corporate Governance Guidelines, however, any director nominee who receives a greater number of votes withheld than votes for in the election must promptly submit a letter of resignation to the Board following the certification of the election results. The Board must then determine whether to accept the director's resignation in accordance with the procedures set forth in the Corporate Governance Guidelines and publicly announce the results of its deliberation.

Brokers who hold shares of Common Stock as nominees will have discretionary authority to vote such shares for the election of Directors if they have not received voting instructions from the beneficial owners by the tenth day before the Annual Meeting, provided that this Proxy Statement has been transmitted to the beneficial owners at least fifteen days before the Annual Meeting.

In case any of the nominees below should become unavailable for election for any presently unforeseen reason, the persons named in the enclosed form of proxy will have the right to use their discretion to vote for a substitute or to vote for the remaining nominees and leave a vacancy on the Board of Directors. Under Avnet's By-laws, any such vacancy may be filled by a majority vote of the Directors then in office or by the shareholders at any meeting thereof. Alternatively, the Board of Directors may reduce the size of the Board to eliminate the vacancy.

The information set forth below as to each nominee has been furnished by such nominee as of September 30, 2006:

Name	Age	Year First Elected	Principal Occupations During Last Five Years; Other Directorships and Activities
Eleanor Baum	66	1994	Dean of the School of Engineering of The Cooper Union for the Advancement of Science & Art, New York, NY since 1987. Dr. Baum is also a director of Allegheny Energy, Inc., a utility holding company, and United States Trust Company; the former Chair of the New York Academy of Sciences (1998-1999); former Chair of the Engineering Workforce Commission (1999-2002); Dr. Baum is a Trustee of both Embry Riddle University and Webb Institute and serves on various advisory boards to universities, government agencies

J. Veronica Biggins	59	1997	and industry groups. Senior Partner at Heidrick & Struggles International, Inc., an executive search firm, since 1995. Prior to that, Ms. Biggins was Assistant to the President of the United States. Ms. Biggins is a director of AirTran Holdings, Inc., parent company to a low-fare airline.
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Name	Age	Year First Elected	Principal Occupations During Last Five Years; Other Directorships and Activities
Lawrence W. Clarkson	68	1998	Retired Senior Vice President of The Boeing Company (April 1994 – February 1999) and President of Boeing Enterprises (January 1997 – February 1999), a manufacturer of aerospace, aviation and defense products. Director of Hitco Carbon Composites and Intelligenxia, Inc., dba IxReveal, developer of IxReveal software. Vice Chairman of The National Bureau of Asian Research; director of the U.S. Pacific Basin Council and the National Center for Asia Pacific Economic Cooperation.
Ehud Houminer	66	1993	Executive in residence at Columbia Business School, Columbia University, New York since 1991. Mr. Houminer is a director of various Dreyfus mutual funds. Member of the Board of Overseers of the Columbia Business School, previously chairman and presently a trustee of the Explore Charter School in Brooklyn, New York and chairman of the advisory board of the honors MBA program at the School of Management at Ben Gurion University.
James A. Lawrence	53	1999	Vice Chairman since April 2006 and Chief Financial Officer of General Mills, Inc., since October 1998; before that, Executive Vice President and Chief Financial Officer of Northwest Airlines (1996-1998) and Chief Executive Officer of Pepsi-Cola Asia Middle East Africa Group (1992-1996).
Frank R. Noonan	64	2004	Retired Chairman and Chief Executive Officer of R. H. Donnelley Co. (1991 – 2002), publisher of yellow pages directories.
Ray M. Robinson	58	2000	Vice Chairman of East Lake Community Foundation. Previously President of AT&T Southern Region Business Services Division from 1995 – 2003. Mr. Robinson is also a director of Aaron Rents, Inc., Acuity Brands, Inc., a provider of lighting products and specialty chemicals, AMR Corp., the parent company of American Airlines, ChoicePoint Inc., a provider of identification and credential verification services, and Citizens Bancshares Corp, the largest African-American owned bank in the southeast United States.
Gary L. Tooker	67	2000	Independent consultant (2000 – current); Retired Chairman of the board of directors of Motorola, Inc. (1997-1999); Former Vice Chairman and Chief Executive Officer of Motorola, Inc. (1994-1996); former director of Motorola (until May 2001). Mr. Tooker is also a director of Eaton Corporation, a diversified industrial manufacturer.
Roy Vallee	54	1991	Chairman of the Board and Chief Executive Officer of Avnet since June 1998; prior thereto, Vice Chairman of the Board (November 1992 to June 1998) and President and Chief Operating Officer of Avnet (March 1992 to June 1998).

