

SYNEX CORP
Form DEF 14A
March 03, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
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
- .. **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- x Definitive Proxy Statement
- .. Definitive Additional Materials
- .. Soliciting Material Pursuant to §240.14a-12

SYNEX Corporation

(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:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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SYNEX CORPORATION

44201 Nobel Drive

Fremont, California 94538

(510) 656-3333

February 28, 2014

Dear Stockholder:

You are cordially invited to attend our 2014 Annual Meeting of Stockholders. The Annual Meeting of Stockholders will be held at 10:00 a.m., Pacific Time, on March 25, 2014, at our offices at 44201 Nobel Drive, Fremont, California 94538.

The formal notice of the Annual Meeting of Stockholders and the Proxy Statement have been made a part of this invitation.

Whether or not you attend the Annual Meeting of Stockholders, it is important that your shares be represented and voted at the Annual Meeting of Stockholders. After reading the Proxy Statement, please promptly vote and submit your proxy by dating, signing and returning the enclosed proxy card in the enclosed postage-prepaid envelope. **Your shares cannot be voted unless you submit your proxy or attend the Annual Meeting of Stockholders in person.**

The Board of Directors and management look forward to seeing you at the Annual Meeting of Stockholders.

Sincerely,

/s/ Simon Y. Leung
Simon Y. Leung

Senior Vice President, General Counsel and Corporate

Secretary

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SYNEX Corporation

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held March 25, 2014

To our Stockholders:

SYNEX Corporation will hold its Annual Meeting of Stockholders at 10:00 a.m., Pacific Time, on March 25, 2014, at our offices at 44201 Nobel Drive, Fremont, California 94538.

We are holding this Annual Meeting of Stockholders:

to elect ten directors to serve until the 2015 Annual Meeting of Stockholders or until their successors are duly elected and qualified;

to hold an advisory vote on Executive Compensation;

to approve the 2014 Employee Stock Purchase Plan;

to ratify the appointment of KPMG LLP as our independent registered public accountants; and

to transact such other business as may properly come before the Annual Meeting of Stockholders and any adjournments or postponements of the Annual Meeting of Stockholders.

Only stockholders of record at the close of business on February 10, 2014 are entitled to notice of, and to vote at this Annual Meeting of Stockholders and any adjournments or postponements of the Annual Meeting of Stockholders. For ten days prior to the Annual Meeting of Stockholders, a complete list of stockholders entitled to vote at the Annual Meeting of Stockholders will be available at the Corporate Secretary's office at 44201 Nobel Drive, Fremont, California 94538.

It is important that your shares are represented at this Annual Meeting of Stockholders. Even if you plan to attend the Annual Meeting, we hope that you will promptly vote and submit your proxy by dating, signing and returning the enclosed proxy card in the enclosed envelope. This will not limit your rights to attend or vote at the Annual Meeting of Stockholders.

By Order of the Board of Directors,

/s/ Simon Y. Leung
Simon Y. Leung

Senior Vice President, General Counsel and Corporate

Secretary

Fremont, California

February 28, 2014

Important Notice Regarding the Availability of Proxy Materials

for the Stockholder Meeting to Be Held on March 25, 2014.

Our Proxy Statement for our 2014 Annual Meeting of Stockholders, along with the proxy card, our Annual Report on Form 10-K for the fiscal year ended November 30, 2013 and Letter to Stockholders dated February 28, 2014, are available at www.viewproxy.com/synnex/2014.

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

Annual Meeting of Stockholders

Date and Time	March 25, 2014 at 10:00 a.m. Pacific Time
Place	44201 Nobel Drive, Fremont, California
Record Date and Voting	February 10, 2014

Stockholders as of the record date are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and one vote for each of the other proposals to be voted on.

Meeting Agenda and Voting Matters

(1) *Election of Directors.* Each director nominee is elected annually by a plurality vote. We are asking stockholders to vote FOR each director nominee.

