



**Corporate
Stewardship
and Impact**

2025 Report

**Arrow Electronics, Inc.
March 2026**

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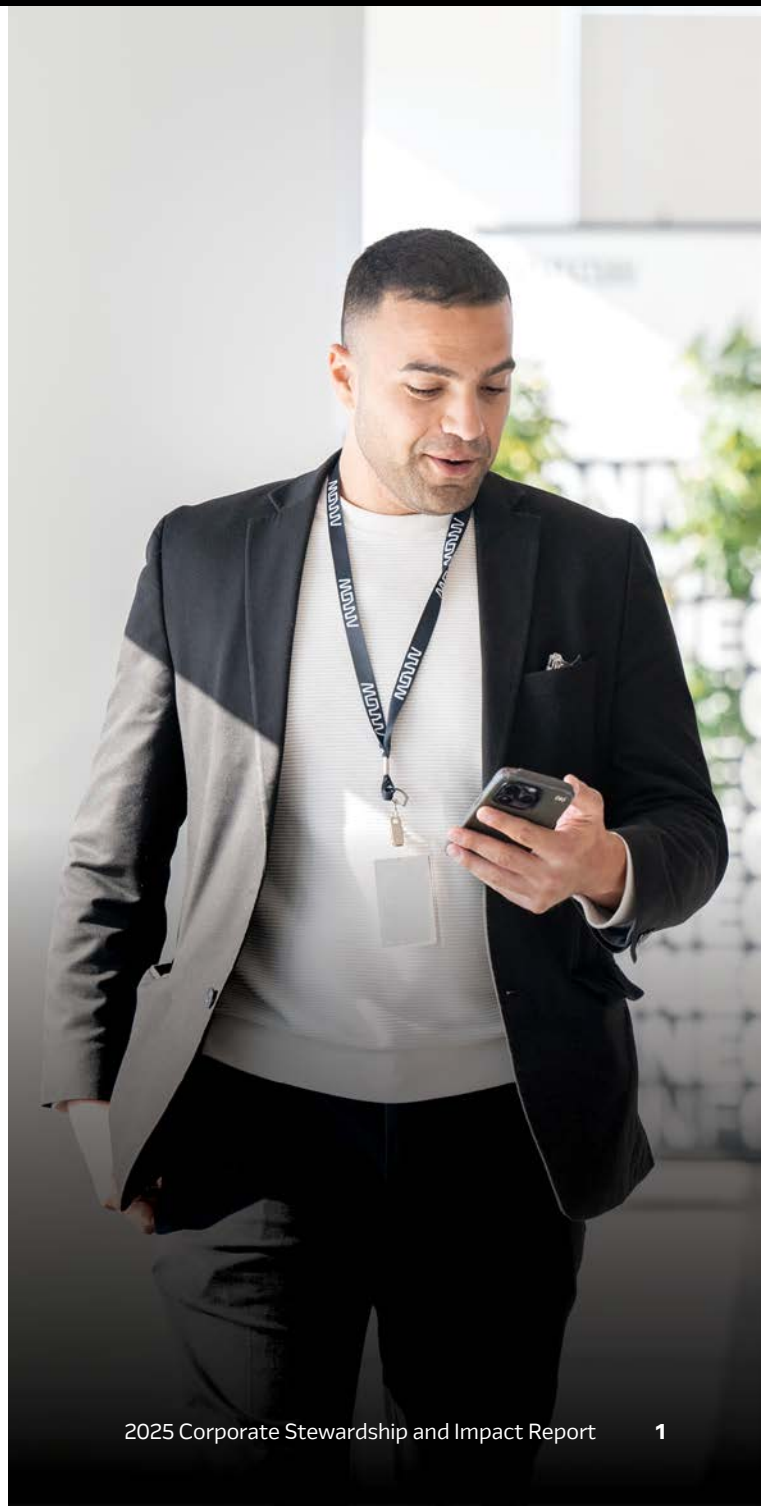
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Letter from our interim president and CEO

At Arrow Electronics, we strive to guide innovation forward for our stakeholders as the premier global distributor of technology solutions. I am honored to lead Arrow during this pivotal time, building on a 90-year legacy that includes our commitment to responsible corporate stewardship.

The world around us continues to evolve rapidly. Shifting market dynamics, technological advancements, and a complex geopolitical environment present both challenges and opportunities. Through it all, Arrow's strength lies in our ability to adapt, execute, and deliver results — anchored by our core values and the dedication of our global team.

Arrow's strategy is focused on four key pillars: maintaining our leadership in large and growing markets, expanding our value-added services, leveraging our diversified business model, and executing a disciplined capital allocation strategy. Central to this approach is the belief that technology, when guided by purpose and responsibility, can help improve business and daily life.

We are committed to delivering positive corporate stewardship outcomes and are proud of the progress we have made in advancing our priorities. Arrow's actions reflect our belief that doing good is good for business — and our talented team of more than 22,000 employees worldwide is the engine behind our performance and our impact.

This report provides more information about our approach to corporate stewardship and the actions we are taking to best serve our investors, suppliers, customers, employees, and communities. We welcome your input throughout the year and value your support as we work together to create a lasting impact for our business and stakeholders.

Sincerely,



WILLIAM F. AUSTEN
Interim President and Chief Executive Officer



About this report

The 2025 Corporate Stewardship and Impact Report discloses our goals, progress, and related performance updates on topics most relevant to our business.

Reporting boundaries

All content and data contained in this report are specific to Arrow Electronics, Inc., and its wholly owned subsidiaries (collectively, “Arrow”), for the 2025 calendar year (January 1 through December 31, 2025), unless otherwise stated. Certain historical data illustrating progress over time has also been included.

Standards, frameworks, and regulations

Our corporate stewardship and impact disclosures and reporting are guided by our materiality assessment, which identifies the topics most important to our business and stakeholders. We also seek to align with related disclosure frameworks and standards, such as

the Sustainability Accounting Standards Board’s (SASB) Specialty Retailers & Distributors sector guide and the Task Force on Climate-related Financial Disclosures (TCFD).

Additionally, we continually monitor and seek to comply with forthcoming regulations and related frameworks. By monitoring regulatory changes, we remain prepared to take action and respond accordingly.

Assurance

Our internal corporate audit department reviewed our full report in preparation for external third-party verification in future years, underscoring our commitment to transparency and accountability.

Contact us

We have published voluntary reports on our corporate stewardship and impact since 2021. Our most recent report is available at arrow.com/corporate-stewardship. To provide feedback on this report, please email corporatestewardship@arrow.com.