Mr. Vallee is also a director of Synopsys, Inc., a developer of software for semiconductor design and Teradyne, Inc., a supplier of automatic test equipment for the electronics and telecommunications industries.

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COMPENSATION OF NON-EMPLOYEE DIRECTORS

Directors of Avnet who are also officers or employees of Avnet (currently only Mr. Vallee) do not receive any special or additional remuneration for service on the Board of Directors or any of its committees. Non-employee director compensation for Board service consists of approximately 46% cash and 54% equity. A description of the various components of non-employee director compensation follows:

Cash Compensation

Each non-employee Director who was elected for the first time prior to January 1997 (and who is therefore eligible to participate in the retirement plan discussed below) receives an annual retainer fee of \$60,000 (currently Dr. Baum and Mr. Houminer) and each non-employee Director elected for the first time in or after January 1997 (currently Ms. Biggins and Messrs. Clarkson, Lawrence, Noonan, Robinson, Smitham and Tooker) receives an annual retainer fee of \$65,000. The chairs of the various committees of the Board of Directors receive the following additional compensation: chair of the Audit Committee receives an annual \$10,000 cash retainer; chair of the Compensation Committee receives an annual \$7,500 cash retainer; and the chairs of the Corporate Governance Committee and the Finance Committee each receive annual \$5,000 cash retainers. Starting November 2006, the Lead Director will receive an annual retainer fee of \$5,000.

Equity Compensation

Non-employee Directors are awarded shares equal to \$75,000 of Avnet Common Stock in January each year. Directors may elect to receive these shares as Restricted Common Stock or defer this award in Phantom Share Units under the Avnet Deferred Compensation Plan for Outside Directors.

Deferred Compensation Plan

Under the Avnet Deferred Compensation Plan for Outside Directors (the Plan), a non-employee Director may elect to receive Phantom Stock Units (the PSUs) in lieu of some or all of the restricted shares of Common Stock that would otherwise be awarded in connection with the Director's annual equity compensation. The number of restricted shares or PSUs to be credited to the PSU portion of the Director's account is determined by dividing \$75,000 by the average of the high and low price of the Common Stock on the New York Stock Exchange on the first business day in January of each year. In addition, a non-employee Director may elect to defer all or a portion of his or her annual cash compensation in either a cash or PSU account under the Plan. Compensation deferred as cash is credited at the beginning of each quarter with interest at a rate corresponding to the rate of interest on U.S. Treasury 10-year notes on the first day of that quarter. Compensation deferred under the Plan, or interest credited thereon, will be payable to a Director (i) upon cessation of membership on Avnet's Board of Directors in ten annual installments or, at the Director's election (which must be made not less than 24 months prior to the date on which the Director ceases to be a member of the Board), in annual installments not exceeding ten or in a single lump sum or (ii) upon a change in control of Avnet (as defined in the Plan), in a single lump sum. PSUs are payable in Common Stock with cash payment made for fractional shares. In the event of the death of a Director before receipt of all payments, all remaining payments shall be made to the Director's designated beneficiary.

