

Corporate Social Responsibility Report

AVNET[®]
Reach Further™



Message from the CEO: Building on Avnet's CSR commitment

Avnet has a long history of embracing ethical business practices and corporate social responsibility (CSR) initiatives to help promote positive change in the broader community while operating a sustainable business.

We believe that CSR is about doing the right thing as a company and to create a culture of responsibility that allows our outstanding people to work together to advance CSR initiatives across our global organization. Here are some highlights from FY16:

Global CSR Council: Building on the efforts of our Green Council, which was founded in 2007, we created a Global CSR Council with representatives from Marketing, Supply Chain, Facilities, Finance, Corporate Communications, Legal/Compliance, Human Resources, IT and Logistics. In addition to providing a global viewpoint, the council creates the vision, strategy and structure to advance Avnet's CSR efforts.

Avnet Cares: Community involvement is an enduring part of Avnet's culture. Avnet Cares committees across the globe support a wide variety of nonprofit organizations. In FY16 Avnet's global employees gave more than 15,000 hours of their time to volunteer with nonprofit organizations, and Avnet gave more than \$1.2 million U.S. to more than 250 nonprofits worldwide. In addition to Avnet Cares programs, we will continue to grow our partnerships focused on science, technology, engineering and math (STEM) education, which is critical to creating the next-generation workforce.

Global Reporting Initiative (GRI) guidelines: GRI is one of the best-known international standards for sustainability reporting and helps businesses, governments and other organizations understand, assess and communicate their collective impact on critical sustainability issues such as climate change, human rights, anti-corruption, community involvement and many others. For this report, Avnet followed the GRI G4 guidelines to ensure we present reliable, relevant and universally applicable information to our global stakeholders.



To learn more about Avnet's global impact, we invite you to read our Environmental Policy, Global Carbon Footprint Report and FY16 Annual Report (Form 10k). In the years ahead, Avnet is committed to reaching further to refine and advance our CSR efforts, from reducing our environmental impact to increasing our support of local communities where we live and work.

Our commitment to corporate social responsibility is as strong as our commitment to ethics & compliance. We welcome your feedback so that we can continue to improve our performance.

Sincerely,

William Amelio
Chief Executive Officer

Table of Contents

Message from the CEO: Building on Avnet's CSR Commitment	2
About Avnet	4
Who We Are	4
Our Countries of Operation	4
Our Purpose	5
Our Vision	5
Our Core Values and Code of Conduct	5
Corporate Accountability	6
Structure and Oversight	6
International Trade Controls	8
CSR Strategy	9
CSR Governance	9
Material Aspects	10
Stakeholder Engagement	16
External Initiatives	17
Anti-Corruption	18
Doing Business Ethically around the World	18
Ethical Conduct and Compliance	18
Digital Rights	19
Product Stewardship and Supply Chain	20
Sustainable Procurement	20
Client Satisfaction	22
Competitiveness	23
Environment	24
Our Approach	24
Climate Change	26
Resource Use	28
Labor Practices and Human Rights	29
Health and Safety	29
Labor Practices	29
Employee Well Being	30
Human Rights - Decent Work	31
Community Involvement	32
Local Presence	32
Charitable Giving	32
About This Report	34
Information about the Report	34
GRI Index	36



About Avnet

WHO WE ARE

Together with its consolidated subsidiaries, Avnet (NYSE: AVT) is a Fortune 500 company providing products, services and solutions to more than 100,000 customers and 600 suppliers. Avnet operates in the three major economic regions of the world: the Americas (AMER); Europe, the Middle East and Africa (EMEA); and Asia/Pacific (APAC), consisting of Asia, Australia and New Zealand. In February 2017, the company sold its enterprise computing business to Tech Data Corporation.

As one of the world's largest global distributors of electronic components and integrated solutions, Avnet serves customers that build, sell and use technology in more than 100 countries. From components to integrated solutions, from design to end-of-life management, Avnet brings a breadth and depth of global capabilities that help its trading partners accelerate growth.

Incorporated in New York in 1955 and headquartered in Phoenix, Ariz., U.S., Avnet became a public company in 1960.

FY16	
Revenue	\$26.2 billion (July 2, 2016)
Global Employees	17,700
Global Offices/Locations	300
Fortune 500 Ranking	102
Fortune Global Ranking	380
Shareholders' Equity	\$4.67 billion (July 2, 2016)
Total Debt Outstanding	\$2.49 billion (July 2, 2016) under various notes, secured borrowings and committed and uncommitted lines of credit with financial institutions

OUR COUNTRIES OF OPERATION

Avnet has operations in each of the three major economic regions of the world: the Americas; Europe, the Middle East and Africa; and Asia/Pacific, consisting of Asia, Australia and New Zealand. Due to the divestiture of our enterprise computing business, a.k.a. Avnet Technology Solutions, in February 2017, the numbers for FY17 will significantly change.

In FY16, Avnet owned and leased approximately 1.8 million and 5.5 million square feet of space, respectively, of which approximately 36 percent is located in the United States. The following table summarizes the company's key facilities:

Location	Square Footage (000)	Ownership	Primary Use
Groveport, Ohio	580	Leased	TS warehousing, integration and value-added operations
Chandler, Arizona	400	Owned	EM warehousing and value-added operations
Tongeren, Belgium	390	Owned	EM and TS warehousing and value-added operations
Poing, Germany	570	Owned	EM warehousing, value-added operations and offices
Chandler, Arizona	230	Leased	EM and TS warehousing, integration and value-added operations
Nettetal, Germany	200	Owned	EM and TS warehousing and value-added operations
Hong Kong, China	180	Leased	EM warehousing and value-added operations
Duluth, Georgia	180	Leased	TS warehousing, integration and value-added operations
Phoenix, Arizona	180	Leased	Corporate and EM headquarters
Tempe, Arizona	130	Leased	TS headquarters
Nogales, Mexico	180	Leased	Value-added assembly
Newcastle, UK	121	Leased	EM warehousing
Singapore	116	Leased	EM warehousing



OUR PURPOSE

We guide today's ideas into tomorrow's technology.

OUR VALUE PROPOSITION

From idea generation to production, Avnet supports every customer, maker and entrepreneur through each phase of their technology product lifecycle. We are uniquely positioned to meet customers' critical time-to-market needs through seamless support across the idea and product conception stages to volume production. Our substantial scale and geographic breadth, along with strong partnerships with the world's most innovative technology suppliers, make us a leading global distributor of electronic components and integrated solutions.

OUR CORE VALUES AND CODE OF CONDUCT

As a leader in global technology distribution, Avnet has built its global business and reputation by delivering superior value and maintaining the highest ethical standards in our business practices. Our Core Values, Code of Conduct and company policies reflect our commitment to doing business with integrity.

In 2017, for the fourth year in a row, Avnet was recognized by the Ethisphere Institute, an independent center of research promoting best practices in corporate ethics and governance, as a World's Most Ethical Company®.

Our Core Values are:

- Integrity
- Objectivity
- Know-how
- Ingenuity
- Empathy
- Collaboration

Our Code of Conduct guides us in our business decisions and conveys to our stakeholders that they can count on Avnet to operate honestly and fairly. The latest version can be found on our website.

Corporate Accountability

STRUCTURE AND OVERSIGHT

Avnet's management team consists of a Board of Directors and the Avnet Executive Board. Each executive community serves a unique function.

BOARD OF DIRECTORS

Avnet's board of directors provides general oversight for the company, consistent with corporate governance guidelines and sets high standards for the organization, its leadership and employees. Independent director William H. Schumann, III serves as Chairman of the Board. He presides over the eight-member board with each director bringing value and experience in disciplines such as international business, finance, operations, sales and marketing, government, human resources, engineering, academia, distribution, technology and regulatory compliance, as well as other relevant industry experience.

During the past three years, the company expanded its board with the following leaders:

- Appointed Rodney C. Adkins, president of 3RAM Group LLC, a privately-held company specializing in capital investments, business consulting services and property management, to serve on both the audit and corporate governance committees. (June 15, 2015)
- Appointed Avid Modjtabai, senior executive vice president of Wells Fargo & Company and head of its Consumer Lending Group, to serve on both the audit and corporate governance committees. (November 2014)
- Appointed William J. Amelio, chief executive officer and president of CHC Group Ltd. (NYSE: HELI), a global helicopter services provider, to serve on the compensation and corporate governance committees. (May 12, 2014)
- Mr. Amelio was appointed Avnet CEO on July 11, 2016, and remains a member of the Board.

AVNET EXECUTIVE BOARD

The Avnet Executive Board (AEB) is responsible for leading the enterprise, defining and executing the company strategy and ensuring its organizational and operational health. William J. Amelio, chief executive officer, leads the eight-member AEB consisting of experienced business leaders who determine and implement Avnet's strategic plan.