Forward-looking statements

This report includes “forward-looking statements,” as the term is defined under the federal securities laws. Forward-looking statements are those statements that are not statements of historical or current fact. These forward-looking statements can be identified by forward-looking words, such as “expects,” “anticipates,” “intends,” “plans,” “may,” “will,” “would,” “could,” “believes,” “seeks,” “projected,” “potential,” and “estimates,” as well as similar expressions. These forward-looking statements are based on management’s current opinions, expectations, beliefs, plans, objectives, assumptions, or projections regarding future events or future results, and include but are not limited to our commitments, strategies, and initiatives; our business plans and strategy; our products, services, and solutions; and our stakeholder engagement efforts.

Actual results, levels of activity, performance, achievements, and events could differ materially from those stated, anticipated, or implied by such forward-looking statements. While we believe these assumptions are reasonable, it is very difficult to

predict the impact of known factors; of course, it is impossible to anticipate all factors that could affect actual results.

Some risks and uncertainties could cause actual results to differ materially from forward-looking statements herein including, most prominently, the risks discussed under the heading “Risk Factors” in our “Annual Report” on [Form 10-K](#) for the year ended December 31, 2025, filed with the U.S. Securities and Exchange Commission (SEC) on February 11, 2026, as well as other factors described from time to time in our filings with the SEC. Such forward-looking statements are made only as of the date of this release. We undertake no obligation to publicly update or revise any forward-looking statement because of new information, future events, or otherwise, except as otherwise required by law. If we update one or more forward-looking statements, no inference should be made that we will make additional updates with respect to those or other forward-looking statements. Information included in, and any issues identified as “material” or any derivatives of the word “material” for

purposes of, this report may not be considered material for SEC reporting purposes. Within the context of this report, the term “material” (or any derivatives of the word “material”) is distinct from, and should not be confused with, such term as defined for SEC reporting purposes. Website references and hyperlinks throughout this report are provided for convenience only, and the content on the referenced websites is not incorporated by reference into this report, nor does it constitute a part of this report.

While we are actively working to achieve our corporate stewardship and impact goals, these goals are forward-looking statements that reflect expectations as of the date of this statement, not historical facts or guarantees of future performance, achievement, or results. There is no guarantee that we will meet our goals or satisfy stakeholder expectations. In addition, the standards by which certain corporate stewardship and impact goals are measured are evolving and subject to assumptions that could change over time.





Five Years Out

ARROW

About Arrow

Arrow Electronics, Inc. is a global provider of products, services, and solutions for industrial and commercial users of electronic components and enterprise computing solutions. We source products and provide engineering services and expertise — guiding innovation forward by helping customers design, build, and deploy transformative technologies across the entire technology ecosystem. We specialize in managing complexity to help customers design, distribute, and deploy forward-thinking products, enabling technology solutions that make a positive difference in people's lives, and guiding the power of innovation to make the world better.

Our purpose

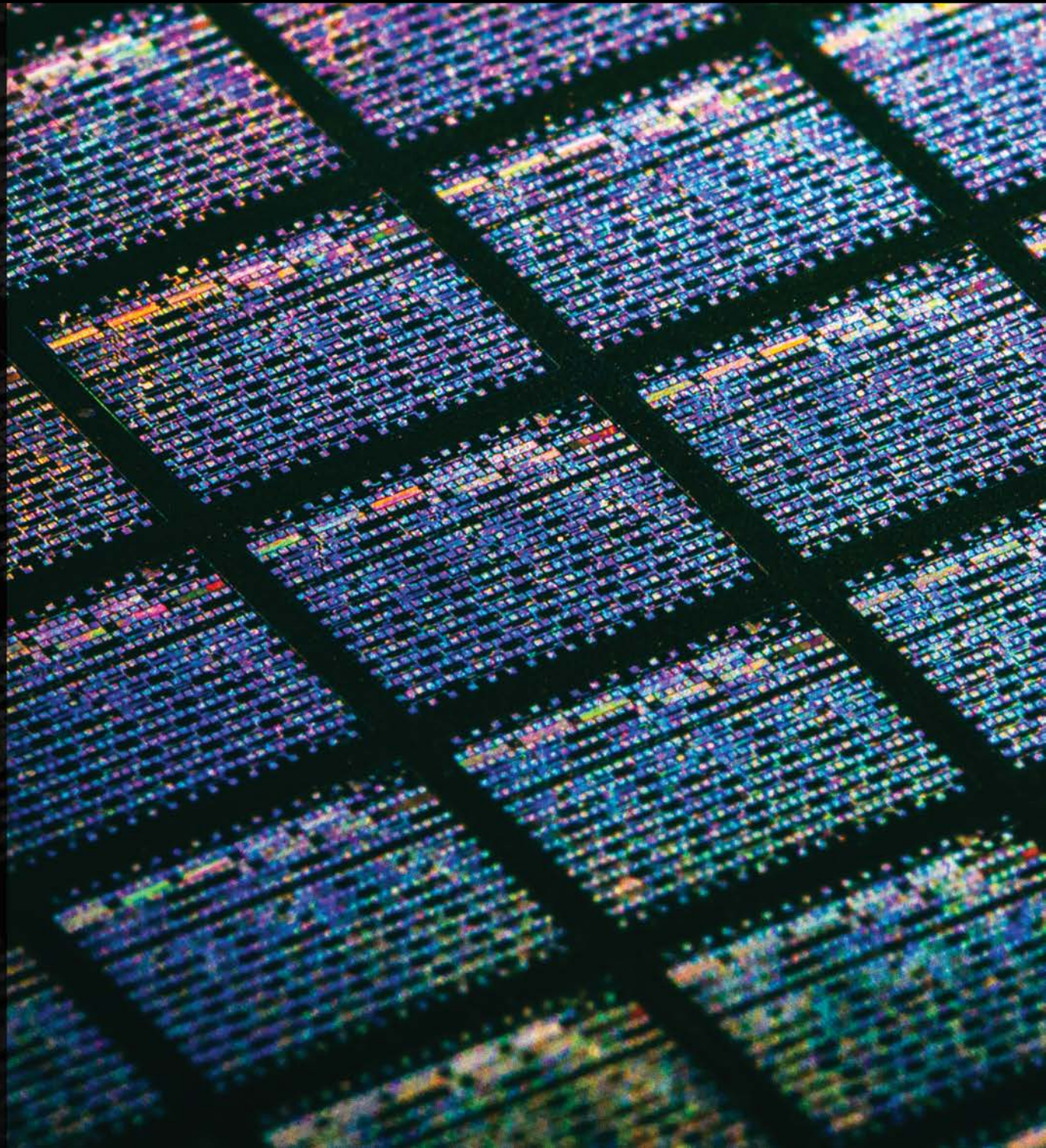
We believe new technologies will make life not only different, but better.

What we do

We enable customers and suppliers to design and distribute technology worldwide.