Retirement Plan Benefits and Phase-Out

In May 1996, the Board of Directors terminated the Retirement Plan for Outside Directors of Avnet, Inc. (the Retirement Plan) with respect to non-employee Directors elected for the first time after May 21, 1996. Therefore,

while members of the Board of Directors as of May 21, 1996 still accrue benefits under the Retirement Plan (Dr. Baum and Mr. Houminer), Board members elected for the first time thereafter are not eligible to participate in the Retirement Plan. The Retirement Plan provides retirement income for eligible Directors who are not officers, employees or affiliates (except by reason of being a Director) of Avnet (the Outside Directors). The Retirement Plan entitles any eligible Outside Director who has

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completed six years or more of active service to an annual cash retirement benefit equal to the annual retainer fee (including committee fees) during the Outside Director's last year of active service, payable in equal monthly installments for a period of from two to ten years depending on length of service, with payments beginning on the date which is the later of such Outside Director's 65th birthday or his or her retirement date. The surviving spouse of any deceased Outside Director is entitled to 50% of any remaining unpaid retirement benefit.

Additional Benefits

The Company also provides computer equipment to any Director who needs equipment to enable efficient communication between the Company and its Directors.

AUDIT COMMITTEE REPORT

The Audit Committee represents and assists the Board in fulfilling its oversight responsibilities with respect to the integrity of the Company's financial statements, the independence, qualification and performance of the Company's corporate auditor and its independent registered public accounting firm, and compliance with legal and regulatory requirements. The Audit Committee operates under a written charter, which sets forth its purpose, member qualifications, authority and responsibilities. The Audit Committee reviews its charter on a regular basis and most recently reviewed it at the Committee's regularly scheduled meeting on August 10, 2006. The charter is available on the Company's web site at www.avnet.com/investors/governance.

The Audit Committee monitors the activities and performance of the Company's internal audit function, including scope of reviews, department staffing levels and reporting and follow-up procedures. In addition, the Audit Committee oversees the Company's internal ethics and compliance program. The Audit Committee also meets quarterly with KPMG LLP, the Company's independent registered public accounting firm (KPMG), and with the Company's Director of Corporate Audit, the Chief Financial Officer and the Chief Ethics and Compliance Officer in separate, executive sessions. Management has responsibility for the preparation, presentation and integrity of the Company's financial statements and the reporting process, including the system of internal controls.

The Audit Committee meets with KPMG and management to review the Company's interim financial results before publication of the Company's quarterly earnings press releases and the filing of the Company's quarterly reports on Form 10-Q and annual report on Form 10-K. The Committee also monitors the activities and performance of KPMG, including audit scope, audit fees, auditor independence and non-audit services performed by KPMG. All services to be performed by the Company's independent registered public accounting firm are subject to pre-approval by the Audit Committee and management provides quarterly reports to the Committee on the status and fees for all such projects.

The Audit Committee has reviewed and discussed the consolidated financial statements for fiscal year 2006 with management and KPMG. This review included a discussion with KPMG and management of Avnet's accounting principles, the reasonableness of significant estimates and judgments, including disclosure of critical accounting estimates, and the conduct of the audit. The Committee has discussed with KPMG the matters required to be discussed by Statement on Auditing Standards No. 61 Communication with Audit Committees, as amended by Statement on Auditing Standards No. 90 Audit Committee Communications. KPMG provided the Audit Committee with the written disclosures and the letter required by Independence Standards Board Standard No. 1, Independence Discussions with Audit Committees, and the Committee discussed with KPMG its independence. The Audit Committee has concluded that KPMG is independent from the Company and its management. KPMG also discussed with the Committee its internal quality control procedures and the results of its most recent peer review. In reliance on this review and these discussions, and the report of KPMG, the Audit Committee has recommended to the Board, and the Board has approved, the inclusion of the audited financial statements

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in the Company's Annual Report on Form 10-K for the year ended July 1, 2006 for filing with the Securities and Exchange Commission.

James A. Lawrence, Chair
 Ehud Houminer
 Frank R. Noonan
 Ray M. Robinson

PRINCIPAL ACCOUNTING FIRM FEES

The table below provides information relating to fees charged for services performed by KPMG LLP, the Company's independent registered public accounting firm, in both fiscal 2006 and fiscal 2005.