Avnet's management team executed several organizational changes across its global operations including:

- In 2016, the company announced the acquisition of the Premier Farnell Group, a global catalogue and online distributor.
- In 2016, the company decided to divest its enterprise computing business, Avnet Technology Solutions, and sell it to Tech Data Corporation.
- In 2016, the company established a Transformation Office, managed by a Chief Transformation Officer (CTO), reporting directly to the CEO and being member of the AEB.
- Logistics, formerly a function represented in the AEB, reports now to the CTO.
- With the resignation of the president of Avnet Electronics Marketing, all his direct reports were split up between the president (core distribution) and the CTO (emerging businesses, including Premier Farnell), and all operational functions.



ORGANIZATIONAL CHANGES/EXPANSION

Americas

- Moved Avnet Government Solutions, LLC, its wholly owned subsidiary focused on the U.S. public sector, into its new office in the Washington, D.C. area in November 2015. Customers now benefit from Avnet Government Solutions' new strategic location in Chantilly, Va. This move near the nexus of the U.S. federal government's operations enables Avnet Government Solutions to better serve its federal, state, local and education partners, and continue to broaden its offerings for the public sector.
- Opened the CenterPoint Value-Added Services Center, in the Columbus, Ohio area in October 2014. The 580,000-square-foot, state-of-the-art facility provides complete IT lifecycle services in one location. Unique within the industry, the all-in-one services model brings together engineering, integration, installation, logistics, fulfillment, repair, recycling, remarketing, call center, and maintenance services. CenterPoint provides services for original equipment manufacturers (OEM), system integrators (SI) and value-added reseller (VAR) partners.

EMEA

- Completed its acquisition of Orchestra Service GmbH (Orchestra), a German IT distributor of innovative storage solutions and services for EMC products in November 2015. Headquartered in Munich, Germany, Orchestra provides strong storage-centric expertise to help its customers grow and take advantage of the many

- opportunities that exist in areas such as cloud computing, big data and information management. Founded in 1998, Orchestra is a leading value-added distributor focused on backup and recovery, archiving, high availability replication and storage. (As part of Avnet Technology Solutions, also this business transferred to Tech Data in February 2017)
- Combined the sales forces of two semiconductor distribution organizations (Silica and Avnet Memec) into one effective June 29, 2015, now named Avnet Silica. In June 2016, Avnet Electronics Marketing EMEA (in the future Avnet EMEA) also combined some backend functions (operations, enterprise effectiveness, training and asset) across all EMEA business units to create more commonality in processes and methodologies.

Asia

- Opened a Global Development Center located in Shenzhen, China in December 2014. A broad range of skilled employees are employed at the center, who provide information technology (IT) support and development work for Avnet globally. By utilizing the technical expertise of these employees, Avnet enhances its efforts and capabilities to improve overall productivity, reduce costs and increase enterprise effectiveness. China is a key growth market for Avnet, and our approach to creating Global Development Centers in Shenzhen and Shanghai has helped Avnet meet our IT needs in country as well as around the world.



INTERNATIONAL TRADE CONTROLS

With a global base of suppliers and customers, Avnet is subject to international trade laws and sanctions. We comply with export and import control regulations and laws of the countries in which we conduct business.

Avnet maintains an Enterprise Risk Management (ERM) program, a structured, consistent and coordinated process involving quantification, analysis and control of risks across the enterprise. While traditional risk management generally considers only hazard and operational risks associated with accidental losses, Avnet's ERM expands the process to include financial and strategic risks that may affect the company's ability to achieve its goals.

The company also is currently subject to various pending and potential legal matters and investigations relating to compliance with governmental laws and regulations, including import/export, environmental, anti-corruption and competition. For certain of these matters it is not possible to determine the ultimate outcome, and the Company cannot reasonably estimate a potential exposure. Our Enterprise Risk Management Team maintains control of the procedures. The company believes that the resolution of these matters will not have a material adverse effect on the company's financial position or liquidity, but could possibly be material to our results of operations in any one reporting period.

CSR Strategy

CSR GOVERNANCE

Avnet is dedicated to the continuous improvement of its CSR practices. To help consolidate its CSR strategy, management and reporting, Avnet created a CSR Council in 2015. Comprised of an international team of executives from Avnet's operating and support groups, the council reports to the Avnet Executive Board (Executive Sponsor: MaryAnn Miller, SVP, Chief HR Officer and Global Marketing & Communications) and includes the following functions:

- Council Chair
- Global Sales
- Finance
- Corporate Communications
- Legal/Compliance
- Human Resources
- Global Information Solutions
- Logistics/Supply Chain
- Investor Relations
- Global Procurement
- Real Estate

The CSR Council has defined an ambitious mission for Avnet to be a global industry leader in sustainable and responsible business practices in all areas of activities, based on internationally acknowledged reporting principles. The council defined the following strategic goals to advance its mission:

- Maximize Avnet's positive impact on society and minimize negative impact.
- Ensure compliance with global regulatory requirements.
- Formalize goals, measurable key performance indicators (KPIs) and progress plans in specific CSR-related areas.
- Demonstrate leadership in CSR through action.
- Make CSR a common and engaging effort for all stakeholders.

A subject matter expert (SME) is responsible for each goal. The SME also identifies data collection needs to ensure comprehensive reporting of Avnet's CSR activity. Data collection is essential for reporting to international organizations that monitor a company's compliance. The data also provides the company metrics and key performance indicators (KPIs) so it can measure the progress of its CSR objectives and, as appropriate, set new objectives, make performance improvements, implement new initiatives and/or extend the scope of its CSR actions across its enterprise.

MATERIAL ASPECTS

GRI REQUIREMENTS

As part of our commitment to provide comprehensive reporting of its CSR efforts, Avnet has adopted with this report GRI guidelines, which require companies to identify aspects (e.g. topics) that are material for the company, and to explain where the related impacts occur (e.g. who is responsible for the environmental and social impact). In doing so, organizations need to follow principles, including:

- Sustainability context, in identifying how the company's efforts relate to broader challenges.
- Materiality, in prioritizing its CSR topics.
- Completeness, in covering the material aspects and their boundaries, e.g. where the impacts occur.
- Stakeholder inclusiveness, by engaging with Avnet stakeholders to understand their needs and opinions regarding the company's CSR strategy.

AVNET'S APPROACH

To consolidate Avnet's CSR strategy and the content of this report accordingly, representatives from its CSR Council executed various actions, including:

- Conducted a benchmark analysis of the CSR reports of 11 business partners and five competitors. The goal was to identify which topics were material for them, to understand the CSR issues and to use it as a decision-making tool.
- Clients and suppliers are stakeholders; thus, this part is also a way to identify part of the stakeholders' needs. The documentation for each topic was sorted out using percentages. For instance, energy consumption was the most reported topic with 88 percent of companies identifying it as material.

- Reviewed Avnet's current CSR documentation to conduct a gap analysis per CSR topic. The aspects were classified between: non-existing and non-relevant, non-existing but relevant, part of it already existing and relevant and, finally, fully existing and relevant. If data existed, the Council determined if the topic is important to Avnet, and therefore should be part of the future CSR strategy and report.
- Narrowed the benchmark and gap analysis results to 12 overarching topics, and created a survey aimed at rating the importance/materiality of the topics and related GRI aspects. By using statistical methods to sort out the results, the Council further prioritized topics as very material, material, not very material and not material.
 - For "not very material" aspects, Avnet took existing documentation, even if it was not fully compliant with GRI requirements, and did not generate new content unless the company discovered that the information is of high importance to Avnet stakeholders.
 - Avnet strived to collect data and reporting on topics deemed to be "very material" and "material".
- Related each aspect with SDGs (Sustainable Development Goals, the new 2030 world agenda of the United Nations) to match Avnet's actions with the broader sustainability context, to understand how the company's actions affect the broader picture.
- Listed the boundaries (e.g. which entity is responsible for the social, environmental or ethical impact caused) based on experience and on the benchmark. To include stakeholders, Avnet also added which stakeholder was likely impacted. Avnet acknowledges that there is room for improvement will strive to improve this process in future years; for instance by introducing a risk mapping process to ensure more accurate boundaries.

LIST OF MATERIAL ASPECTS

CSR Strategy	Material	Boundary: Inside	Boundary: Outside	Stakeholder Impacted	Related SDG	Impact
Transparency accountability	Material	Avnet		All stakeholders	SDG 16	Being transparent toward stakeholders allows company to develop better relations and to better identify margins for improvement.
Board independence	Material	Avnet (Board)		Shareholders	SDG 16	Board independence from management aims at minimizing conflicts of interest and benefit from impartiality.
Stakeholder engagement	Material	Avnet	All stakeholders	All stakeholders	SDG 17	Engaging stakeholders leads to identifying impacts to manage them.