How we do it

We provide guidance, find solutions, and connect people with technology that makes the possible practical.



Global numbers

<p>Founded in</p> <p>1935</p>	<p>NYSE</p> <p>ARW</p>	<p>Employees worldwide</p> <p>22,230</p>	<p>Countries with employees</p> <p>52</p>
<p>Headquartered in</p> <p>Centennial, CO</p>	<p>Fortune</p> <p>154</p>	<p>Sales (in billions)</p> <p>\$30.9</p>	<p>Countries served</p> <p>85</p>

Our expertise

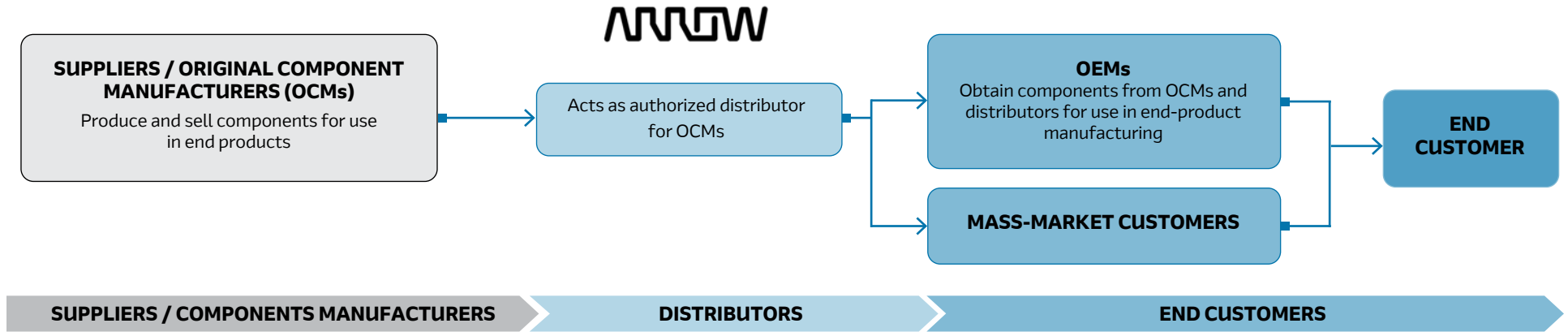
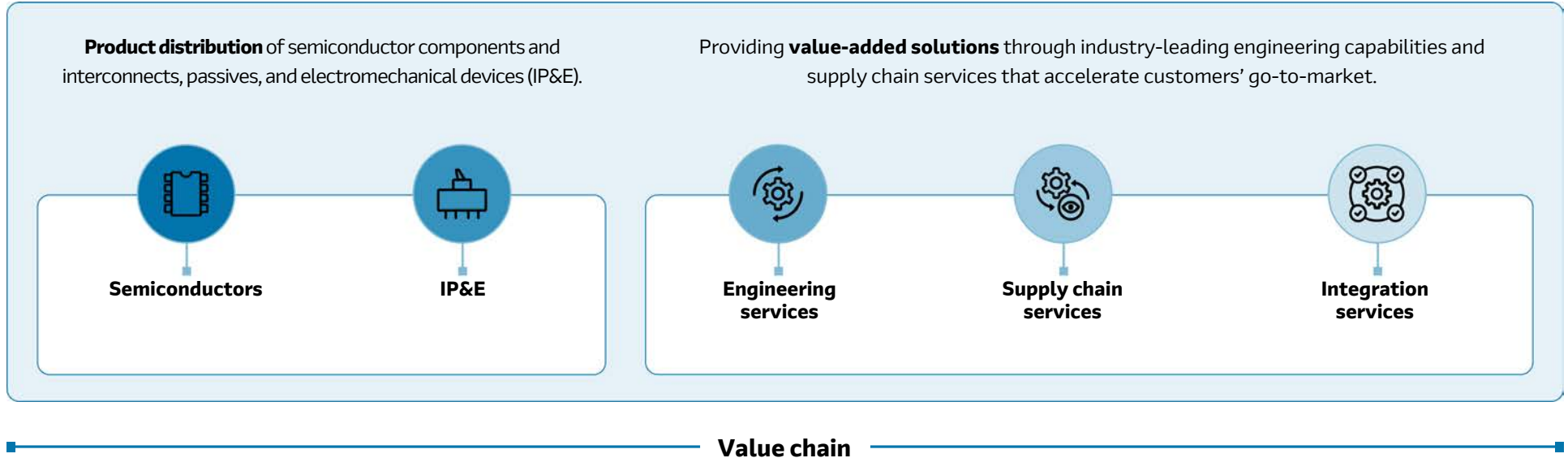
Our broad portfolio spans the entire technology landscape to help customers design, distribute, and deploy forward-thinking products that help make the benefits of technology accessible to as many people as possible.



Business segments and solutions

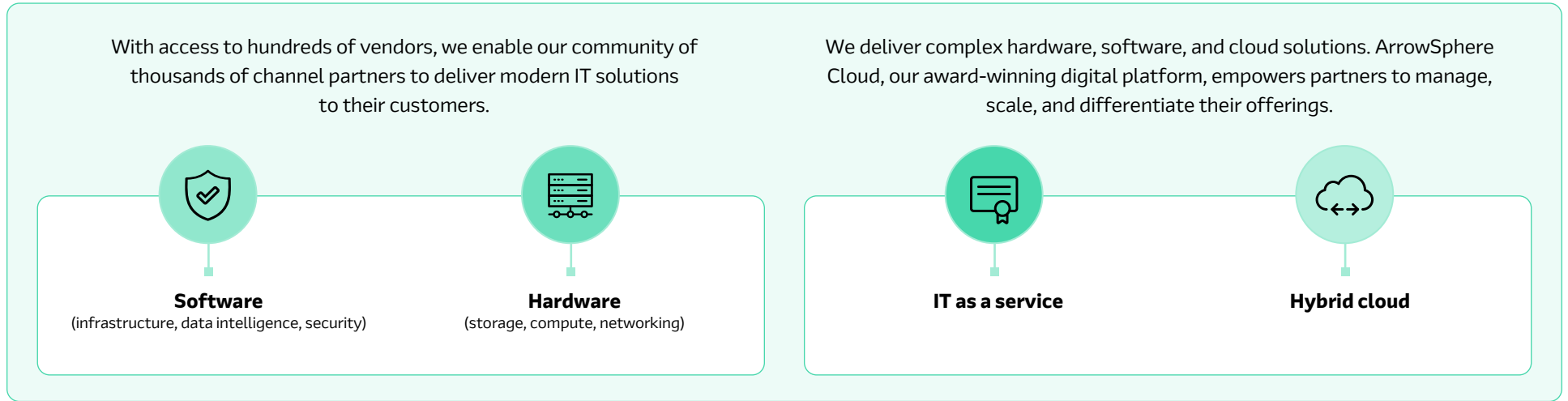
Global components

Connecting original equipment manufacturers (OEMs) and embedded solution providers with a comprehensive portfolio of electronic components.