Name and Principal Occupation	Age	Director Since	Experience/ Qualifications	Independent	Committee Memberships
Dwight Steffensen Former Chairman & CEO, Merisel, Inc.	70	2002	Leadership, Industry, Finance, Business	X	Executive
Kevin Murai President and CEO, SYNEX Corporation	50	2008	Leadership, Industry, Technology, Business,		Executive (Chair)
Fred Breidenbach Principal, FA Breidenbach & Associates and Former President and Chief Operating Officer of Gulfstream Aerospace Corporation	67	2003	Leadership, Asia Pacific, Technology, Business	X	Compensation (Chair) Executive Nominating
Hau Lee Professor of Operations, Information & Technology, Stanford University Graduate School of Business	61	2012	Leadership, Supply Chain, Technology, Business	X	Audit
Matthew Miao Chairman, MiTAC Holdings Corporation, Synnex Technology International Corp., UPC Technology Corp. & Lien Hwa Industrial Corp.	67	1992	Leadership, Distribution, Contract Manufacturing, Asia Pacific, Finance, Technology, Business		
Dennis Polk Chief Operating Officer, SYNEX	47	2012	Leadership, Operations,		

Corporation			Finance, Business, Distribution, Services		
Gregory Quesnel Former President and CEO, CNF Inc.	65	2005	Leadership, Transportation, Logistics, Finance, Business	X	Audit (Chair) Executive
Thomas Wurster Senior Partner & Managing Director, The Boston Consulting Group	61	2012	Leadership, Strategy, Organization, Operations, Distribution	X	Compensation Nominating
Duane Zitzner Consultant and Former Executive Vice President, Personal Systems Group, Hewlett-Packard Company	66	2007	Leadership, Industry, Technology, Business	X	Compensation Executive Nominating (Chair)
Andrea Zulberti Former Managing Director, Barclays Global Investors (now Blackrock, Inc.)	62	2010	Leadership, Finance, Business	X	Audit

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(2) *Advisory Vote on Executive Compensation.* We are asking stockholders to approve on an advisory basis our named executive officer compensation. The Board recommends a FOR vote because it believes that our compensation policies and practices are effective in achieving our company's goals of recognizing sustained financial and operating performance and leadership excellence, and aligning our executives' long-term interests with those of our stockholders.

(3) *Approval of the 2014 Employee Stock Purchase Plan.* We are asking stockholders to vote FOR approval of the material terms of the plan to replace the Amended and Restated 2003 Employee Stock Purchase Plan.

(4) *Ratification of Auditors.* As a matter of good corporate governance, we are asking our stockholders to vote FOR the ratification of the selection of KPMG LLP as our independent auditors for 2014.

2013 Executive Compensation Elements

Type	Form	Terms
Equity	Stock Options	Options generally vest 20% on the first anniversary of the grant date and 1/60th per month thereafter.
	Restricted Stock Awards	RSAs generally vest 20% per year while employed.
	Restricted Stock Units	Long Term Incentive RSUs generally cliff vest after three years, contingent upon achievement of three-year Company performance measures and continuous employment during the three-year period.
Cash	Salary	Generally eligible for annual increases.
	Profit Sharing Bonus	Based on achievement of Company fiscal year performance goals and individual performance.
	LTI Transition Bonus	Awarded to all executives for fiscal 2012 and fiscal 2013, and to newly appointed executives for the first two years after they start participating in the Company's executive compensation program, as part of the implementation of the Long Term Incentive RSUs program in December 2011. Eligibility is based on the same criteria as Profit Sharing Bonuses.
Other	Benefits	Medical, Dental and Vision Insurance, Life Insurance, 401(k) contributions.

2013 Summary Compensation Table

Name & Principal Position	Year	Salary (\$)	Bonus (\$)	Stock	Option	Non-Equity	All	Total (\$)
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		Awards (\$)	Awards (\$)	Incentive Plan Compensation (\$)	Other Compensation (\$)	
Kevin Murai						
President, Chief Executive Officer, and Director	2013	600,000	772,700	735,674	1,967,568	4,075,942
	2012	600,000	560,125	740,696	1,784,400	3,685,221
	2011	557,692	434,353	663,940	2,146,458	3,802,443
Peter Larocque						
President, North America Distribution	2013	435,000	719,591	264,178	1,141,189	1,200 2,561,158
	2012	429,500	561,210	229,743	1,034,952	3,475 2,258,880
	2011	384,346	508,191	227,745	1,471,464	850 2,592,596