Anti-corruption

Ethical Conduct & Compliance	Very Material	Boundary: Inside	Boundary: Outside	Stakeholder Impacted	Related SDG	Impact
Anti-corruption	Very Material	Avnet risk countries sales, management	Suppliers, customers	Suppliers, customers, shareholders	SDG 16	A robust anti-corruption program enables the company to better manage financial flows and fosters a healthy environment for employees.
Public policy	Material	Avnet		Local authorities	SDG 16	Transparency is key so that stakeholders understand the links between private and public worlds.
Anti-competitive behavior	Very Material			Competitors	SDG 8, SDG 12, SDG 16	Complying with competition framework fosters economic growth, which better answers customers' needs.
Compliance: environment	Very Material			Public authorities/ local communities	SDG linked to environment: 7, 6, 13, 14, 15 + SDG 16	Complying with local, national and international laws strengthens the dedicated institutions. It also means paying the dedicated taxes to local authorities, which can then re-inject the money into social and environment-friendly activities and programs. Complying with environmental laws helps protect the environment and mitigate climate change.
Compliance: society	Very Material			Public authorities/ local communities	SDG 1	
Compliance: product responsibility	Very Material			Public authorities/ local communities	SDG 16	
Grievance mechanism for impacts on society	Very Material			Suppliers, customers, employees, competitors	SDG 16	Grievance mechanisms are a way to report cases and address them accordingly.

Digital Rights	Very Material	Boundary: Inside	Boundary: Outside	Stakeholder Impacted	Related SDG	Impact
Customer privacy	Very Material	Avnet		Customers, company, shareholders	SDG 12	In a connected world, it is critical to protect confidential data. Avnet, as a technology leader, helps ensure data privacy.
Freedom of expression online	Not very Material		End of supply chain	End-customers	SDG 12, SDG 16	
Cyber-security	Very Material	Avnet		Employees, customers, suppliers	SDG 12, 16	

Product Safety Supply Chain

Client Satisfaction	Very Material	Boundary: Inside	Boundary: Outside	Stakeholder Impacted	Related SDG	Impact
Economic performance	Material	Avnet	Customers	Customers, suppliers, local communities, shareholders, employees	SDG 1, SDG 8	Healthy economic situation fosters employment inside and outside the company.
Product and service labeling	Very Material			Customers, company, shareholders	SDG 12	Transparency is key to ensuring customer satisfaction as it enables clients to make their purchasing decisions accordingly.
Marketing communications	Very Material			Customers		SDG 17

Sustainable Procurement	Material	Boundary: Inside	Boundary: Outside	Stakeholder Impacted	Related SDG	Impact
Supplier environmental assessment	Material	Avnet	Suppliers/ subcontractors	Suppliers, customers, and Avnet	SDG 12, SDG linked to environment 7, 6, 13, 14, 15, SDG 8, SDG 12, SDG 17	Companies can select to do business with suppliers showing consistent CSR practices. This practice helps mitigate reputation and operational risks. By doing so, customers influence their suppliers who can then influence their suppliers, and so on, which help improve sustainability practices throughout the supply chain.
Supplier assessment for labor practices	Material					
Supplier human rights assessment	Material					
Supplier assessment for impacts on society	Material					

Competitiveness	Not very Material	Boundary: Inside	Boundary: Outside	Stakeholder Impacted	Related SDG	Impact
Innovation	Not very Material	Avnet		Customers and employees	not applicable	Innovation helps the company remain competitive and is beneficial for employees' skill enhancement.
Training and education	Material			Customers and employees	SDG 4, SDG 8	Training employees supports workplace safety and fosters innovation inside the company which leads to new products or new methods.
Intellectual property	Not very Material			Customers		not applicable

Environment

Climate Change	Material	Boundary: Inside	Boundary: Outside	Stakeholder Impacted	Related SDG	Impact
Energy	Material	Avnet	Suppliers	Local communities/ future generations	SDG 13	Managing energy leads to reduction in consumption and improves energy efficiency, which helps mitigate climate change.
Emissions	Not very Material		Suppliers, transport/ distribution			Reducing emissions enables the company to help mitigate climate change.
Transport	Material		Suppliers, transport/ distribution			Opting for eco-friendly transport solutions enables the company to help mitigate climate change by reducing emissions.

Resource Use	Not very Material	Boundary: Inside	Boundary: Outside	Stakeholder Impacted	Related SDG	Impact
Water	Not very Material	Avnet	Suppliers	Local communities/ future generations	SDG 6, SDG 14	Effective water management, supports the ecosystem and ensures access to clean water sources works.
Materials	Material				SDG 13	Choosing eco-friendly materials helps reduce emissions and waste generation, thus leading to mitigate climate change and preserve Earth resources.
Effluents and Waste	Not very Material				SDG 6, SDG 14, SDG 15	Reducing waste and water discharge means preserving the environment and having access to cleaner resources.

Environmental-Friendly Products	Not very Material	Boundary: Inside	Boundary: Outside	Stakeholder Impacted	Related SDG	Impact
Products and services	Not very Material	Avnet		Customers	SDG 12, SDG 9, SDG 13	With products consuming less energy and generating less waste, climate change is mitigated and pollution is reduced, meaning the environment is preserved.
Customer health and safety	Not very Material			Customers, company, shareholders	SDG 3	Delivering healthier products lessens health and safety risks and improves health and safety conditions.
Environmental grievance mechanism	Not very Material			Local communities/ future generations	SDG 16 + all environmental goals 6 7 13 14 15	Grievance mechanisms are a way to privately report concerns / cases and ensure each is addressed accordingly

Labor Practices

Employee Well-Being	Very Material	Boundary: Inside	Boundary: Outside	Stakeholder Impacted	Related SDG	Impact
Occupational health and safety	Very Material	Avnet		Employees, supervised workers	SDG 3	Providing health and safety protocol and programs helps employees avoid accidents and helps prevent occupational diseases.
Labor /management relations	Material			Employees	SDG 8, SDG 1	Through effective communications employees are made aware of changes and have concerns addressed
Diversity and equal opportunity	Very Material			Employees, under-served groups, local communities	SDG 5, SDG 10	Diversity programs help ensure equality in the workforce
Labor practices grievance mechanisms	Very Material			Employees	SDG 8, SDG 16	Grievance mechanisms provide a safe way to privately report concerns and facilitate action as needed.
Equal remuneration for women and men	Material			Employees	SDG 5	A focus on pay for performance mitigates gender inequities and supports a positive work environment.
Freedom of association	Material	Avnet + employee representatives	Trade unions	Employees	SDG 16	The right to collective bargaining and freedom of association helps mitigate workplace grievances and creates a communication channel between the workforce and management.

Human Rights

Decent Work	Material	Boundary: Inside	Boundary: Outside	Stakeholder Impacted	Related SDG	Impact
Child labor	Material	Avnet	Supply chain (risk countries)	Suppliers, clients, Avnet Inc., local communities	SDG 8	By prohibiting child labor and enabling stakeholders to report such cases, the company is committed to prohibiting this activity at all points in the supply chain.
Forced or compulsory labor	Material		Supply chain (risk countries)	Suppliers, clients, Avnet, local communities	SDG 8	By prohibiting forced labor and enabling stakeholders to report such cases, the company is committed to prohibiting this activity at all points in the supply chain.
Non-discrimination	Very Material		Employees		SDG 5, SDG 10	Communications and enforcing policies about non-discrimination works to reduce inequalities in the workforce.
Assessment	Material		Supply chain	Employees/local communities	SDG 8	Screening for human rights is the opportunity to accelerate programs in geo areas prone to risky areas to prevent human rights breaches and abuses.
Investment	Material	Avnet especially in risk countries		Employees	SDG 5, SDG 8, SDG 10	Investing in human rights enable the group to prevent human rights breaches and to reduce inequalities.
Human rights grievance mechanisms	Material	Avnet		Employees, supervised workers	SDG 8, SDG 16	Grievance mechanisms are a way to report cases to deal with them. It helps reinforce justice.

Community/Social

Local Presence	Not very Material	Boundary: Inside	Boundary: Outside	Stakeholder Impacted	Related SDG	Impact
Employment	Not very Material	Avnet		Local communities/ employees	SDG 1, SDG 2, SDG 8	Employment generates revenues, which improves the well-being of employees who can then afford their livelihood. It also makes the territory attractive, which fosters social improvement/development of infrastructures.
Market presence	Not very Material			Local communities/ employees	SDG 11	Employing local people leads to more interactions between the company and the local territory.
Procurement practices	Not very Material			Suppliers, local communities	SDG 11, SDG 12, SDG 17	Whenever possible, engaging with local suppliers is beneficial for the local communities as it generates revenues and it helps create/maintain jobs.
Local communities	Not very Material			Local communities, public authorities	All SDG, especially SDG 11	By investing in local community programs, the company fosters social and economic development (infrastructure, health, education) and boosts local community development.
Indirect economic impacts	Not very Material			Local communities, public authorities, suppliers, employees	All SDG, especially SDG 11	Companies foster indirect economic impacts such as employment, local supplier support, local skills development.