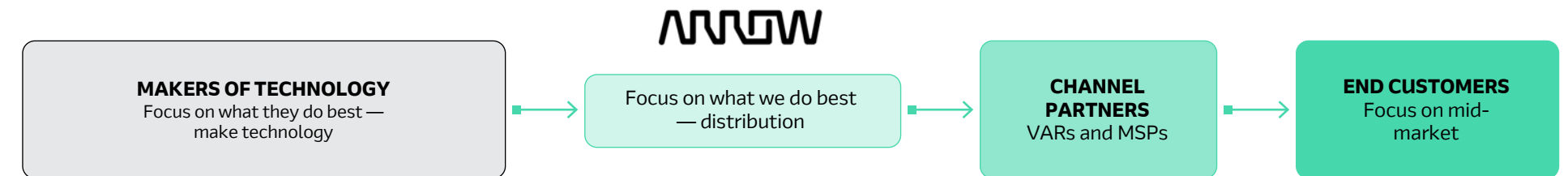


Enterprise computing solutions (ECS)

Serving channel ecosystems of value-added resellers, system integrators, services providers, telcos, independent software vendors (ISVs), developers, and marketplaces with complete go-to-market IT solutions.



Value chain



Subsidiaries and brands

Our subsidiaries and brands provide value-added services for commercial, industrial, and public-sector customers, including design engineering, supply chain management, bill-of-materials review, and shortage procurement.

ASPENCORE

Electronics industry-focused media group delivering critical news and analysis to support every stage of the electronics design cycle

CONVERGE® AN ARROW COMPANY

Full-service global supply chain partner, delivering hard-to-find parts, excess inventory management, and supply chain solutions



Value-added distributor of enterprise software and hardware products for public-sector solution providers, systems integrators, and U.S. government agencies



Specialized electronic component distributor providing design engineers with technical expertise and design support for the latest new products from the world's leading suppliers of RF, wireless, IoT, and power technologies



Component database of more than 1 billion parts to deliver the most comprehensive and current tools in the industry



Comprehensive end-to-end design support across the entire product stack



Online marketplace of electronic components enabling electronics manufacturers and their authorized channels to publish their unsold inventories



Enabling a sustainable future

At Arrow, we are uniquely positioned in the supply chain to support our suppliers and customers in achieving their sustainability goals across industries and applications. We offer a broad portfolio of technology solutions that enable organizations to innovate responsibly and accelerate their own corporate stewardship and impact strategies.

Our approach combines engineering expertise, advanced digital platforms, and sustainable product offerings, including electric vehicle (EV) charging system designs, cloud-based platforms for energy optimization, and liquid cooling technologies that reduce power consumption in data centers. We also support emerging mobility and renewable energy sectors through solutions for electric vertical takeoff and landing (eVTOL) vehicles and green infrastructure for energy storage. Innovations like these help our customers build systems that are sustainable, responsible, and future-ready.

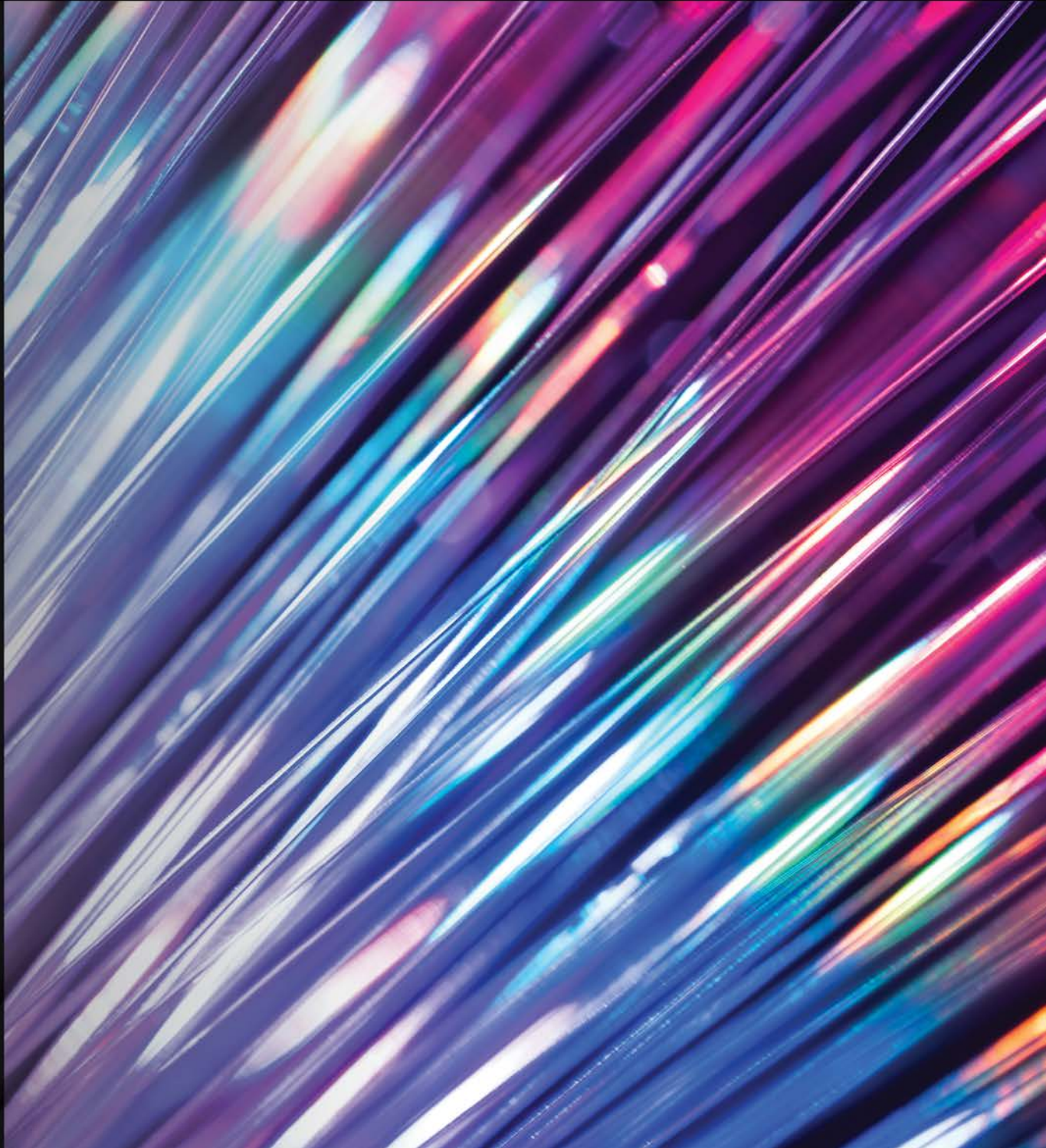
Learn more about our technology products, services, and solutions at arrow.com.

