



ARROW ELECTRONICS, INC.

EFFECTIVE DATE: May 10, 2017

POLICY: Arrow Electronics Inc. Public Sector
Compliance Guide

REVISION: Two

AUTHOR: Arrow's Worldwide Compliance Services

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. No section of the Code will apply where 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.

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. 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.

In order to compete fairly and comply with these laws when acting on behalf of Arrow, we should never discuss with our competitors, even casually, issues effecting competition, such as:

- Dividing customers, markets or territories with competitors;
- What prices to pay or charge;
- What advertising, promotion and terms to offer; or
- Bids

Business partners making decisions on behalf of Arrow 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

Arrow has zero tolerance for any form of bribery or corruption. It is not acceptable to offer or give anything of value directly or indirectly to any party with whom we are doing business or seeking to do business with, whether governmental or private, in order to obtain or maintain business, or to gain an advantage. This includes excessive gifts, travel, meals, entertainment, contributions to a political party, and charitable contributions and sponsorships.

These rules apply to both direct and indirect activities of the company, our employees, and its partners. For example, you cannot 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.

GLOBAL TRADE LAWS

Any business partner involved in the importing and/or exporting of goods and technology or exchange of information across national boundaries must provide information and documentation upon request for all applicable shipments and exchanges 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.

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 goodwill 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. Business partners offering gifts or entertainment deemed inappropriate may be disqualified as Arrow partners.

In the case of government officials or employees of a state-owned enterprise (from any level of government), no entertainment or gifts may be offered, or travel expenses paid on behalf of Arrow, without the written pre-approval of Arrow's Legal Department even it is customary or a common practice in the country.

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.

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, age, religion, sexual orientation, physical or mental disability or any characteristic protected by applicable law.

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.

GENERAL LABOR PRINCIPLES AND 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.

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.

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.