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Name & Principal Position	Year	Salary (\$)	Bonus (\$)	Non-Equity Incentive			All Other Compensation (\$)	Total (\$)
				Stock Awards (\$)	Option Awards (\$)	Plan Compensation (\$)		
Dennis Polk Chief Operating Officer and Director	2013	435,000		719,590	230,842	1,241,189	1,200	2,627,821
	2012	429,500		561,210	224,187	1,034,952	1,200	2,251,049
	2011	380,115		508,192	227,745	1,226,220	850	2,343,122
Marshall Witt ⁽¹⁾ Chief Financial Officer	2013	246,154	300,000	94,993		351,436	112,275	1,104,858
Simon Leung Senior Vice President, General Counsel and Corporate Secretary	2013	245,023		185,708		358,252	1,200	790,183
	2012	239,936		116,152		291,479	1,200	648,767
	2011	228,769		83,906		318,588	850	632,113
Thomas Alsborg ⁽²⁾ Former Chief Financial Officer	2013	220,869	605,769	70,281	125,396		1,200	1,023,515
	2012	338,192		126,806	189,649	446,100	1,200	1,101,947
	2011	276,154		147,099	187,133	674,994	850	1,286,230

- (1) Mr. Witt joined us in April 2013. We paid Mr. Witt a hiring bonus of \$300,000 and relocation expenses of \$111,075.
- (2) Mr. Alsborg resigned as our Chief Financial Officer in May 2013. He received a retention bonus of \$375,000 and a discretionary bonus of \$230,769.

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SYNEX CORPORATION

PROXY STATEMENT

INFORMATION CONCERNING VOTING AND SOLICITATION

This Proxy Statement is being furnished to you in connection with the solicitation by the Board of Directors of SYNEX Corporation, a Delaware corporation, of proxies to be used at our 2014 Annual Meeting of Stockholders and any adjournments or postponements thereof (referred to herein as the Annual Meeting). Our Annual Meeting will be held at our offices at 44201 Nobel Drive, Fremont, California, at 10:00 a.m., Pacific Time, on March 25, 2014. This Proxy Statement and the accompanying form of proxy card are being mailed to stockholders on or about February 28, 2014.

Appointment of Proxy Holders

The Board asks you to appoint Kevin Murai, Dennis Polk and Simon Leung as your proxy holders to vote your shares at the Annual Meeting. You make this appointment by voting the enclosed proxy card using one of the voting methods described below.

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

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

Who Can Vote

Only stockholders who owned shares of our common stock at the close of business on February 10, 2014, the record date for the Annual Meeting, can vote at the Annual Meeting. As of the close of business on the record date, we had 39,097,430 shares of common stock outstanding and entitled to vote. Each holder of common stock is entitled to one vote for each share held as of the record date. There is no cumulative voting in the election of directors.

How You Can Vote

You may vote your shares at the Annual Meeting either in person, by mail or, if permitted by your bank or broker, by telephone or via the Internet as described below. Stockholders holding shares through a bank or broker should follow the voting instructions on the form of proxy card received from such bank or broker. The Board recommends that you vote by proxy, as it is not practical for most stockholders to attend the Annual Meeting. Giving a proxy will not affect your right to vote your shares if you attend the Annual Meeting and want to vote in person.

Voting by Mail. You may vote by proxy by dating, signing and returning your proxy card in the enclosed postage-prepaid return envelope.

Voting by Telephone and Internet. Depending upon your bank or broker, you may vote by telephone and Internet. Your bank or broker will provide further instructions if this method of voting is available.

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

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If you submit your proxy, but do not mark your voting preference, the proxy holders will vote your shares **FOR** the election of the nominees for director, **FOR** the approval of our executive compensation, **FOR** the approval of the 2014 Employee Stock Purchase Plan, and **FOR** the ratification of the appointment of independent registered public accountants.

Revocation of Proxies

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

by voting in person at the Annual Meeting;

by submitting written notice of revocation to the Corporate Secretary prior to the Annual Meeting; or

by submitting another properly executed proxy of a later date prior to the Annual Meeting.

Required Vote

Directors are elected by a plurality vote, which means that the ten nominees receiving the most affirmative votes will be elected. However, the Board has adopted a majority vote standard for director elections. As a result, if a director receives less than a majority of the votes cast for such director, the Board will review the totality of circumstances to evaluate the situation and is authorized to remedy the situation as it deems appropriate, including requesting that the affected director resign from the Board. All other matters submitted for stockholder approval require the affirmative vote of the majority of shares present in person or represented by proxy and entitled to vote.

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

Abstentions on any matters are treated as shares present or represented and entitled to vote on that matter and have the same effect as a vote against such matter.