A complete list of subsidiaries of Arrow Electronics, Inc., is available [here](#).



Our progress in action

At Arrow, our corporate stewardship and impact is directly tied to our business strategy and the long-term sustainability of our company. We believe that doing good is good for business and strive to create positive outcomes for our stakeholders, drive innovation, and support long-term success.



Our corporate stewardship and impact strategy is anchored in three key pillars that promote the interests of our investors, suppliers, customers, employees, and communities:



**Championing governance
and ethics**

We uphold our commitments to strong corporate governance, integrity and ethics, and legal compliance — enabling responsible leadership and informed decision-making across our global value chain.



**Advancing environmental
stewardship**

We aim to advance the integration of sustainability throughout our operations and value chain while simultaneously supporting our business objectives — managing our environmental footprint, optimizing operations, and facilitating ongoing collaboration.



**Supporting our workforce
and communities**

We strive to build a purpose-driven culture where responsible leadership guides innovation and every employee feels valued and empowered to contribute in high-impact ways — both at work and in the communities we serve around the world.



Corporate stewardship and impact materiality



At Arrow, responsible business is an essential part of our business strategy. Toward this mindset, we concentrate our corporate stewardship and impact priorities where they drive long-term advantage across our value chain. By doing so, we aim to strengthen performance and resilience, accelerate innovation across our business ecosystem, and deliver compelling results for our stakeholders.

We are proud to share our 2025 Corporate Stewardship and Impact Report, underscoring our accountability and progress as we serve our investors, suppliers, customers, employees, and communities.

GRETCHEN K. ZECH

Senior Vice President, Chief Governance, Sustainability, and Human Resources Officer

As part of our ongoing process to enhance our corporate stewardship and impact strategy, we continue to evaluate risks, opportunities, and impacts that inform our material topics.

Since 2022, we have conducted sustainability-related priority assessments, collecting input from a broad range of stakeholders to identify and prioritize topics where we have the potential to achieve the most progress. In 2024, we expanded this process by conducting our first double materiality assessment to better understand and prioritize our impacts, risks, and opportunities. This assessment helps us prepare for compliance with future regulations and determine what is relevant to our business and stakeholders. We engaged a third party to facilitate our assessment, where we identified corporate stewardship topics (outlined in our [“Materiality assessment key findings”](#)) based on how they affect our organization’s financial performance and resilience, as well as how our business activities impact the environment and society.

Overview of our double materiality assessment process

Our double materiality assessment process follows a structured, multiphase approach that ensures thorough evaluation and reporting of corporate stewardship matters. The process emphasizes understanding our value chain, engaging stakeholders, and regularly updating practices to reflect evolving standards and compliance requirements. Moving forward, we will continue to conduct these assessments to ensure relevancy and accuracy, informing continuous evaluation of our corporate stewardship and impact within our broader business strategy.

The topics reflected in this report are aligned with the definition of “materiality” in the European Union’s Corporate Sustainability Reporting Directive (CSRD), which differs from the definition of “materiality” used in the context of filings with the SEC. Corporate stewardship and impact-related issues considered material for SEC filings can be found in our [Form 10-K](#) for fiscal year 2025, filed on February 11, 2026.

The process consists of three phases:

Understanding

This phase involves evaluating our operations, mapping the value chain, and gaining insights into our company’s processes and external environment, including how these factors could impact our business and corporate stewardship and impact strategy.

Identification

This phase focuses on researching relevant sustainability topics to identify potential issues, risks, and opportunities through our prior materiality assessments, peer screening, industry standards, frameworks, and more.

Assessment and determination

This phase includes defining objective scoring and threshold mechanisms, conducting assessments, and determining which topics are material based on whether their ratings exceed our defined materiality threshold.

Materiality assessment key findings



The following list contains the key areas we identified as material corporate stewardship and impact topics for our business and value chain. These topics are listed by strategic focus area; their order does not imply importance or priority.




Pillar	Material topic	Factor	Description
Governance and ethics	Business conduct	Global compliance and corporate culture	Fostering a workplace and culture that is free of violence, harassment, and misconduct that would negatively impact employee wellbeing and morale; providing access to whistleblower policies, protections, and a confidential 24/7 “AlertLine” to ensure employees feel comfortable reporting concerns
	Consumers and end users	Cybersecurity and data privacy	Protecting information, assets, and personal data, supported by a comprehensive framework, policies, and employee training, with oversight to ensure responsiveness to evolving threats and regulations
	Workers in the value chain	Working conditions and human rights	Conducting business ethically and responsibly by upholding human rights, prohibiting exploitive labor practices, and promoting fair working conditions across our supply chain
	Affected communities	Product impact: Mineral sourcing	Supporting responsible mineral sourcing by working with suppliers to trace and disclose conflict mineral origins, which facilitates ethical supply chains and informed decision-making
Environmental stewardship	Climate change	Climate change resilience: Energy and emissions	Reducing emissions, improving energy efficiency, and leveraging renewable electricity in ways that act in stakeholders’ best interests
	Resource use and circular economy	Product impact: Disposal and waste	Advancing circularity and responsible waste management through data insights, stakeholder collaboration, and industry best practices
	Biodiversity and ecosystems	Climate change resilience: Biodiversity	Assessing biodiversity by evaluating site interactions with local ecosystems and using tools aligned with Task Force on Nature-related Financial Disclosures (TNFD) to support resilient supply chains and natural resource stewardship
	Pollution	Product impact: Sourcing	Prioritizing pollution prevention and regulatory compliance by managing substances of concern and communicating transparently about hazardous products
Workforce and communities	Own workforce	Working conditions	Creating respectful and inclusive workplaces by upholding labor standards, embracing our multicultural advantage, and fostering open communication and employee engagement
		Health and safety	Managing global operations to meet health and safety standards, fostering a culture of care and risk awareness, and tracking performance metrics for continuous improvement
		Training and development	Investing in global training and development through career tools, development programs, and learning platforms that empower employees to grow
		Fair hiring and compensation	Establishing fair hiring and globally benchmarked compensation practices that reward individual performance through ongoing compensation analyses, transparent frameworks, and market-based total rewards

Stakeholder engagement

We believe regular stakeholder engagement is an important component of our corporate stewardship and impact strategy, enabling us to share our progress, gain valuable insights to help inform our priorities, and work together toward common goals. In 2025, we continued our focus on engaging with our employees, customers, suppliers, investors, and communities, leveraging their unique perspectives to advance our overall objectives.