	Fiscal 2006	Fiscal 2005
Audit Fees	\$ 5,871,119	\$ 6,248,847
Audit-Related Fees	99,357	47,230
Tax Fees	1,030,913	1,310,485
All Other Fees		
TOTAL	\$ 7,001,389	\$ 7,606,562

Audit Fees. In both years, Audit Fees consisted of work performed by the principal auditor associated with the audit of the Company's consolidated financial statements, including reviews performed on the Company's Form 10-Q filings, statutory audits required for the Company's subsidiaries and assistance with registration statements filed by the Company, including comfort letters and consents. Audit Fees also include fees incurred in connection with the audit of internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act of 2002.

Audit-Related Fees. Audit-Related Fees for fiscal 2006 included certain compliance-related agreed-upon procedures and assistance with certain acquisition due diligence efforts. Audit-Related Fees for fiscal 2005 consisted of fees for audits performed on the Company's employee benefit plans and for assistance with certain acquisition due diligence efforts.

Tax Fees. In both years, Tax Fees consisted primarily of global tax compliance (federal, international, state and local), assistance with tax audits, tax-related assistance with a transfer pricing study, tax-related assistance with certain acquisition due diligence efforts and expatriate tax assistance.

All services to be provided by the Company's independent registered public accounting firm are subject to pre-approval by the Audit Committee. The Audit Committee has adopted an External Auditor Scope of Services Policy, which requires the Audit Committee's pre-approval of all services to be performed by the Company's independent registered public accounting firm. In some cases, pre-approval is provided by the Audit Committee through approval of specific categories and descriptions of services, subject to an established budget. In other cases, pre-approval is required for particular projects either by the Audit Committee or by the Chair of the Audit Committee, who is authorized to approve projects up to \$250,000 and must then report them to the full Committee by the next Committee meeting. Management provides quarterly reports to the Audit Committee on the status and fees for all projects.

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The following table sets forth information with respect to the Common Stock of Avnet beneficially owned at September 12, 2006 by (a) persons that, to Avnet's knowledge, were the beneficial owners of more than 5% of its outstanding Common Stock (5% Holders), (b) each Director and director nominee of Avnet, (c) each of the Named Executive Officers, and (d) all Directors and executive officers of Avnet as a group. Except where specifically noted in the table, all the shares listed for a person or the group are directly held by such person or group members, with sole voting and dispositive power.

Name	Common Stock(a)	Stock Options Exercisable Within 60 Days	Total Common Stock Beneficially Owned	Percent of Class	Phantom Shares(b)	Total Equity Interest
5% Holders						
FMR Corp. et al. 82 Devonshire Street Boston, MA 02109	21,887,296		21,887,296(1)	15.0%		
AXA Financial, Inc. et al. 1290 Avenue of the Americas New York, NY 10104	13,584,583		13,584,583(2)	9.3%		
First Pacific Advisors, Inc. 11400 W. Olympic Blvd., Suite 1200 Los Angeles, CA 90064	8,217,100		8,217,100(3)	5.7%		
Directors and Named Executive Officers						
Eleanor Baum	15,912	16,775	32,687	*	1,476	34,163
J. Veronica Biggins	10,592	16,775	27,367	*	10,285	37,652
Andrew Bryant	17,809	202,193	220,002(4)	*		220,002
Lawrence W. Clarkson	10,525	16,775	27,300	*	5,177	32,477
Harley Feldberg	38,713	167,310	206,023(5)	*		206,023
Richard Hamada	46,448	109,120	155,568(6)	*		155,568
Ehud Houminer	19,112	16,775	35,887	*		35,887
James A. Lawrence	15,312	16,775	32,087	*		32,087
Frank R. Noonan	1,000	2,150	3,150(7)	*	9,214	12,364
Ray M. Robinson	7,781	14,775	22,556	*	9,090	31,646
Raymond Sadowski	75,936	280,559	356,495(8)	*		356,495
Peter Smitham	3,142	500	3,642(9)	*		3,642
Gary L. Tooker	21,035	14,775	35,810(10)	*	8,853	44,663
Roy Vallee	263,164	2,245,728	2,508,892(11)	1.68%		2,508,892
			4,456,945	2.96%		

**All directors and
executive officers as a
group (19 persons)**

* Less than 1%.