STAKEHOLDER ENGAGEMENT

Avnet's strength lies in the talented people who've built this company and continue to improve it every day, reaching across the boundaries of our internal structure to adapt to the ever changing market place. We incorporate new ideas and ingenious ways of doing business into our thinking and daily work because we are committed to innovation, continuous improvement and the collective success of Avnet stakeholders. This means integrating the voice of our customers along with our extensive ecosystem of suppliers, partners, shareholders and industry thought leaders, into our decision-making.

While we engage with our stakeholders through a range of vehicles, we have not established a consolidated stakeholder engagement process to ask for direct feedback on our CSR strategy but are currently reviewing options to do so. That said, as a market driven company at the heart of the global technology supply chain, our stakeholders have influenced our CSR strategy and initiatives just as they have had an influence on all our operational plans. The following tables present some of the ways we engage with Avnet shareholders:

	Tools and Processes	Benefits/Results
Avnet global workforce and works councils	<ul style="list-style-type: none"> Employee Engagement survey, 24 month metric Annual census and employee retention metrics by region and demographics Annual performance management results, appraisal interviews Avnet town hall meetings Avnet Senior Leader Calls Avnet Intranet (COMPASS) and internal newsletters Ethics & Compliance Office intranet portal and awareness communications Organizational Health Indicator 	Employees can stay updated on Avnet's plans and initiatives plus provide feedback, which enables us to provide them with better working conditions.
Customers	<ul style="list-style-type: none"> Customer Engagement Survey (NPS) Quality program Avnet Carbon Footprint Report & Analysis Ethics Alertline Annual Code of Conduct Questionnaire Industry conferences and events 	We can improve on the basis of the customer feedback. CSR focus: Two customers asked us to improve our CSR performance on EcoVadis.
Suppliers	<ul style="list-style-type: none"> Business reviews Audit Supplier rating Industry conferences and events 	With such tools, we can see progress in the performance and foster better relations based on objective criteria.
Shareholders/investors	<ul style="list-style-type: none"> Annual shareholder meeting Avnet Investor Day Quarterly earnings webcasts Investor and Technology Conferences Subscription to automatically receive Avnet Investor Relations email alerts with the latest Avnet financial press releases, SEC filings, events and presentations and stock information 	Avnet provides a range of opportunities for shareholders and investors to stay updated on Avnet's plans and initiatives along with providing them a forum to share their opinion on business and/or CSR decisions.
Government/public authorities	<ul style="list-style-type: none"> Respect of the law Legal Department and Ethics & Compliance Office oversee legal compliance 	We contribute to foster healthy public environment and show our support to local institutions, hence compliance and tax payment.
NGOs/civil society/local communities	<ul style="list-style-type: none"> Avnet Cares Annual Giving Report for FY16 More than 284 NGOs assisted \$1,283,825 in contributions More than 15.000 volunteer hours 	We foster good relations with our local communities by giving back to local NGOs based on the population's needs.

EXTERNAL INITIATIVES

PARTICIPATION IN EXTERNAL INITIATIVES

Avnet recognizes the importance of adhering to external initiatives that position our company to uphold internationally recognized standards, demonstrate our support to a multi-stakeholder approach and foster positive change together. To do so, Avnet engages in a range of initiatives, including:

- CDP, a not-for-profit that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. Our latest answer to the CDP Climate Change Investor questionnaire can be seen online.
- EcoVadis, a sustainability collaborative platform between suppliers and buyers. Avnet has been assessed by EcoVadis experts on sustainability management and has now a score of 47/100, meaning that the CSR performance is confirmed. Avnet began participating in this activity in 2013 based on the request of its customers.
- Electronic Industry Citizenship Coalition (EICC), the world's largest industry coalition dedicated to electronics supply chain responsibility. Avnet has adopted the EICC Code of Conduct and continually strives to conform to its standards.

SUPPORT TO POLITICIANS

Avnet is not actively engaged in politics at any level (federal, state or local). The company does not endorse candidates, participate in lobbying or contribute monetarily or in-kind to any political campaigns in any city, state or country.



Anti-Corruption

DOING BUSINESS ETHICALLY AROUND THE WORLD

As a global organization, Avnet does business with individuals and entities around the world. Since applying our ethical standards to all our business activities wherever we operate is the right thing to do, we govern our global interactions strictly to ensure we comply with rules and regulations in place and we meet the expectations of our stakeholders.

These laws and regulations include the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and similar laws globally aimed at preventing corruption. Avnet's Anti-Corruption Compliance Program helps the company conduct its global business ethically through a global anti-corruption policy, regular training, localized communications, third-party due diligence, and ongoing auditing and monitoring.

ETHICAL CONDUCT AND COMPLIANCE

Avnet's Ethics and Compliance Program is supervised by the highest levels of the organization, with support from Avnet employees across the enterprise. The program was established to cultivate an ethical culture and help ensure we adhere to laws, regulations and the Avnet Code of Conduct. This program is global and uses education, communication, assessments and process improvement to promote the "Avnet Way"—that is, getting results the right way in all of Avnet's business dealings.

ANTI-CORRUPTION TRAINING

Avnet's Anti-Corruption Compliance Program aims to inform employees of their rights and duties and to implement a system of controls designed to prevent and detect potential misconduct.

There are online training modules and sessions on the following topics:

- The Code of Conduct
- Anti-corruption
- Data privacy
- Export compliance
- Ethical leadership
- Fraud preventions

With this training, Avnet covers the topics of anti-corruption and bribery, anti-competitive behavior, compliance with trade laws, and breaches of customer privacy and loss of customer data. The code is acknowledged by employees annually, which reinforces Avnet's stringent requirements with employees. The employees need to take the training regularly. The Code of Conduct has been translated into several languages, covering the different geographic zones.

ETHICS ALERTLINE

Employees are encouraged to report suspected or observed misconduct through the Ethics Alertline. The cases are then classified into different categories:

- Diversity, equal opportunity and respect at the workplace
- Employee relations
- Environment, health and safety
- Financial and business integrity
- Financial concerns
- Misuse or misappropriation of assets or information
- Policy and process integrity

Employees can find the details of the Ethics Alertline on the intranet, on the Ethics & Compliance Office page. In 2013, 170 cases were opened and treated. This number decreased to 130 in 2014 and to 107 in 2015.



DIGITAL RIGHTS

Protecting customer privacy and maintaining cyber-security is a priority for Avnet. We make sure the solutions provided to our customers safeguard their data. In addition, we protect the data that our stakeholders entrust to us through various security measures and controls.

When we collect, store, modify, transfer, block, erase, disclose or use personal information, we have a duty to comply with Avnet's policies, procedures and agreements related to the handling of such personal information, as well as with the privacy and data protection laws that apply in the locations where we work. We do not disclose such personal information to any person inside or outside of our company without permission or authorization or notice as required by law.

WE FOLLOW THE BEST PRACTICES, FOR EXAMPLE:

- Access rules for servers
- Classification of documents
- We have not identified any substantiated complaints regarding breaches of customer privacy and losses of customer data.

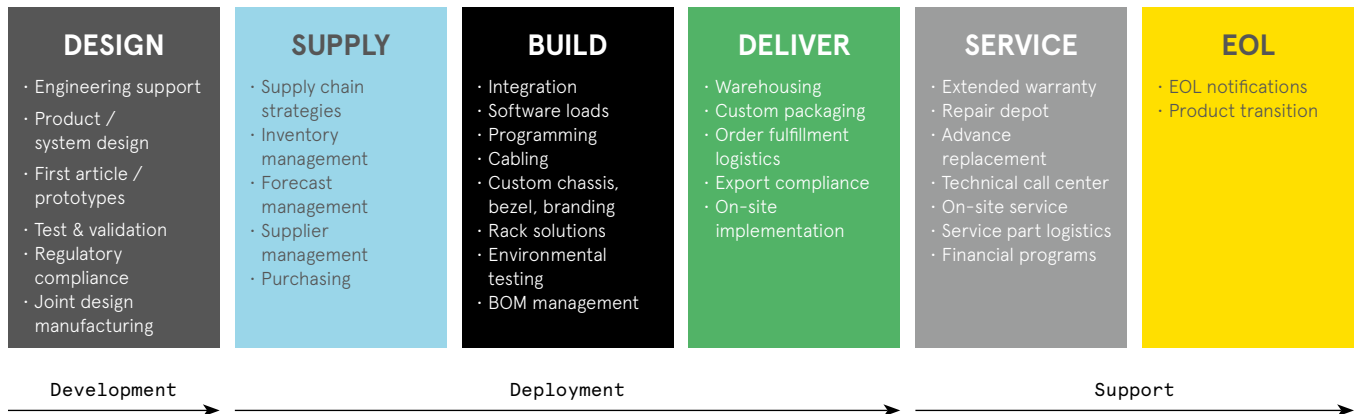
Product Stewardship and Supply Chain

SUSTAINABLE PROCUREMENT

GLOBAL SUPPLY CHAIN OPERATIONS

In addition to its industry-leading design support, Avnet provides end-to-end supply chain services to tens of thousand of customers, including original equipment manufacturers (OEMs), original design manufacturers (ODMs) and electronic manufacturing service providers (EMS), enabling them to optimize their supply chains around the globe with the same high quality and support level.