See below for more information on how we engaged with our stakeholders to facilitate two-way dialogue.

Stakeholders	Description	How we engaged in 2025
<p>Employees</p> 	<p>At Arrow, we proudly support our global workforce by focusing on our people as career investors. Our efforts to cultivate talent are grounded in our purpose. Engaging with employees is crucial for fostering a positive work environment, boosting productivity, and enhancing job satisfaction. This leads to better communication, collaboration, and reduced turnover, ultimately building a successful and resilient organization.</p>	<ul style="list-style-type: none"> • Internal communications channels, including town halls, emails, webcasts, and intranet posts • Feedback surveys from new hires and employees on their service anniversary • Development planning and performance reviews • Training and education programs • Employee support portal • Wellbeing and community campaigns • Employee volunteer network • Green Team environmental program • Arrow.com • Confidential whistleblower hotline • Corporate stewardship and impact inquiry support
<p>Customers</p> 	<p>Our customers utilize our services and products to improve their workflow and productivity. By doing so, we help customers design, distribute, and deploy forward-thinking products that make the benefits of technology accessible to as many people as possible. Engaging with our customers helps build strong relationships, fostering loyalty and satisfaction. By actively engaging with them, we can better understand their needs and preferences and provide them with improved product offerings and tailored solutions.</p>	<ul style="list-style-type: none"> • Business Partner Code of Conduct and Ethics (Partner Code) • Customer due diligence • Arrow.com • Confidential whistleblower hotline • Customer support • Corporate stewardship and impact inquiry support

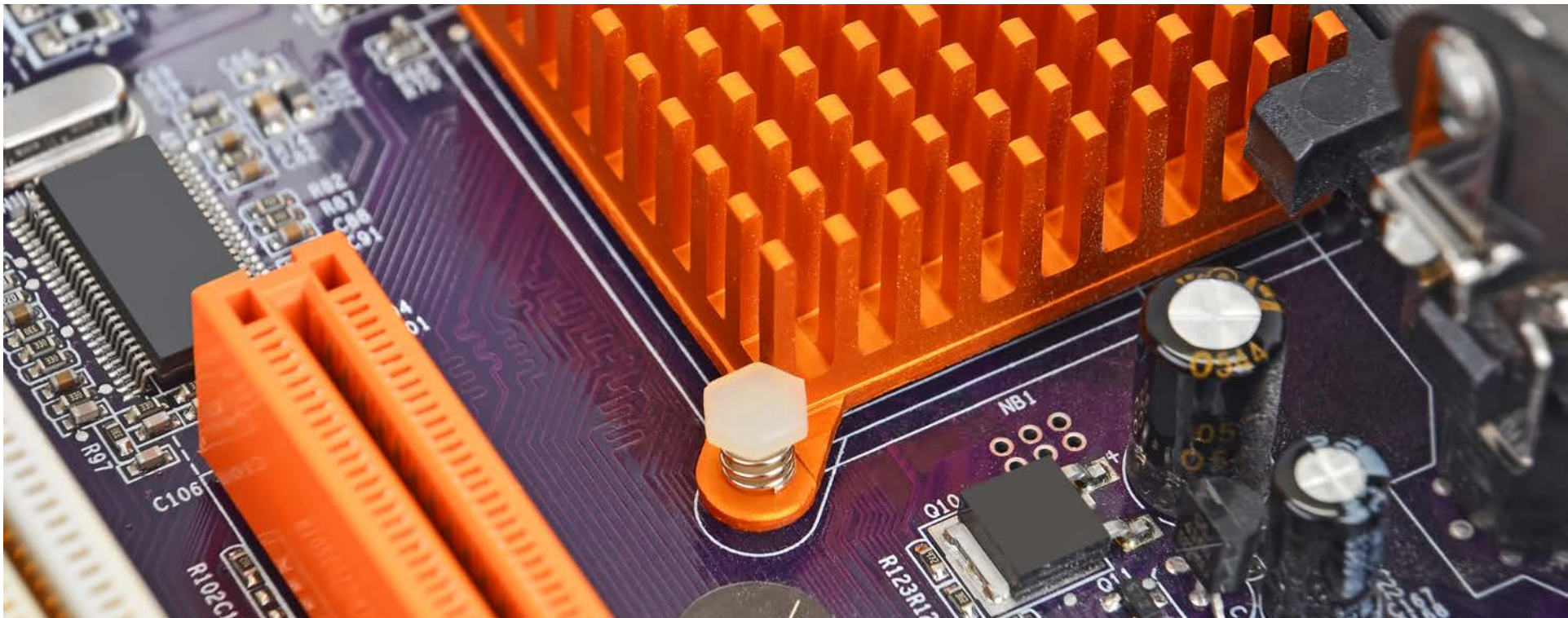
Stakeholders	Description	How we engaged in 2025
<p>Suppliers</p> 	<p>Our suppliers provide the necessary goods and services for us to operate and deliver our products to customers. Engaging with our suppliers is vital because it helps ensure a reliable and quality supply chain, directly impacting the efficiency and effectiveness of our operations. Building strong, collaborative relationships with suppliers can lead to better pricing, innovation, and flexibility. By maintaining open communication and trust, we can address issues promptly and adapt to market changes. Overall, supplier engagement is essential for maintaining high standards, reducing costs, and fostering mutual growth and success.</p>	<ul style="list-style-type: none"> • Partner Code • Environmental supplier engagement program • Confidential whistleblower hotline • Responsible Business Alliance (RBA) - supporter member • Arrow.com • Corporate stewardship and impact inquiry support • Supply chain due diligence policies, trainings, and procedures • Conflict minerals data collection
<p>Investors</p> 	<p>Engaging with our investors is essential for maintaining transparency, trust, and confidence in the company. Effective engagement ensures investors are well-informed about the company's performance and strategic direction, fostering a sense of involvement and support that can drive long-term growth and stability.</p>	<ul style="list-style-type: none"> • Investor and stewardship engagement • Earnings calls • Annual shareholders meeting • Investor presentations • Financial filings • Sustainability-related reporting and ratings • Arrow.com
<p>Communities</p> 	<p>Engaging with our communities helps build positive relationships and foster goodwill. Active involvement helps address community needs, enhances the company's reputation, and promotes a sense of social responsibility, leading to long-term support and mutual growth.</p>	<ul style="list-style-type: none"> • Employee volunteer events • Charitable grants • Employee donation match program • Humanitarian technology projects • Newsroom • Arrow.com