Brokers who hold shares of our common stock for a beneficial owner have the discretion to vote on routine proposals when they have not received voting instructions from the beneficial owner. If a broker indicates on the enclosed proxy card or its substitute that such broker does not have discretionary authority to vote on a particular matter (broker non-votes), those shares will be considered as present for purposes of determining the presence of a quorum but will not be treated as shares entitled to vote on that matter. Note that, if you are a beneficial owner and do not provide specific voting instructions to your broker, the broker that holds your shares will not be authorized to vote on the election of directors, nor will the broker be authorized to vote on the proposals other than the ratification of the appointment of KPMG as the auditor for 2014. Accordingly, we encourage you to provide voting instructions to your broker, whether or not you plan to attend the Annual Meeting.

Solicitation of Proxies

We are paying the cost of printing and mailing proxy materials. In addition to the solicitation of proxies by mail, solicitation may be made by our directors, officers and other employees by personal interview, telephone or facsimile. No additional compensation will be paid to these persons for solicitation. We will reimburse brokerage firms and others for their reasonable expenses in forwarding solicitation materials to beneficial owners of our common stock.

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Important

Please promptly vote and submit your proxy by signing, dating and returning the enclosed proxy card in the postage-prepaid return envelope so that your shares can be voted. This will not limit your rights to attend or vote at the Annual Meeting.

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PROPOSAL 1

ELECTION OF DIRECTORS

Directors and Nominees

Our Bylaws currently provide that the number of directors which shall constitute the whole Board shall be fixed from time to time by the Board or our stockholders. We currently have authorized ten directors. At the Annual Meeting, ten persons will be elected as members of the Board, each for a one-year term or until their successors are elected and qualified. The Nominating and Corporate Governance Committee of the Board of Directors has nominated, and the Board has designated, the ten persons set forth below for election at the Annual Meeting. All of the nominees were elected at the SYNEX 2013 Annual Meeting of Stockholders held on March 19, 2013. The proxies given to the proxy holders will be voted as directed and, if no direction is given, will be voted FOR the ten nominees. The Board knows of no reason why any of these nominees should be unable or unwilling to serve. However, if for any reason any nominee should be unable or unwilling to serve, the proxies will be voted for any nominee designated by the Board to fill the vacancy.

General

Pursuant to the New York Stock Exchange (NYSE) listing standards, a majority of the members serving on the Board must be independent directors. The Board has determined that Messrs. Breidenbach, Lee, Quesnel, Steffensen, Wurster and Zitzner and Ms. Zulberti have no material relationship with us and that each of these directors is an independent director. Certain additional information with respect to each nominee appears on the following pages, including their age (as of February 28, 2014), position (if any) with SYNEX, business experience during at least the past five years and directorships of other publicly-owned corporations.

Business Experience of Nominees

Dwight Steffensen, 70, has served as a member of the Board since February 2002 and as Chairman of the Board since June 2010. He also served as Lead Director from March 2006 to June 2010. Mr. Steffensen served as the Chairman and Chief Executive Officer of Merisel, Inc. from February 1996 until August 2000. Prior to joining Merisel, Mr. Steffensen served as President and Chief Operating Officer at Bergen Brunswick Corporation, a healthcare company. Prior to the merger of Bergen Brunswick Corporation and Synergex Corporation, he served as President and Chief Executive Officer of Synergex. Mr. Steffensen is a member of the Board of Directors of OmniVision Technologies, Inc. Mr. Steffensen received a Bachelor of Arts degree in Economics from Stanford University and is a certified public accountant (inactive). As a former executive officer and member of the Board of Directors of Merisel, Inc., one of our former competitors, and having been an Audit Committee financial expert during the time he served on our Audit Committee, we believe that Mr. Steffensen contributes his leadership skills, industry knowledge, finance background, and business experience to the Board. In addition, we believe that Mr. Steffensen's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board heterogeneity.