Avnet is more than just products, components or line items. We provide the support and services our customers need to get to market anywhere in the world efficiently, reliably and with confidence.



SUPPLIER QUALITY AND COMMITMENT

The Avnet Supplier Quality Handbook is designed to acquaint potential and existing suppliers with our company, culture and supply chain direction.

In addition to certain protocols for effectively working with Avnet, we also request that our suppliers comply with international ethical standards. Their delivered goods must have been produced:

- Lawfully, through fair and honest dealing.
- Without exploiting the people who made them: no child labor, forced labor, discrimination, harassment or violence.
- In appropriate working conditions, with reasonable working hours and fair wages, in a safe working environment, with the respect of basic human rights.
- Without damaging the environment, or by reducing and managing their environmental impacts.

ENVIRONMENTAL COMPLIANCE AND SUSTAINABILITY

Our overall environmental efforts are covered in a later chapter of this report. With regard to product stewardship, Avnet's goal is to only introduce products to the market that comply with quality, safety and environmental expectations of our customers and with regulatory requirements of the markets where we are active. Most environmental regulations relating to products distributed by Avnet can be divided into two types—substance and waste regulations, with REACH, RoHS and WEEE as the most prominent examples.

REACH, (Registration, Evaluation, Authorization and Restriction of Chemicals), a law regulating chemical substances in the EU, is designed to protect human health and the environment. The Directives 2011/65/EU on the Restriction of the use of certain Hazardous Substances (RoHS) and 2012/19/EU on Waste Electrical and Electronic Equipment (WEEE), target Electrical and Electronic Equipment (EEE) through restriction of certain hazardous chemical substances (RoHS) and by defining preventive and reductive measures associated with the generation and management of waste (WEEE).

As a distributor, Avnet does not certify compliance with REACH and RoHS on behalf of their original manufacturers. However, Avnet encourages its manufacturers to make their environmental information available on their websites and works closely with its suppliers to provide its customers with relevant information / declarations available from its manufacturers.

DODD-FRANK CONFLICT MATERIALS

United States Securities and Exchange Commission rules require certain companies to make efforts to determine the extent to which the products they manufacture or contract to manufacture contain so-called conflict minerals sourced from mines in the Democratic Republic of the Congo (DRC) or adjoining countries. Conflict minerals include tantalum, tin, tungsten and gold, which are used in many electronic components and computer products.

Avnet initially posted its Conflict Materials Policy Statement on its website in January 2013.

For Avnet's specialized disclosure report, form SD, filed with the United States Securities and Exchange Commission for the reporting period from January 1 to December 31, 2015, please go to avnet.com.

All suppliers are encouraged to disclose such information. Avnet conducts regular surveys with its suppliers to obtain information required to fulfill customer inquiries.



CLIENT SATISFACTION

Working relentlessly on our customers' satisfaction fosters a virtuous circle of generating revenues, financial stability and investments to further improve customer experience, whether through new services or improved processes.

We help customers reduce costs, enhance in-house capabilities and optimize profitability with a range of marketing, training and sales support solutions focused on meeting the customers' goals.

QUALITY SYSTEM AND HEALTH AND SAFETY

A strong quality system is in place to help ensure that we deliver timely solutions to our customers. This quality system is supplemented by a customer satisfaction survey.

Many of our facilities throughout the world have obtained third-party Quality and Environmental system registrations, where appropriate. Among the registrations achieved are ISO 9001, AS9100, ISO 13485, ISO 14001, ISO 18001, ISO 28000 and ANSI/ESD S20.20. We continue to enhance our operations, streamline development and improve delivery.

MARKETING AND COMMUNICATIONS

We are as transparent as possible when communicating to our customers. In this sense, we help ensure compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by having various processes and internal controls. We strive to ensure that all information we provide about Avnet products and services is clear and truthful. It is our responsibility to communicate truthfully and precisely, so that our customers understand the terms of our contracts—including product specifications, schedules, prices and responsibilities.



COMPETITIVENESS

Operating within the global technology supply chain, Avnet strongly believes that a great team is a strategic differentiator. Our people form the relationships necessary to deliver compelling value, enhance the customer experience, accelerate profitable growth, and enable us to increase shareholder value. Recognizing that having high caliber talent is critical to our success, Avnet emphasizes “inspired and engaged people” in its strategic framework and measures progress on key workforce metrics as part of our company scorecard.

The company ensures the personal growth and vitality of its employees by providing experiences and learning opportunities that enable employees to effectively perform and build a successful career in rapidly changing business environment. In FY16, Avnet accelerated its focus on employee engagement, talent development and recruitment initiatives with the following initiatives:

- Creating a global LinkedIn site to attract new talent.
- Deploying flexible workplace initiatives to support employee preferences and business requirements.
- Rolling out a new, more progressive approach to performance management in Workday®.

- Enhancing our learning & development offerings and global mobility strategy.
- Strengthening our global job architecture and variable compensation programs.
- Implementing a Global Employee Assistance program as an extension of well-being.
- Continuing the worldwide rollout of Workday® and our iPerform Learning Management System.
- Refreshing our Change Management tools and certifying more change leaders.

Going forward, the company is focused on making Avnet the best possible place to work by modernizing our workplace and increasing the level of transparency, empowerment and accountability. Avnet is committing to helping our employees reach further.



Environment

OUR APPROACH

AVNET ENVIRONMENTAL POLICY

Avnet established its environmental policy in 2009 and recently updated it. Avnet's environmental vision: "Avnet is committed to operating in a sustainable manner to help protect the environment of our employees, contractors, customers, partners and communities. We will operate in compliance with all applicable laws and will integrate environmental aspects into our decision-making processes and operational activities."

Avnet is committed to:

- Complying with all applicable environmental laws, directives and regulations as well as other objectives required by our business partners.
- Defining our own corporate objectives and targets to prevent pollution and continuously improve our environmental performance with regard to energy consumption, water conservation and material usage within our sphere of influence in the electronics supply chain.
- Communicating this environmental commitment to our business partners and communities while encouraging them to take actions in support of it.
- Regularly monitoring, reviewing and reporting on performance progress.
- Basing our reporting principles on the internationally accepted GRI G4.0 standard.
- Promoting environmental awareness among our employees through training and communications designed to help them perform their jobs in an environmentally responsible manner.

This policy is evaluated regularly and updated as necessary. It is available to all interested parties at Avnet.com.

“The precautionary principle enables rapid response in the face of a possible danger to human, animal or plant health, or to protect the environment. In particular, where scientific data does not permit a complete evaluation of the risk, recourse to this principle may, for example, be used to stop distribution or order withdrawal from the market of products likely to be hazardous.”

RISK LINKED TO CLIMATE CHANGE AND PRECAUTIONARY PRINCIPLE

Avnet recognizes the risks linked to environment, including climate change.

Avnet has a risk management system in place that enables Avnet to identify, assess and prioritize multiple risks and opportunities, including those with regard to climate change. Avnet has established, implemented and maintains a process for managing risk to the achievement of applicable requirements that includes, as appropriate to the organization and the product:

- 1) Assignment of responsibilities for risk management.
- 2) Definition of risk criteria (e.g., likelihood, consequences, risk acceptance).
- 3) Identification, assessment and communication of risks throughout product realization.
- 4) Identification, implementation and management of actions to mitigate risks that exceed the defined risk acceptance criteria.
- 5) Acceptance of risks remaining after implementation of mitigating actions.

Risks are reported continually on both a local and worldwide basis to Avnet’s Risk Management team, which reports periodically to Avnet’s Executive Board. The CSR Council provides additional input and expertise regarding environmental risks and opportunities.

The functional units and subsidiaries of the company are responsible for risk management in their area. This includes the subdivisions and affiliates that report to them. They monitor risks and opportunities in their domain, define appropriate risk handling measures and report via a coherent documentation and reporting system. The reporting of risks does not absolve from responsibility for their handling. The officers and directors of the individual companies and subsidiaries are responsible for the implementation of the company-wide risk management system within the functional units in their environment, down to single assets.