Goals and progress

Aspirations	Goals and targets	2025 progress
Championing governance and ethics		
Strengthen compliance resources and build individual accountability for ethical, compliant, and socially responsible business conduct	Incorporate compliance criteria into employee performance evaluation process by the end of 2025	Incorporated expectations on ethical accountability in midyear and annual employee review processes
Implement continuous improvements to facilitate more comprehensive management of human rights and other risks for workers in the value chain	Adopt global policies for supply chain due diligence by the end of 2025	<ul style="list-style-type: none"> Implemented standards related to protection of labor rights in our third-party agreements that we have begun rolling out on a risk basis Established an internal supplier due diligence working group to align standards and processes across sustainability, compliance, and quality functions, helping ensure consistent expectations and effective risk management
	Continue scaling due diligence of suppliers to advance comprehensive risk assessment and management	Adopted a global supply chain mapping tool that expands our assessments and enhances transparency across our value chain
Advancing environmental stewardship		
Minimize the environmental footprint of our operations and supply chain	Reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions in line with our climate impact strategy: <ul style="list-style-type: none"> Achieve a 10% reduction by 2025 from a 2022 base year Achieve a 42% reduction by 2030 from a 2023 base year*; this goal has been validated by the Science Based Targets initiative (SBTi) 	<ul style="list-style-type: none"> Exceeded our multiyear goal to reduce absolute Scope 1 and 2 emissions by 10% from a 2022 baseline, achieving a 27.5% reduction Reduced absolute Scope 1 and 2 emissions by 17% compared to a 2023 baseline, demonstrating continued progress toward our SBTi-validated 2030 target
	Endeavor toward 100% renewable electricity, cost effectively and as available, by the end of 2030 Promote shared accountability across the value chain by encouraging a portion of suppliers and customers to set science-based targets (SBTs) by 2030: <ul style="list-style-type: none"> 85% of our suppliers by spend covering purchased goods and services 60% of our logistics partners by spend covering upstream transportation and distribution 30% of our customers by revenue covering use of sold products This goal has been validated by the SBTi	In 2025, 40% of our electricity was powered by renewable energy (including on-site renewables, renewable energy projects, and utility programs) <ul style="list-style-type: none"> 33% of our suppliers by spend covering purchased goods and services have set SBTs 35% of our logistics partners by spend covering upstream transportation and distribution have set SBTs 32% of our customers by revenue covering use of sold products have set SBTs
Utilize third-party, industry-leading frameworks to validate our environmental program	Set SBTs in alignment with the SBTi by the end of 2025 Expand ISO certifications to two additional sites by the end of 2025	Received validation from the SBTi for near-term SBTs <ul style="list-style-type: none"> Obtained Shenzhen, China, ISO 14001; awaiting completion of Nogales, Mexico, ISO 14001 certification In support of our broader corporate stewardship and impact strategy, obtained Reno, NV, ISO 45001 and Alcobendas, Spain, Cordoba, Spain, and Venlo, Netherlands, ISO 27001

* 2030 target uses a 2023 base year, consistent with SBTi guidance, to ensure alignment across all three emissions scopes

Aspirations	Goals and targets	2025 progress
<h3>Supporting our workforce and communities</h3>		
<p>Build a purpose-driven culture where responsible leadership guides innovation and every employee feels valued and empowered to contribute in high-impact ways — both at work and in the communities we serve around the world</p>	<p>Grow the talent, skills, and capabilities of our global workforce through development programming, job movement, and self-service career tools that enable a future-ready workforce</p> <hr/> <p>Reward employees in alignment with our global compensation principles, including ensuring pay range placement reflects an employee’s professional performance, skills, experience, and pay relative to other similarly situated employees in the same or similar roles</p>	<ul style="list-style-type: none"> • 372 participants completed global development programming • 3,006 participants completed training to enhance change management skills • 96% of employees completed required AI skills training • 75% of available leadership opportunities (supervisory and above) filled by internal talent <hr/> <p>In keeping with our commitment to fair, merit-based compensation for all employees globally, we completed fair pay analyses in all countries with a population of 100 or more employees, representing 96% of our employee population</p>



Championing governance and ethics

Strong corporate governance is essential to achieving our goals and ensuring the long-term success of our business. Through effective governance and Board oversight, we uphold our commitments to corporate stewardship and legal compliance, enable responsible leadership and informed decision-making, and promote the interests of our investors, suppliers, customers, employees, and communities.

Integrity and ethics are the foundation of how we operate. They shape the policies, practices, and frameworks that guide our actions every day. We are committed to fairness and respect — both when everyone is watching and when no one is watching. Our employees are equipped with the tools and training they need to uphold these values and maintain the confidence of our stakeholders as we guide innovation forward.

To learn more about our ethics and compliance program, visit the [“Reporting and Governance”](#) page at [arrow.com](#) and review our [Worldwide Code of Business Conduct and Ethics](#) (the Code) and related policies and disclosures. For additional details on our governance standards, please see the [“Corporate Governance Highlights”](#) section in our [Proxy Statement](#) filed March 30, 2026, which outlines Board composition, independence, and oversight responsibilities.



Accountability and oversight

We believe proactively monitoring and managing our corporate stewardship opportunities and impact, as well as engaging with our stakeholders, enhances our long-term resilience and contributes to sustainable value creation for our company and communities.

Board of Directors and committees

Our approach to corporate stewardship and impact responsibility starts at the top. [Arrow's Board of Directors](#) (the Board) is accountable for ensuring corporate stewardship and impact considerations are embedded in our long-term business strategy and risk management processes. The Board and its committees receive regular updates on corporate stewardship and impact matters; review and approve key disclosures and policies; and provide guidance on significant strategic and enterprise-level initiatives.

The Board oversees corporate stewardship and impact primarily through three standing committees: Audit, Corporate Governance, and Compensation. The charter for each committee is available on the "[Governance Documents](#)" page of our investor relations site. The Corporate Governance Committee has primary oversight of our corporate stewardship matters and practices, working in conjunction with the Audit Committee and the Compensation Committee to promote a cohesive approach to oversight. For a description of each committee's role in our corporate stewardship and impact program, please see the corporate stewardship and impact governance structure graphic on the next page.



Corporate stewardship and impact management

Executive-level accountability for corporate stewardship and impact resides with our senior vice president, chief governance, sustainability, and human resources officer, who reports directly to the chief executive officer and oversees our cross-functional corporate stewardship and impact program strategy and implementation.

Our Corporate Stewardship Operating Committee (CSOC) is responsible for identifying, assessing, and managing our corporate stewardship risks, opportunities, and impacts. The CSOC includes leaders from legal and compliance, corporate affairs, human resources, finance, enterprise resource and planning, and information technology.

We also maintain cross-functional working groups and project teams that support corporate stewardship and impact implementation, goal setting, and performance monitoring. These groups draw from the same departments as the CSOC, as well as supply chain and marketing. They also include representatives from our global business units, which play a critical role in advancing corporate stewardship and impact objectives across our operations.