- (a) This column includes incentive shares allocated but not yet delivered (to executive officers).
- (b) This column indicates the number of phantom shares owned by non-employee Directors. *Phantom shares* are accrued under the Avnet, Inc. Deferred Compensation Plan for Outside Directors, to be settled 1 for 1 in the Company's Common Stock after cessation of membership on the Board or upon change in control of the Company. Under this plan, Directors can defer fees payable in cash for

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service as a member of the Board or any of its committees into a cash or phantom shares account and can elect to receive phantom shares in lieu of shares of restricted shares of the Common Stock.

- (1) The number of shares beneficially owned is based on information provided in a Schedule 13G (Amendment No. 5) filed with the Securities and Exchange Commission on February 14, 2006, by FMR Corp. (FMR) and Edward C. Johnson 3d, Chairman of FMR. Fidelity Management & Research Company (Fidelity), a wholly-owned subsidiary of FMR, is the beneficial owner of 20,981,208 shares of Common Stock as a result of acting as investment advisor to various investment companies. Mr. Johnson and FMR Corp., through its control of Fidelity, and the funds each has sole power to dispose of the 20,981,208 shares owned by the funds. Neither FMR nor Mr. Johnson has any power to vote or direct the voting of these shares which power resides with the Funds Board of Trustees. Fidelity Management Trust Company (Fidelity Management), a wholly-owned subsidiary of FMR, is the beneficial owner of 723,988 shares as a result of its serving as investment manager for various institutional accounts. Mr. Johnson and FMR (through its control of Fidelity Management) each has sole dispositive power to vote or to direct the voting of 723,988 shares held by the institutional accounts. Fidelity International Limited (FIL) is the beneficial owner of 182,100 shares. A partnership controlled by members of the Johnson family owns shares of FIL voting stock with the right to cast approximately 38% of the total votes that may be cast by all holders of FIL voting stock. In addition, members of the Johnson family may be deemed to form a controlling group with respect to FMR under the Investment Company Act of 1940.
- (2) The number of shares beneficially owned is based on information provided in a Schedule 13G (Amendment No. 6) filed with the Securities and Exchange Commission on February 14, 2006 on behalf of AXA Financial, Inc., AXA Assurances I.A.R.D. Mutuelle, AXA Assurances Vie Mutuelle and AXA Courtage Assurance Mutuelle and AXA. Under the AXA entities, AXA Rosenberg Investment Management LLC is deemed to have sole power to vote or direct the vote with respect to 603,554 shares and is deemed to have sole power to dispose or direct the disposition with respect to 1,370,014 shares. Under the AXA Financial, Inc. subsidiaries, Alliance Capital Management L.P. is deemed to have sole power to vote or direct the vote with respect to 5,636,058 shares, is deemed to have shared power to vote or direct the vote with respect to 1,388,575 shares and is deemed to have sole power to dispose or to direct the disposition of 12,211,059 shares. AXA Equitable Life Insurance Company is deemed to have sole power to dispose or direct the disposition of 3,510 shares.
- (3) The number of shares beneficially owned is based upon information provided in a Schedule 13G (Amendment No. 1) filed with the Securities and Exchange Commission on February 10, 2006, First Pacific Advisors, Inc. has shared voting power with respect to 3,185,400 shares and shared dispositive power with respect to 8,217,100 shares.
- (4) Includes 10,336 Incentive Shares allocated but not yet delivered.
- (5) Includes 25,990 Incentive Shares allocated but not yet delivered. Also includes 10,185 shares of Common Stock held by a family trust for which Mr. Feldberg is a trustee.
- (6) Includes 33,340 Incentive Shares allocated but not yet delivered. Also includes 13,108 shares of Common Stock held by a family trust for which Mr. Hamada is a trustee.
- (7) Includes 1,000 shares of Common Stock held by a trust for which Mr. Noonan is a trustee.
- (8) Includes 22,625 Incentive Shares allocated but not yet delivered.
- (9) All of the shares are held by Permira Advisors LLC, an entity affiliated with Mr. Smitham.

