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[arrow.com](http://arrow.com)

## **BUSINESS PARTNER CODE OF CONDUCT**

### **ARROW ELECTRONICS, INC.**

Dear Business Partner,

The success of Arrow has been built on the everyday application of our core values: ethics in our conduct of the business, honesty and courage in dealing with each other and the rest of the world, personal accountability for our own actions, and a relentless passion for service excellence. But the demands on each of us, and each of our business partners, grow more complex every day, and if we are to continue to grow and succeed we must retain our focus on the manner in which we conduct ourselves.

Arrow's Business Partner Code of Conduct is intended primarily as a reference point to guide business partners as they conduct business with and on behalf of Arrow around the world.

Our policy is to require all business partners to review this Code of Conduct and agree to comply with it.

Please feel free to contact your engagement manager with any questions or problems you may have concerning the Code or its application.

Yours truly,

Carine Jean-Claude  
Chief Compliance Officer

## **HOW THIS CODE APPLIES AND WHAT IT REQUIRES**

This Code applies to all vendors, contractors, consultants, agents, sub-contractors and other providers of goods and services as well as customers (“business partners” or “partners”) of Arrow and all of its subsidiaries. It is based on the same principles as Arrow’s employee Code of Conduct. Of course, no section of the Code will apply where or to the extent that it would violate applicable law.

Each business partner is responsible for becoming familiar with the Code and complying with its standards. Violations of the Code can lead to termination of the partner’s engagement with Arrow. It is also important to keep in mind that many Code sections are based on the legal requirements of the countries in which Arrow operates, so that a violation of the Code may also involve breaking the law, which could mean civil or criminal prosecution of the violator.

A business partner’s responsibility for compliance with this Code means that “following orders” will not excuse a violation of the Code: No Arrow employee at any level of the organization is authorized to violate Arrow’s Code of Conduct, or direct a business partner to violate this Business Partner Code of Conduct.

## **COMPLIANCE WITH LAWS**

Business partners must follow all applicable laws, rules and regulations while conducting Arrow business. If you encounter a situation where this Code conflicts with a local law this should be brought to Arrow's attention.

Keep in mind that Arrow is a publicly traded, U.S.-based company, and that our operations throughout the world are subject to certain U.S. laws in addition to those of the country in which they are located.

## **INTEGRITY OF BOOKS AND RECORDS**

All books and records must be accurate. As an Arrow business partner you are responsible for the accuracy of any information you report, data you enter, or document you generate for or regarding Arrow. Records must be legible, transparent and reflect actual transactions and payments. Intentionally entering or providing any false, misleading or inaccurate data in any form is prohibited.

All business records and written communications are considered Arrow's official company documents and may become public.

## **INSIDER TRADING**

Business partners who have access to confidential information about Arrow, our customers, competitors or suppliers are not permitted to use or share that information for trading in stocks or for any other purpose except the proper conduct of Arrow business. All information about Arrow, any of our customers, competitors or suppliers that has not been made available to the general public should be considered confidential or "non-public" information.

## **ANTITRUST AND COMPETITION**

All business partners, agents and sub-agents must abide by their national laws and Arrow's policy governing competition and antitrust.

Arrow's policy prohibits:

- Setting or even discussing prices, terms of sale, or other competitive information with competitors, or attending meetings with competitors at which such topics are discussed.
- Dividing customers, markets, or territories with competitors.
- Attempting to dictate or control a customer's resale prices, or allowing a supplier to dictate our resale prices.
- Engaging in any other conduct that violates any applicable antitrust or competition law.

Business partners making decisions on behalf of Arrow in the marketplace such as where or how much to buy or sell, with whom to deal, what price to pay or charge and what advertising, promotion and credit terms to offer, must do so with Arrow's cooperation only and without any

agreement or understanding with competitors, and without imposing requirements which unduly restrict the freedom of our suppliers and customers to make their own independent decisions.

## **CORRUPTION AND BRIBERY**

The laws of many of the countries in which Arrow companies operate prohibit bribery. For example, the U.S. Foreign Corrupt Practices Act ("FCPA") and the United Kingdom (UK) Anti-Bribery Act prohibit bribes to government and other officials (such as political candidates, political parties and their officials, employees of government-owned business, United Nations officials, etc.). The UK Anti-Bribery Act also prohibits bribes to commercial parties. Both the FCPA and the UK Anti-Bribery Act apply to activities that take place anywhere in the world. A violation can be a serious criminal offense for all involved. A violation can result in fines and penalties for companies, and fines, penalties, and imprisonment for individuals. Accordingly, you must ensure that payments made to or on behalf of Arrow are made only for legitimate business purposes.

Under no circumstance is it acceptable for any business partner to offer or give anything of value, directly or indirectly, to any commercial counterparties (including their employees or officers), government officials, government contractors or subcontractors, political candidates or political parties, in your home country or anywhere else, in order to obtain or maintain business, or to gain any advantage of any kind.

Business partners will prohibit any payment improperly offered or provided to influence or induce any act or decision of government officials (from any level of government) or to secure any improper advantage. Business partners will not make any payments directly to a government official, or through a third party with knowledge that the payment will be given to a government official in exchange of a favorable action on behalf of Arrow or the business partner.

Under the anti-bribery laws, Arrow, its employees, and its business partners also are prohibited from doing indirectly what we are prohibited from doing directly - do not make any payment to a third party if all or any part of the payment will be given to a person for a prohibited purpose.