Kevin Murai, 50, our President and Chief Executive Officer and a Director, joined us in March 2008. He served as Co-Chief Executive Officer until December 2008. Prior to SYNEX, Mr. Murai was employed for 19 years at Ingram Micro Inc., during which he served in several executive management positions, including most recently as President, Chief Operating Officer and a member of the Board of Directors. Currently, he serves on the Board of Directors for StanCorp Financial Group, Inc., the Global Technology Distribution Council, and also serves on the Dean's Advisory Council of the University of Waterloo. He holds a Bachelor of Applied Science degree in Electrical Engineering from

the University of Waterloo in Ontario, Canada. As a former executive officer and member of the Board of Directors of Ingram Micro, one of our competitors, we believe that Mr. Murai contributes his leadership skills, industry knowledge, technology background, and business experience to the Board. We believe it is also important that the Chief Executive Officer serve on the Board. In addition, we believe that Mr. Murai's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board heterogeneity.

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Fred Breidenbach, 67, has served as a member of the Board since February 2003. Mr. Breidenbach has had his own consulting firm of FA Breidenbach & Associates, LLC since November 1997. Prior to that, he served as the President and Chief Operating Officer of Gulfstream Aerospace Corporation, an aviation company, from 1993 to 1997. Prior to joining Gulfstream, Mr. Breidenbach spent 25 years in various positions at General Electric Company, including five years as an officer of the General Electric Company and two years as President, GE Aerospace Asia Pacific, responsible for business development and Asian operations. Mr. Breidenbach received a Bachelor of Science degree in Industrial Engineering from Pennsylvania State University and a Master of Business Administration from Xavier University. As a former executive officer of Gulfstream Aerospace Corporation and General Electric Company, we believe that Mr. Breidenbach contributes his leadership skills, GE related corporate discipline, Asia Pacific knowledge, technology background, and business experience to the Board. In addition, we believe that Mr. Breidenbach's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board heterogeneity.

Hau Lee, 61, has served as a member of the Board since February 2012. Dr. Lee is the Thoma Professor of Operations, Information and Technology at the Graduate School of Business at Stanford University. He is the founding and current Director of the Stanford Global Supply Chain Management Forum, an industry-academic consortium to advance the theory and practice of global supply chain management and is also the Director of the Stanford Institute for Innovations in Developing Economies, an institute created to use entrepreneurship and innovations to alleviate poverty. Dr. Lee was elected to the National Academy of Engineering of the U.S.; Fellow of Manufacturing and Service Operations Management; Production and Operations Management Society; and INFORMS. He is a co-founder of DemandTec, Inc. Dr. Lee has served on the Board of Directors of Pericom Semiconductor since 2000 where he is Chairman of the Compensation and Nominating Committees and is a member of the Audit Committee. Dr. Lee received his Bachelor of Social Science degree in Economics and Statistics from the University of Hong Kong, his Master of Science degree in Operational Research from the London School of Economics, and his Master of Science and Doctor of Philosophy degrees in Operations Research from the Wharton School of the University of Pennsylvania. As a professor in supply chain management, we believe that Dr. Lee contributes his leadership skills, supply chain and technology background, and business experience to the Board. In addition, we believe that Dr. Lee's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board heterogeneity.

Matthew Miao, 67, has served as the chairman of our Board of Directors since 1992 and as a non-executive employee since 2001. In connection with Mr. Huang's retirement and election as Chairman of the Board, Mr. Miao assumed the position of Chairman Emeritus of the Board in December 2008. Mr. Miao is the Chairman of the Board of Directors of MiTAC Holdings Corporation, MiTAC Incorporated, Synnex Technology International Corp., UPC Technology Corp. and Lien Hwa Industrial Corp. He is also a member of the Board of Directors of the Institute for Information Industry in Taiwan and the Supervisory Board of Linde AG in Germany. Mr. Miao received a Bachelor of Science degree in Electrical Engineering/Computer Science from the University of California, Berkeley and a Master of Business Administration degree from Santa Clara University. As the Chairman of the Board of MiTAC Holdings Corporation, we believe that Mr. Miao contributes his leadership skills, distribution, contract manufacturing and Asia Pacific knowledge, finance and technology background, and business experience to the Board. In addition, we believe that Mr. Miao's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board heterogeneity.