CLIMATE CHANGE

ENERGY CONSUMPTION AND WASTE REDUCTION

Avnet makes sure to reduce energy consumption and CO2 emissions whenever possible. We believe that is important to curb climate change and global warming. In this sense, we have set various measures.

- Low carbon energy purchase: The Poing, Nettetal, Leinfelden-Echterdingen and Gilching sites all purchased 100% of renewable energy.
- Energy efficiency: For the data center in Nettetal, the facility utilizes hot aisle containment and energy efficient cooling. The associated reduction in energy usage is expected to minimize the data center's carbon footprint, resulting in significant operational cost savings.
- Transportation, fleet: Avnet has electric vehicle charging stations in several locations in the U.S. and Germany.
- Waste recovery: Many sites, including our production facility in Freiburg, Germany, use reused or recycled packaging materials. Packaging waste (carton, wood) saw a reduction of ~ 15 % on a revenue-adjusted basis due to recycling and reuse. Residual waste saw a reduction of ~ 40% on a headcount-related basis due to consequent waste separation of recycling material.
- All of Avnet's logistics centers are ISO 14001 certified and apply environmental management systems that include recycling of materials.
- In the UK, Avnet participates in a national compliance scheme (partnering with Valpak) to account for all packaging materials imported into the United Kingdom.

Energy type	Energy purchased and consumed (MWh)
Heat	1039
Steam	0
Cooling	0
Electricity	106,649
Fuel	65,691
Including Diesel/Gas oil	56,640
Gas and fuel oil for space heating	9,051
Total energy used	173,379

Avnet does not sell or resell energy. We are in the process of collecting and assessing our global data to determine the level of renewable energy as percentage of our total energy consumption in order to be able to determine a further optimization plan. Our firm goal is to become a carbon-neutral company.

An important share of our CO2 emissions come from transportation (logistics). For more details on business travel, logistics flows and employee commuting, please see our 2016 submission to the Carbon Disclosure Project (CDP).



CARBON FOOTPRINT AND EMISSIONS

Starting in 2010, Avnet established an annual assessment of its global carbon footprint to identify direct and indirect CO₂ emissions. The estimated total carbon footprint for Avnet's global activities is 200,493 t CO₂e (CY 2015).

Almost all emissions decreased in CY2015 compared to CY2014. This is the result of

1. Avnet's efforts in managing and reducing CO₂ emissions, and
2. Enhanced data collection
 - Avnet has invested in renewable energy consumption, which enabled the company to reduce scope 1 emissions and maintain the level of scope 2 emissions despite an increase in electricity consumption.
 - 2015 data collection features better data regarding employee headcount, areas and exact revenues, which are used in the top-down approach to upscale the calculation. These figures are lower than the previous year, because of a slight decrease in sales and the real estate strategy. They also are lower because the data is more comprehensive whereas the previous year's results were based on estimates (see also: www.ghgprotocol.org).



RESOURCE USE

MATERIALS AND WASTE

As a distributor, Avnet provides components, solutions and services to customers that to a large extent are designed and manufactured by our supplier franchise partners. Only to a very limited extent, Avnet produces its own products (through subsidiaries in Germany and the UK), accounting for less than 2% of Avnet's global revenues.

In this sense, Avnet only generates minimal amounts of manufacturing waste. However the waste generated is properly sorted out, and whenever possible, recycled. 98% of recyclable material stems from distribution and warehousing activities. All recycling and reduction efforts are managed and executed by local or regional Avnet organizations, guided by the goals and principles of Avnet.

Examples include, but are not limited to:

- Separation and single-stream recycling in offices.
- Recycling of packaging materials in logistics and integration facilities.
- Environmentally friendly packaging at our distribution centers, consolidated pallets for shipping, box parameters for consolidated shipments (inbound and outbound).
- Procuring office materials that use less solvents, lead-free paint, low VOCs, timber/paper from managed forests, phasing out of CFCs and other ozone-depleting substances.

- EMEA marketing communications team and agencies only use FSC certified paper for marketing materials.
- Partnering with local recycling organizations to host community recycling events.
- Replacing Styrofoam cups in break rooms with ceramic mugs.
- Reducing paper usage by defaulting to two-sided copying and providing recycling bins in the majority of our offices and common kitchen areas.

WATER

As a distributor with minimal manufacturing of electronics systems, Avnet is not a massive user of water resources, like many other industries. Nevertheless, we recognize the importance of responsible behavior with natural resources. Therefore we reduce our consumption whenever possible.

Example of practices at local levels include:

- Facility capturing rainwater and using it for cleaning machines and to water the landscape.
- Installing low water consumption toilets and sinks at several facilities.

We have not consolidated our water consumption figures at a global level.

Labor Practices and Human Rights

HEALTH AND SAFETY

For decades Avnet has followed health and safety policies at our global facilities. Regional facilities are responsible for recording incidents and taking action for injured employees. We have employees trained on health and safety procedures on a regular basis and have voluntary employee representatives on site taking responsibility as go-to-points for questions and concerns as well as safety drills. Our global and regional business continuity plans and Emergency Response Teams help ensure that employees' health and safety are assessed and established before anything else in natural disasters, terror attacks and other potential incidents.

LABOR PRACTICES

We do not discriminate against anyone based on race, color, ancestry, national origin, sex (including pregnancy), marital status, religion, age, mental or physical disability, medical condition, sexual orientation, gender identity or expression, genetic information, veteran status or any other legally protected trait. We encourage and support employee rights and entitlements beyond legal requirements and conclude and honor employee/labor council agreements wherever applicable. As Avnet has a complex global business structure that is changing dynamically (market events, acquisitions, divestitures), assessing and consolidating all necessary data at a global level can be difficult. Data is available at a regional or local level. We recognize that this is a gap in our global data management that we are striving to close as soon as possible. Therefore Avnet expects to provide systematically more detailed information with the next CSR Report.



EMPLOYEE WELL-BEING

Beyond health, safety and labor practices, Avnet strives to enrich the work experience and enhance the well-being of our employees through progressive programs and practices.

Avnet's holistic approach to well-being focuses on five key areas:

- Physical: Healthcare, wellness, stress management and work-life matters
- Financial: Compensation, recognition and rewards, benefits and planning for the future
- Career: Performance and career development planning, learning, resources and educational assistance
- Social: Employee events, celebrations, global competitions and team building
- Community: Corporate event sponsorship, financial giving and volunteerism

PHYSICAL

Avnet's holistic and innovative approach to physical well-being takes shape in different ways across the globe. Avnet business regions plan activities that align with local culture and employee preferences, from fitness programs to nutrition courses.

FINANCIAL

To help employees plan for their financial future, the company holds seminars in all geographic regions. Hundreds of employees have attended these seminars to date to learn practical information on household finances, retirement planning and income taxes. Avnet also offers financial courses accessible to employees as part of its online training curriculum.

CAREER

At Avnet, we strive to attract, develop and retain top talent through our global HR strategy. The goal is to align our HR priorities directed at people with employees' expectation and highly valued employer attributes. Not the least for this HR strategy, Avnet is regularly listed by Fortune magazine as one of the "World's Most Admired Companies".

SOCIAL

Since having strong connections with coworkers helps employees to perform better as a team, Avnet encourages a range of activities and provides resources year-round to foster social well-being and positive relationships as part of our Well-Being program.

COMMUNITY

Please consult our Community Involvement section to discover how employees actively take part in making the world a better place.

HUMAN RIGHTS – DECENT WORK

OUR APPROACH

Avnet respects and upholds fundamental human rights. We offer our employees decent workplaces and working conditions. Our approach here is structured in our [Code of Conduct](#) and our [statement against modern slavery and human trafficking](#).

We do not discriminate against anyone based on race, color, ancestry, national origin, sex (including pregnancy), marital status, religion, age, mental or physical disability, medical condition, sexual orientation, gender identity or expression, genetic information, veteran status or any other legally protected trait.

As part of our commitment to a professional work environment, our employees may not threaten, intimidate, coerce, or otherwise interfere with the job performance of other employees or visitors. We also will not tolerate harassment, which can be sexual or nonsexual in nature, physical or psychological, and can come from fellow employees, supervisors or business partners. In general, harassment has the purpose or effect of unreasonably interfering with a person's work performance, or creates an intimidating or hostile work environment.

Avnet values and seeks to uphold basic human rights in all of our operations. Our company provides reasonable working hours and fair wages to those who perform work on our behalf. We do not use or tolerate others' use of forced labor or human trafficking practices, including the exploitation of children. Unlawful child labor violates the integrity of our business, and is not condoned by Avnet. We will never knowingly do business with customers, suppliers and other business partners who violate these policies.

OUR ACTIONS

Various actions have been implemented to provide a decent workplace.