- (10) Includes 21,035 shares of Common Stock held by a family trust for which Mr. Tooker is a trustee.
- (11) Includes 118,644 Incentive Shares allocated but not yet delivered. Also includes 136,499 shares of Common Stock held by a family trust for which Mr. Vallee is a trustee.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Pursuant to Section 16(a) of the Securities Exchange Act of 1934, Avnet's Directors, executive officers and beneficial owners of more than 10% of the outstanding Common Stock are required to file reports with the

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Securities and Exchange Commission concerning their ownership of and transactions in Avnet Common Stock and are also required to provide Avnet with copies of such reports. Based solely on such reports and related information furnished to Avnet, Avnet believes that in fiscal 2006 all such filing requirements were complied with in a timely manner by all Directors and executive officers except for Messrs. Birk, Bryant, Feldberg, Hamada, Kamins, Sadowski and Vallee each of whom, due to an administrative error, filed a Form 4 one day after the required filing date.

EXECUTIVE OFFICERS OF THE COMPANY

The current executive officers of the Company are:

Name	Age	Office
Roy Vallee	54	Chairman of the Board and Chief Executive Officer
David R. Birk	59	Senior Vice President, Secretary and General Counsel
Steven C. Church	57	Senior Vice President
Harley Feldberg	53	Senior Vice President
Richard P. Hamada	48	Senior Vice President and Chief Operating Officer
Edward Kamins	57	Senior Vice President
Steven R. Phillips	43	Chief Information Officer
Raymond Sadowski	52	Senior Vice President, Chief Financial Officer and Assistant Secretary
James N. Smith	60	President of Avnet Logistics

Mr. Vallee joined the Company in February 1977 and has been Chairman of the Board and Chief Executive Officer since June 1998. Prior thereto, he served as Vice Chairman of the Board from November 1992 until June 1998 and also President and Chief Operating Officer from March 1992 until his election as CEO in June 1998.

Mr. Birk has been Senior Vice President of Avnet since November 1992. A 26-year Avnet employee, Mr. Birk was elected Vice President and General Counsel in September 1989 and previously held the position of Secretary from July 1997 until November 2003 and was re-elected to the position of Secretary in January 2005.

Mr. Church has been Senior Vice President of Avnet since November 1995 and currently serves as Chief Human Resources Development Officer. A 15-year employee, he previously served as President of Avnet Electronics Marketing Americas from 1994 to 2001 and co-President of Electronics Marketing from August 1998 to April 2001. Prior thereto, Mr. Church held various positions with Avnet including President of Hamilton Hallmark, Vice President of Corporate Marketing for Hamilton and President of Avnet's OEM Marketing Group.

Mr. Feldberg became an executive officer in July 2004 when he was promoted to President of Avnet Electronics Marketing. A 24-year Avnet employee, he previously served as President of Avnet Electronics Marketing Americas from June 2002 until June 2004 and has served as a corporate Vice President since November 1996. Mr. Feldberg served as President of Avnet Electronics Marketing Asia from December 2000 to June 2002.

Mr. Hamada was elected as Chief Operating Officer in July 2006 and has been Senior Vice President of Avnet since November 2002. He has been President of Avnet Technology Solutions operating group since July 2003. A 22-year Avnet employee, Mr. Hamada served as the President of the Computer Marketing operating group from January 2002 until July 2003 and was appointed Vice President of Avnet in November 1999.

Mr. Kamins has been Senior Vice President of Avnet since November 2000. He was appointed Chief Information Officer in July 2003 and Chief Operational Excellence Officer in July 2005. Prior thereto, he served as President of the Applied Computing operating group from its formation in October 1999 until July

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2003. Mr. Kamins served as a Vice President of Avnet from November 1999 to November 2000 and previously held various management positions since he joined Avnet in 1996.