## **ECONOMIC SANCTIONS, TRADE EMBARGOES, AND TECHNOLOGY IMPORT AND EXPORT LAWS**

Any business partner involved in the importing and/or exporting of goods and technology must provide information and documentation upon request for all applicable shipments made on Arrow's behalf. Business partners must remain in compliance with applicable trade related laws wherever business is conducted. Failure by business partners and their employees to comply with economic sanctions, trade embargoes, and export and import control laws and regulations can have significant adverse consequences for Arrow, the business partner and the individuals involved in such non-compliance. Violations of these laws and regulations are "strict liability" offenses, meaning that there can be penalties imposed without regard to the intent, knowledge or the degree of care of the Business Partner or the involved employees in attempting to comply with those laws and regulations. Of course, if there is an intent to engage in or knowledge of violations of trade related laws or regulations, or a lack of care in attempting to comply with

those laws and regulations, then greater penalties can be imposed on Arrow or the business partner.

### **PROTECTION AND PROPER USE OF ARROW ASSETS**

Business partners must protect, preserve and return upon request, all material, supplies, equipment and intellectual property and technology provided to them in connection with their work with Arrow. All such assets, including drawings, funds, material and know-how shall be used only for the purposes specified in the business partner's agreement with Arrow.

### **GIFTS AND ENTERTAINMENT**

Gifts and entertainment may be offered or accepted only as a means of showing good will and strengthening existing working relationships, and never to gain an inappropriate business advantage. Do not seek to gain a business advantage through improper means. Business gifts that compromise, or even appear to compromise, an individual's ability to make objective and fair business decisions are inappropriate. Do not offer or accept a gift that is not appropriate under Arrow policy. Business partners offering gifts or entertainment deemed inappropriate may be disqualified as Arrow partners.

### **CONFIDENTIALITY**

Business partners must respect Arrow's intellectual property, trade secrets and other confidential, proprietary or sensitive information and may not use or disclose any such information except in accordance with their contract with Arrow and for the benefit of Arrow. Any information or data regarding Arrow operations shall be treated by business partners as confidential at all times unless that information enters the public domain through no fault of the business partner. The business partner's obligations with respect to Arrow's confidential or proprietary information include:

- Not to disclose this information to other people within the business partner's organization except on a strict "need to know" or "need to use" basis.
- Not to disclose this information to persons outside of the business partner's organization.
- Not to use this information for the business partner's own benefit or the benefit of any other person.

When your relationship with Arrow has ended, all documents, records, files, or compilations containing, relating to, or derived from confidential information must be turned in. You must maintain the confidentiality of information even after your relationship with Arrow ends. Confidential information you were entrusted with at a previous employer must be considered the property of that employer and should never be used for Arrow's benefit.

## **CONFLICTS OF INTEREST**

Business partners must disclose to Arrow any actual or potential conflict of interest. For that reason, business partners must inform Arrow if a business partner's employee, investor or other affiliated person, or his or her family member, has a relationship with an Arrow employee who can make decisions which may affect business partner's business, or if an employee of Arrow has any interest of any kind in business partner's business.

## **PROFESSIONALISM AND HARASSMENT**

Behaviors that create an offensive work environment are not acceptable in the conduct of Arrow business, whether sexual in nature or based on an individual's other characteristics, such as gender, race, color, national origin, religion, or sexual orientation.

If you believe that you are being harassed by an Arrow employee we encourage you to report it to Arrow.

## **HEALTH SAFETY AND ENVIRONMENT**

Business partners must follow applicable safety, health and environment laws, regulations, rules and practices, and should demonstrate respect for their employees as well as for the environment.

## **LABOR PRACTICES**

Arrow opposes the use of illegal child labor, involuntary servitude, the exploitation of children, and all other forms of abusive or exploitative labor practices. Arrow will not work with any business partner known to operate with unacceptable worker treatment such as physical punishment, abuse, involuntary servitude or other forms of abuse. Arrow expects its business partners to take appropriate steps to ensure that the business partners they utilize do not engage in any of these practices.

## **UNIVERSAL HUMAN RIGHTS**

Arrow is committed to respecting human rights worldwide. To that end, Arrow practices and seeks to work with business partners who promote the following standards in accordance with applicable law:

- Equal opportunity for employees at all levels regardless of gender, race, color, national origin, religion, sexual orientation, or any characteristic protected by applicable law.
- Wages that enable employees to meet at least their basic needs, and opportunities for employees to improve their skills and capabilities;
- Legally mandated work hours and compensation for overtime hours in accordance with local laws.
- Respect for the employees' lawful freedom of association; recognition of all legal rights to organize and collectively bargain; and working with government and communities in

which we do business to improve the educational, cultural, economic and social well-being in those communities.

## **CONFLICT MINERALS**

Business partners are encouraged to adopt policies and management systems with respect to Conflict Minerals, in effort to cut direct and indirect funding of armed groups engaged in conflict and human rights abuses in the Conflict Region. Business partners should drive similar efforts throughout their supply chain to ensure conflict minerals are being sourced only from (1) mines and smelters outside the “Conflict Region” or (2) mines and smelters within the Conflict Region which have been certified by an independent third party as “conflict free.”

## **CONFIDENTIAL REPORTING ON ARROW’S ALERTLINE**

Arrow maintains a 24-hour a day, seven days a week “AlertLine”, which provides a mechanism for reporting policy violations to the Chief Compliance Officer and, where appropriate, Arrow’s Board of Directors with complete anonymity, subject to any restriction which may be imposed by laws of your home country. Calls may be made in any language. Follow the dialing instructions below:

### **Dialing Instructions**

Step 1: Enter the [AT&T Direct Access Number](#) for the country you are calling *from*. Access numbers are found on the AT&T web site.

Step 2: When you hear the English-language voice prompt, or series of tone prompts, enter the toll-free, dedicated Arrow number: 877-Code-ARW (877-263-3279). (Do not press “1” or “0” before dialing the telephone number.)

Step 3: The call will be connected to Arrow AlertLine. You will hear a short pre-recorded message in English telling you that you have reached the Arrow AlertLine.

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