- Employees can seek advice regarding all topics included in the Code of Conduct.
- Employees can report alleged cases of violation through the Ethics Alertline. It is available 24 hours a day, seven days a week. Employees can find the details of the Ethics Alertline on the intranet, on the Ethics & Compliance Office page.
- In 2013, 170 cases were opened and treated. This number decreased to 130 in 2014 and to 107 in 2015.
- Employees are also regularly trained on such topics.
- There are proactive measures to avoid discrimination during recruitment.
- Freedom of association and collective bargaining are managed locally. For example, in Europe, we encourage and support the building of Works Councils. Wherever required by the works councils, we negotiate and execute collective agreements.

Community Involvement

LOCAL PRESENCE

As a global company, Avnet is still grounded within the local communities, where our employees live and our customers work. Our global coverage is only made possible by our local presence.

We also believe that being part of the local community creates positive economic impacts such as employment and taxes and reinforces local institutions that are critical to our stakeholders and us. Avnet interacts with all local stakeholders to ensure our corporate citizenship and our presence are meaningful to people.

To reinforce these bonds with local communities, Avnet has implemented Avnet Cares, a community-related program to support volunteerism and charitable giving. All regions in which Avnet is active, are participating in Avnet Cares.

Responsible for local initiatives in all regions are employees (volunteers), regional HR departments and to some extent the marketing & communications teams. All work together and manage resp. coordinate community activities. At a corporate level, Avnet collects summaries of local activities to communicate internally and thus encourage more people and locations to participate.

CHARITABLE GIVING

STRATEGIC FOCUS AREA - CHARITABLE GIVING

Our financial giving centers on three key areas:

- Sponsoring technology education, beginning in middle schools.
- Advocating for environmental stewardship.
- Promoting employment opportunities for underserved groups.

Each year, we develop a plan to fund and support specific organizations and events aligned with Avnet's strategic objectives. Proposals are brought forth by our business leaders and approved by Avnet executive leadership. On a regional basis, we encourage employees to approach the company for funds to support local initiatives.

In FY16, Avnet donated \$1,283,825 through 156 events in 28 countries, employees donated more than 15,000 hours. During the past few years, Avnet's global charitable giving has expanded due to increased levels of interest and participation from Avnet's APAC and EMEA regions. Avnet's charitable giving and volunteer efforts continue to drive awareness of people's needs and the outstanding organizations that are committed to providing change and assistance. Avnet and our employees share a commitment to making a difference in the communities where we live, work and play.

AVNET CARES - EMPLOYEES GIVING BACK

Avnet recognizes that employee well-being extends to the community, and we believe it's important to encourage employees as they help make our communities a desirable place to live. From working together to serve meals at a homeless shelter and building homes to revitalize neighborhoods to employees' individual charitable efforts, Avnet provides financial support and paid time off through its Avnet Cares programs.

Avnet Cares provides a framework for employee-initiated community efforts reaching a broad range of nonprofit organizations. Avnet Cares programs are managed by an employee-led governing board and supported by active employee-led committees at many Avnet offices. Employees support nonprofit organizations of their choice, leveraging Avnet Cares programs to maximize their impact.

In 2015, Avnet introduced the "Avnet Global Month of Service". Since 2015, each October, thousands of Avnet employees from around the world have mobilized for a coordinated month of volunteering in action. From running to support cancer research in Italy and cleaning up parks in Colorado, to working in a Singapore soup kitchen, Avnet's October service activities have spanned the globe. In October 2016, our employees organized and participated in 70 events in 14 different countries.



About This Report

INFORMATION ABOUT THE REPORT

DETAILS

- Entities concerned/scope of application of the report: The report covers Avnet, and data consolidated for this scope of application. When information is not available for the group level, we indicate the region. Of note, many environmental actions, labor practices, product stewardship/supply chain actions, community actions are applied at local level and not necessarily harmonized through the whole scope of application, whereas ethics/anti-corruption and human rights actions are valid for all of Avnet.
- The report covers the calendar year 2015 and partially 2016. The last report was published in December 2014 and covered the calendar year 2014, and included some data from 2013. Starting with FY17 (ending June 2017), Avnet will now report on a fiscal year basis, to facilitate the reporting cycle. Avnet does not wish to make any restatement from the previous CSR report.
- For more information, please contact csr@avnet.com.

EXTERNAL ASSURANCE

- Avnet did not opt this time for external assurance as described in the GRI process (the external assessment is in preparation for the next report). GRI uses the term 'external assurance' to refer to activities designed to result in published conclusions on the quality of the report and the information (whether it be qualitative or quantitative) contained within it (GRIG4 Part 2 Implementation manual, page 51).
- Self-assessment on the quality principles:
 - BALANCE Principle: "The report should reflect positive and negative aspects of the organization's performance to enable a reasoned assessment of overall performance." **Done.** Avnet mentions for example our CO2 emissions, which can be considered negative impacts. In addition, we refer to gaps in our reporting.
 - COMPARABILITY Principle: "The organization should select, compile and report information consistently. The reported information should be presented in a manner that enables stakeholders to analyze changes in the organization's performance over time, and that could support analysis relative to other organizations." **Done,** the report has been updated on the basis of the former CSR report. However, since this is the first time that Avnet bases its CSR Report on GRI 4.0, there are many new items in the report.
 - ACCURACY Principle: "The reported information should be sufficiently accurate and detailed for stakeholders to assess the organization's performance." **Need improvement.** Avnet could not reach the In-Accordance Core option due to lack of external assessment (corrective action initiated).

- TIMELINESS Principle: "The organization should report on a regular schedule so that information is available in time for stakeholders to make informed decisions."
Need improvement. Most of the data is available for calendar year 2015 and fiscal year 2016. We will focus on a fiscal year reporting cycle (July to June), to ensure all data will be consistent.
- CLARITY Principle: "The organization should make information available in a manner that is understandable and accessible to stakeholders using the report." **Done.** The GRI Index provides dedicated information on where to find information, even if it is incomplete. We also specified when something is missing.
- RELIABILITY Principle: "The organization should gather, record, compile, analyze and disclose information and processes used in the preparation of a report in a way that they can be subject to examination and that establishes the quality and materiality of the information." **Done.** The information disclosed here follows various international standards like the GHG Protocol or CDP for example. Data is collected accordingly.

ADDITIONAL RESOURCES

- [Code of Conduct](#)
- [Statement against modern slavery and human trafficking](#)
- [Conflict Minerals SD form](#)
- [Annual Report](#)

GRI INDEX

This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines

General Standard Disclosures, core option	Reference
STRATEGY AND ANALYSIS	
G4-1	Message of CEO, p. 2
ORGANIZATIONAL PROFILE	
G4-3	About Avnet, Who we are, p. 4
G4-4	10-K, published on August 2016, Part I, Item 1, p. 3 - 8
G4-5	About Avnet, Who we are, p. 4
G4-6	About Avnet, Who were are and Our countries of operation , p. 4
G4-7	About Avnet, Who we are, p. 4
G4-8	10-K published in August 2016, Part I, Item 1, p. 3 and part II, Item 7, p. 22
G4-9	About Avnet, Who we are, p. 4 Net sales: 10-K published in 2016, Part II, Item 7, p. 22 Number of employees: 10-K published in August 2016, p. 6 Debt and Equity: 10-K published in August 2016, Part II, Item 5, p. 16 Operations: 10-K, published on August 2016, Part I, Item 1, p. 3 - 4 Number of products: 10-K, published on August 2016, Part I, Item 1, p. 5 ("Major Products")
G4-10	Labor Practices and Human rights, Labor Practices, p. 29
G4-11	Labor Practices and Human rights, Labor Practices, p. 29
G4-12	Product stewardship and supply chain, Sustainable procurement, Global Supply Chain Operations, p. 20
G4-13	Corporate accountability, Structure and oversight, p. 6
G4-14	Environment, Our approach, Risk linked to climate change and precautionary principle, p. 25
G4-15	CSR strategy, External initiatives, Participation in external initiatives, p. 9, 17
G4-16	CDP Climate Change Investor Questionnaire, question 2.3, p. 9
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES	
G4-17	10-K published in August 2015, Exhibit 21, Avnet, Foreign and Domestic Subsidiaries About this report, Details, p. 34
G4-18	CSR strategy, Material aspects, Avnet's approach, p. 10
G4-19	CSR strategy, Material aspects, List of material aspects, p. 11
G4-20	CSR strategy, Material aspects, List of material aspects, p. 11
G4-21	CSR strategy, Material aspects, List of material aspects, p. 11
G4-22	About this report, Details, p. 34
G4-23	Not applicable: this is the first report prepared according to the GRI G4 Guidelines
STAKEHOLDER ENGAGEMENT	
G4-24	CSR strategy, Stakeholder engagement, p. 16
G4-25	CSR strategy, Stakeholder engagement, p. 16
G4-26	CSR strategy, Stakeholder engagement, p. 16
G4-27	CSR strategy, Stakeholder engagement, p. 16
REPORT PROFILE	
G4-28	About this report, Details, p. 34
G4-29	About this report, Details, p. 34
G4-30	About this report, Details, p. 34
G4-31	About this report, Details, p. 34
G4-32	About this report, GRI Index, p. 36
G4-33	About this report, External assurance, p. 34
GOVERNANCE	
G4-34	Corporate Accountability, Structure and oversight, Avnet Executive Board p. 6
ETHICS AND INTEGRITY	
G4-56	About Avnet, Our Values and code of conduct, p. 5

Of note: all DMA-a (why is the aspect material: impacts related to the aspects all under the table of material aspects) are enclosed in the column "impact" of the list of material aspects (CSR strategy, Material aspects)

DMA-b: All DMA-b (how the organization manages the impacts) references are enclosed there

DMA-c: mechanisms in place to review the management. Avnet statement: the mechanism in place this year has been benchmark, review of practices and consolidation of pillars, and choice of GRI indicators. Please find the GRI indicators chosen in this index.