Mr. Phillips is Chief Information Officer of Avnet. He joined Avnet with the July 2005 acquisition of Memec where he had served as Senior Vice President and Chief Information Officer since 2004. Prior to joining Memec, Mr. Phillips was Senior Vice President and Chief Information Officer for Gateway Inc. He joined Gateway in 1999 and served as Vice President of Information Technology in London and San Diego before his appointment in 2003 as Chief Information Officer.

Mr. Sadowski has been Senior Vice President of Avnet since November 1992 and Chief Financial Officer since February 1993. Mr. Sadowski has been an Avnet employee for 28 years.

Mr. Smith joined Avnet in 2000 and was recently promoted to President of Avnet Logistics in June 2006. He previously served as Senior Vice President of Warehousing & Distribution Worldwide for Avnet Logistics from October 2004 to June 2006 and served as Senior Vice President and Director of operations for Avnet Electronics Marketing Americas from October 2000 to September 2004.

Officers of the Company are generally elected each year at the meeting of the Board of Directors following the annual meeting of shareholders and hold office until the next such annual meeting or until their earlier death, resignation or removal.

COMPENSATION OF AVNET EXECUTIVE OFFICERS

The following table sets forth information concerning the compensation during Avnet's last three fiscal years of its Chief Executive Officer and the four individuals who were executive officers at the end of last fiscal year and who had the highest individual aggregates of salary and bonus during Avnet's fiscal year ended July 1, 2006 (the "Named Executive Officers"):

SUMMARY COMPENSATION TABLE

Name and Principal Position	Fiscal Year	Annual Compensation		Long-Term Compensation Awards		All Other Compensation ⁽²⁾
		Salary	Bonus	Restricted Stock Awards ⁽¹⁾	Securities Underlying Options (#)	
Roy Vallee	2006	\$ 875,000	\$ 1,060,687	\$ 1,067,834	86,712	3,233
Chairman of the Board and Chief Executive Officer	2005	875,000	600,464	976,080	168,000	2,294
	2004	825,000	918,003		325,000	2,568
	2006	440,000	422,926	266,250	21,620	1,032
Senior Vice President	2005	400,000	329,440	150,247	25,860	816
	2004	350,000	291,676		50,000	672
Harley Feldberg	2006	400,000	457,033	240,389	19,520	1,322
	2005	400,000	160,105	150,247	25,860	820
	2004	320,000	191,268		80,000	712
Raymond Sadowski	2006	425,000	242,443	203,444	16,516	999

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Senior Vice President	2005	425,000	127,937	150,247	25,860	780
	2004	400,000	139,091		50,000	720
Andrew Bryant ⁽³⁾	2006	400,000	249,824	158,987	12,912	920
Senior Vice President	2005	400,000	173,524	150,247	25,860	764
	2004	400,000	340,534		50,000	932

- (1) The dollar values of the restricted stock awards shown in this table are based on the closing price of a share of Common Stock on the date on which the restricted stock awards were made. The aggregate number of shares of allocated but undelivered restricted stock at Avnet's 2006 fiscal year-end (July 1, 2006) and the value of such shares (based on the closing price (\$20.02) of a share of Common Stock on June 30, 2006) are as follows:
 Mr. Vallee 68,284 shares (\$1,367,046); Mr. Hamada

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13,820 shares (\$276,676); Mr. Feldberg 12,980 shares (\$259,860); Mr. Sadowski 11,780 shares (\$235,836) and Mr. Bryant 10,336 shares (\$206,927).

- (2) Consists of imputed income related to life insurance benefits provided by Avnet to the Named Executive Officers under the executive life insurance program described elsewhere in this Proxy Statement under the heading Retirement Benefits and Insurance.
- (3) Mr. Bryant, in accordance with his employment agreement, delivered to the Company a notice to terminate his employment agreement effective as of the close of business on the last day of fiscal 2006.

Stock Options

The following table sets forth information concerning grants of stock options during Avnet's fiscal year ended July 1, 2006 to each of the Named Executive Officers:

Option Grants in Last Fiscal Year

Number of Securities Underlying	Individual Grants		Exercise Market	Potential Realizable Value at Assumed Annual Rates
	% of Total Options Granted To			