Dennis Polk, 47, has served as a member of the Board since February 2012. Mr. Polk joined SYNEX in 2002 as Senior Vice President of Corporate Finance and in the same year became Chief Financial Officer. In 2006, he was

promoted to Chief Operating Officer. Mr. Polk serves on the Board of Directors of Terreno Realty Corporation. At Terreno, Mr. Polk serves on the Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee. Before joining SYNEX, Mr. Polk held executive positions at DoveBid Inc., a capital asset disposition services firm and Savoir Technology Group, Inc., a computer systems distributor and contract manufacturer. Mr. Polk started his career at Grant Thornton LLP, where he exited as an Audit Manager. A graduate of Santa Clara University, Mr. Polk received his Bachelor's Degree in Accounting and is a Certified Public Accountant. As a current executive officer of SYNEX and prior distribution and contract manufacturer executive, we believe that Mr. Polk contributes his leadership skills, distribution and operations knowledge, finance

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

Gregory Quesnel, 65, has served as a member of the Board since September 2005. Mr. Quesnel served as President and Chief Executive Officer and a member of the Board of Directors of CNF Inc. from 1998 until his retirement in July 2004. Prior to that, he served as Executive Vice President and Chief Financial Officer of CNF Inc. He joined CNF Inc. in 1975 following several years of professional experience with major corporations in the petroleum and wood products industries. Mr. Quesnel serves on the Boards of Directors of Potlatch Corporation and Ross Stores, Inc. At Potlatch Mr. Quesnel serves as the Chairman of the Finance Committee and also a member of the Audit Committee, Executive Compensation and Personnel Policies Committee, and the Nominating and Corporate Governance Committee. Mr. Quesnel serves as the Chairman of the Audit Committee for Ross Stores and also serves on its Nominating and Corporate Governance Committee. Mr. Quesnel received a Bachelor of Science degree in Finance from the University of Oregon and holds a Master of Business Administration from the University of Portland. As a former executive officer and member of the Board of Directors of CNF Inc. and an Audit Committee financial expert, we believe that Mr. Quesnel contributes his leadership skills, transportation and logistics knowledge, finance background, and business experience to the Board. In addition, we believe that Mr. Quesnel's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board heterogeneity.

Thomas Wurster, 61, has served as a member of the Board since February 2012. Mr. Wurster is a Senior Partner and Managing Director with The Boston Consulting Group (BCG), a leading global management consulting firm, where he most recently led the West Coast. In the past, he has served as a member of BCG's Senior Officer Selection Committee, Officer Development Committee, and Americas Management Team. In addition, he has led both the Los Angeles and San Francisco offices of BCG. Mr. Wurster joined BCG in 1978 and was elected Vice President and Director in 1985. Mr. Wurster is also a Visiting Adjunct Professor of Strategy at the UCLA Anderson School of Management. He has also taught at the Yale School of Management as an Adjunct Professor of Strategy and Organization. He has more than thirty five years of experience consulting to leading companies with a specialization in technology and media. Mr. Wurster is co-author of the book *Blown to Bits* (The Harvard Business School Press, 2000) on how digital technologies change business strategy. Mr. Wurster received a Bachelor of Arts degree in Economics and Mathematics from Cornell University with distinction and was elected to Phi Beta Kappa. He received his Master of Business Administration degree with honors from the University of Chicago and received his Doctor of Philosophy degree in economics from Yale University. We believe that Mr. Wurster contributes his leadership skills and corporate and business unit strategy development, organization design, merger integration planning and implementation, marketing and sales, operations, and IT distribution background and experience to the Board. In addition, we believe that Mr. Wurster's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board heterogeneity.

Duane Zitzner, 66, has served as a member of the Board since May 2007. Mr. Zitzner has had his own consulting firm since January 2005. Prior to that, he served as the Executive Vice President of the Personal Systems Group at Hewlett-Packard Company from 2002 until his retirement in December 2004. Prior to his appointment as Executive Vice President at Hewlett-Packard Company, Mr. Zitzner spent several years in various executive positions at Hewlett-Packard Company, including three years as President of Computing Systems and three years as Vice President and General Manager of the Personal Systems Group. Mr. Zitzner received a Bachelor of Science degree in Mathematics from the University of Wisconsin - Madison and did advanced studies in Computer Science at the University of Minnesota - Twin Cities. As a former executive officer of Hewlett-Packard Company, we believe that

Mr. Zitzner contributes his leadership skills, industry knowledge, technology background, and business experience to the Board. In addition, we believe that Mr. Zitzner's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board heterogeneity.