Specific standard disclosures	DMA and indicators	Omission/comment	Reported
Economic			
Economic Performance	DMA-b: Product stewardship and supply chain, client satisfaction, p. 20, 22 G4-EC2: Environment, Our approach, Risk linked to climate change and precautionary principle, p. 25		Fully
Market Presence	DMA-b: Community involvement, Local presence, p. 32	Not enough information available to report an indicator	Only the DMA
Indirect Economic Impacts	DMA-b: Community involvement, Local presence, p. 32 G4-EC7: same, p. 32	Little material aspect, not all data available, only general overview of the charity program	Partially
Procurement Practices	DMA-b: Community involvement, Local presence, p. 32	Little material aspect, not enough information available to report an indicator	Only the DMA
Environment			
Materials	DMA-b: Environment, Resource Use, Materials and Waste, p. 28 G4-EN1: same, p. 28	No conversion in joules, MWh more relevant to the company	Partially
Energy	DMA-b: Environment, Climate Change, Energy consumption and reduction, p. 25, 26 G4-EN3: same, p. 25, 26	No conversion in joules, MWh more relevant to the company	Partially
Water	DMA-b: Environment, Resource Use, Water, p. 28	Not enough information available to report an indicator	Only the DMA
Biodiversity		Aspect identified as not material	No
Emissions	DMA-b: Environment, Climate Change, carbon footprint p. 25 - 27 G4-EN15, G4-EN16, G4-17, G4-18, G4-19: Executive Summary of Avnet's Carbon Footprint Analysis 2016 .		Fully
Effluents and Waste	DMA-b: Environment, Resource Use, Materials and Waste, p. 28 G4-EN23: same, p. 28	No information available on the methods of disposal	Partially
Products and services		Little material aspect, and TS, the business unit which was carrying out such electronics recycling, is not part of Avnet anymore	No
Compliance	DMA-b: Corporate accountability, International Trade Controls p. 8 G4-EN29: same, p. 8	No information on the number of cases and repartition	Partially
Transport	DMA-b: Environment, Climate Change, Energy consumption and reduction, p. 25, 26 G4-EN30: CDP Climate Change Investor Questionnaire, question 14.1, p. 57 - 60	Our Scope 3 data shows the impacts of transports	Partially
Overall		Aspect identified as not material	No
Supplier environmental assessment	DMA-b: Product stewardship and supply chain, Sustainable procurement, p. 20	No current practice in place	Only DMA
Environmental Grievance Mechanisms	DMA-b: Environment, Our approach, our commitment, p. 24	Little material aspect	Only DMA

Specific standard disclosures	DMA and indicators	Omission/comment	Reported
Labor and Decent Work			
Employment	DMA-b: Community involvement, local presence, p. 32	Not enough information available to report an indicator	Only DMA
Labor/Management Relations	DMA-b: Labor practices and human rights, Labor practices-employee well-being, Social, p. 29, 30 G4-LA4: same, p. 29, 30	Not enough information available to report an indicator	Only DMA
Occupational Health and Safety	DMA-b: Labor practices and human rights, Labor practices-employee well-being, Physical, p. 29, 30	KPI currently not calculated. Aspect deemed very material however.	Only DMA
Training and education	DMA-b: Product stewardship and supply chain, Competitiveness, p. 20, 23 G4-LA9 or G4-LA10: same, p. 20, 23	KPI currently not calculated. Aspect deemed material however.	Only DMA
Diversity and Equal opportunities	DMA-b: Labor practices and human rights, Labor practices-employee well-being, Career, p. 29, 30 G4-LA12: same, p. 29, 30	Not enough information available to report an indicator Aspect deemed very material however.	Only DMA
Equal remuneration for women	DMA-b: Labor practices and human rights, Labor practices-employee well-being, Financial well-being, p. 29, 30	KPI currently not calculated. Aspect deemed material however.	Only DMA
Supplier assessment for labor practices	DMA-b: Product stewardship and supply chain, Sustainable procurement, p. 20	No current practice in place	Only DMA
Labor practices grievance mechanisms	DMA-b: Anti-corruption, Ethical conduct and compliance, Ethics Alertline 18, 31 G4-LA16: same, p. 18, 31	Only the global number of cases is available	Partially
Human rights			
Investment	DMA-b: Labor practices and human rights, Human rights, Our actions, p. 29, 31	KPI currently not calculated. Aspect deemed material however.	Only DMA
Non-discrimination	DMA-b: Labor practices and human rights, Human rights, Our actions, p. 29, 31 G4-HR3: same, p. 29, 31	Only the global number of cases is available	Partially
Freedom of association and collective bargaining	DMA-b: Labor practices and human rights, Human rights, Our actions, p. 29, 31	KPI currently not calculated. Aspect deemed material however.	Only DMA
Child labor	DMA-b: Labor practices and human rights, Human rights, Our actions, p. 29, 31 G4-HR5: same, p. 29, 31	KPI currently not calculated. Aspect deemed material however.	Only DMA
Forced or compulsory labor	DMA-b: Labor practices and human rights, Human rights, Our actions, p. 29, 31 G4-HR6: same, p. 29, 31	KPI currently not calculated. Aspect deemed material however.	Only DMA
Security practices		Aspect identified as not material	No
Indigenous rights		Aspect identified as not material	No
Assessment		No current practice in place, even if aspect is considered material	No
Supplier human rights assessment	DMA-b: Product stewardship and supply chain, Sustainable procurement, p. 20	No current practice in place	Only DMA
Human rights grievance mechanisms	DMA-b: Labor practices and human rights, Human rights, Our actions, p. 29, 31 G4-HR11: p. 29, 31	Only the global number of cases is available	Partially

Specific standard disclosures	DMA and indicators	Omission/comment	Reported
Society			
Local communities	DMA-b: Community Involvement, Charitable giving, p. 32 G4-SO1: same, p. 32	Aspect little material, not enough information to fulfil the requirements for this KPI	Partially
Anti-corruption	DMA-b: Anti-corruption, Ethical conduct and compliance, p. 18 G4-SO4: same, p. 18	Only the global number of cases is available, only general overview of the charity program	Partially
Public policy	DMA-b: CSR Strategy, External Initiatives, Support to politicians G4-SO6: same, p. 9, 17	Not applicable	No
Anti-competitive behavior	DMA-b: Anti-corruption, Ethical conduct and compliance, p. 18 G4-SO7: same, p. 18	Only the global number of cases is available	Partially
Compliance	DMA-b: Corporate accountability, International Trade Controls p. 8 G4-SO8: same, p. 8	No information on the number of cases and repartition	Partially
Supplier assessment impacts on society	DMA-b: Product stewardship and supply chain, Sustainable procurement, p. 20, 23	No current practice in place	Only DMA
Grievance mechanisms for impacts on society	DMA-b: Anti-corruption, Ethical conduct and compliance, p. 18 G4-SO11: same, p. 18	Only the global number of cases is available	Partially
Product responsibility			
Customer health and safety	DMA-b: Product stewardship and supply chain, Client satisfaction, p. 20, 22	Not enough information available to report an indicator	Only DMA
Product and services labeling	DMA-b: Product stewardship and supply chain, Client satisfaction, p. 20, 22	Not enough information available to report a KPI	Only DMA
Marketing communications	DMA-b: Product stewardship and supply chain, Client satisfaction, p. 20, 22	Not enough information available to report a KPI	Only DMA
Customer privacy	DMA-b: Anti-corruption, Digital rights, Customer privacy G4-PR8: same, p. 18, 19		Fully
Compliance	DMA-b: Corporate accountability, International Trade Controls p. 8 G4-PR9: same, p. 8	No information on the number of cases and repartition	Partially