Andrea Zulberti, 62, has served as a member of the Board since September 2010. Ms. Zulberti is retired from Barclays Global Investors (now Blackrock, Inc.), one of the world's largest investment management and advisory companies, after a 14-year career in various executive positions, including Managing Director, Chief

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Financial Officer, Head of Global Risk Management and Head of Global Operations. From April 2005 to June 2011, Ms. Zulberti served on the Board of Trustees of ProLogis, a NYSE-traded REIT. During her tenure at ProLogis, she was a member of ProLogis' Audit Committee and Finance and Investment Committee and chaired its Management Development and Compensation Committee. Prior to Barclays Global Investors, Ms. Zulberti's earlier business roles included co-founding a real estate syndication firm and financial management experience in various industries, including transportation and marketing consultancy. Ms. Zulberti graduated with honors with a Bachelor of Science degree in Business Administration from California State University at Hayward (now California State University East Bay). Ms. Zulberti is a certified public accountant (inactive) and a member of the California Society of Certified Public Accountants. As a former executive officer of Barclays Global Investors and former member of the Board of Trustees, Audit Committee and Finance and Investment Committee of ProLogis, we believe that Ms. Zulberti contributes her leadership skills, finance, background, and business experience to the Board. In addition, we believe that Ms. Zulberti's membership on the Board helps to achieve the objective that its membership be composed of experienced and dedicated individuals with diversity of backgrounds, perspectives, skills and other individual qualities that contribute to Board heterogeneity.

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

Vote Required

The ten nominees for director receiving the highest number of affirmative votes will be elected as directors. However, the Board has adopted a majority vote standard for director elections. As a result, if a director receives less than a majority of the votes cast for such director, the Board will evaluate the situation and is authorized to remedy the situation as it deems appropriate, including requesting that the affected director resign from the Board. Unless marked to the contrary, proxies received will be voted FOR the nominees.

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

Table of Contents**CORPORATE GOVERNANCE****Organization of the Board of Directors**

The Board held 11 meetings during the fiscal year ended November 30, 2013. Each director attended at least 75% of the total regularly scheduled and special meetings held by the Board and the committees on which such director served during the director's tenure in the last completed fiscal year. We do not have a policy regarding directors attendance at the Annual Meeting. However, all members of the Board attended the 2013 Annual Meeting of Stockholders.

Our non-management directors meet in regularly scheduled executive sessions without the presence of management. The Chairman of the Board or the Lead Director, as applicable, presides over each such Executive Session. Currently, Mr. Steffensen is an independent, non-executive Chairman of the Board, so the position of Lead Director remains vacant. Historically, our Chief Executive Officer has not served as our Chairman of the Board and we continue to separate the two positions. Separating the two positions ensures that our Chief Executive Officer is accountable for managing our company in close alignment with the interests of stockholders, eliminates the inherent conflict of interest that arises when the roles are combined, promotes oversight of risk and can serve as a conduit for regular communication with stockholders.

The Board has established four standing committees: the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee and the Executive Committee. In addition, from time to time, the Board establishes non-standing committees to address matters that may arise during periods between regularly scheduled meetings and/or specific issues not fully applicable to one of the standing committees. The Board has determined that all members of the Audit, Compensation, and Nominating and Corporate Governance Committees meet the independence standards of the NYSE and rules and regulations of the Securities and Exchange Commission (SEC). With respect to the Executive Committee, at least one half of the members of the Executive Committee meet the independence standards of the NYSE and rules and regulations of the SEC. In addition, each member of the Audit Committee is financially literate as defined by the Board and each member of the Audit and Compensation Committees meet the heightened independence standards of the NYSE and rules and regulations of the SEC applicable to members of these committees. The Board has approved a charter for each of these standing committees, which can be found on our website at www.synnex.com. Our corporate governance guidelines and ethical business conduct, which are applicable to our principal executive, financial and accounting officers, directors and employees, are also available on or through our website at www.synnex.com and are available in print to any stockholder upon request. We intend to post any amendments to the corporate governance guidelines or code of ethics on our website.

The following lists the four standing committees and their current members who are director nominees.

Audit Committee

Number of Members: 3

Members: Hau Lee
Gregory Quesnel, Chairman and Audit Committee Financial Expert
Andrea Zulberti, Audit Committee Financial Expert

Number of Meetings in fiscal year ended November 30, 2013: 9

Functions:

The Audit Committee provides assistance to the Board in fulfilling its legal and fiduciary obligations in matters involving our accounting, auditing, financial reporting, internal control and legal compliance functions by approving the services performed by our independent registered public accountants and reviewing their reports regarding our accounting practices and systems of internal accounting controls. The Audit Committee also oversees