In 2025, we strengthened individual accountability for ethical, compliant, and responsible business conduct by embedding these principles into our employee performance review process. We enhanced the descriptions of our longstanding core competencies across all roles and regions to better reflect standards of integrity, fairness, transparency, and accountability — reinforcing our values as a key measure of success.

The chart below illustrates our internal governance structure for corporate stewardship and impact.





Global compliance program

Our legal and compliance department, which oversees our global compliance program, is responsible for designing, maintaining, and executing a risk-based governance framework across our operations. The program is led by our chief legal and compliance officer, who provides regular reports to the Audit Committee.

The program is supported by professionals worldwide, with the following responsibilities:

- Maintaining the Code along with a robust framework of policies, guidelines, and other resources to guide ethical decision-making across our business
- Executing employee awareness campaigns that rely on both standardized and role-specific trainings and communications

- Conducting due diligence to evaluate suppliers, vendors, agents, customers, and other third parties
- Operating confidential grievance mechanisms for raising questions and concerns, with safeguards to prevent retaliation
- Monitoring and assessing emerging legal and regulatory risks
- Establishing procedures for thorough objective investigations and application of appropriate remedial actions and disciplinary measures

We regularly assess the effectiveness of our global compliance program through audits, data analysis, and other risk assessments.

Corporate Culture of Compliance Survey

To assess the effectiveness of our compliance program and strengthen our culture of integrity, we engage an independent third party every two years to conduct a comprehensive Corporate Culture of Compliance Survey. The survey is issued to all employees globally, and participation is encouraged across the organization. The survey helps highlight strengths, weaknesses, and trends across business units, functions, and locations to support continuous improvement efforts. Results are used to inform training priorities, refinements to compliance resources, and strategic areas of focus.

In 2025, employee feedback provided actionable insights in areas including the quality and accessibility of compliance resources, as well as employees’ willingness to speak up with questions or concerns.

Policies and standards

We draw on internationally recognized standards and industry best practices to inform our policies.

These frameworks include:

[Organisation for Economic Co-operation and Development \(OECD\) Guidelines for Multinational Enterprises](#) ▶

[United Nations \(UN\) Guiding Principles on Business and Human Rights](#) ▶

[International Labour Organization \(ILO\) Declaration on Fundamental Principles and Rights at Work](#) ▶

[International Labour Organization \(ILO\) Fundamental Conventions](#) ▶

[United Nations \(UN\) Universal Declaration of Human Rights](#) ▶

[United Nations Convention Against Corruption \(UNCAC\)](#) ▶

[Responsible Business Alliance \(RBA\) Code of Conduct](#) ▶

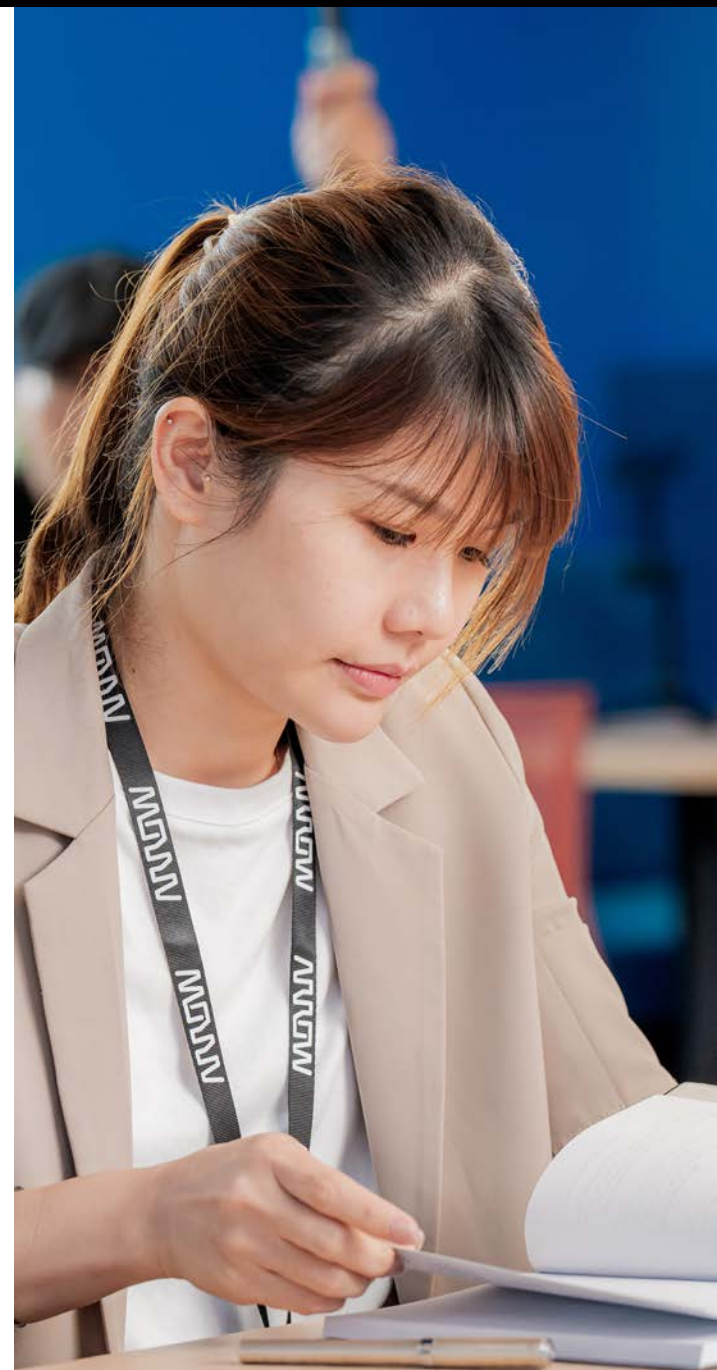
These principles are embedded in the Code as well as other internal policies addressing key compliance and ethics topics, including anti-bribery and anti-corruption, third-party due diligence, human rights, discrimination and harassment, whistleblower protection, data privacy, cybersecurity, and other critical areas.

We reinforce these policies through targeted trainings and communications. We periodically review our policies to identify opportunities for enhancement and ensure alignment with new or emerging regulations, risks, and company positions.

Code of conduct

[The Code](#) serves as our guide to upholding our values while complying with the laws and regulations that govern our global operations. It promotes awareness of how to conduct business ethically and responsibly at all times.

Available in 22 languages, the Code applies to all 22,230 members of our workforce and the Board. The Code summarizes our compliance principles and sets clear expectations for ethical and lawful business conduct. All Arrow employees and Board members are responsible for understanding and adhering to the ethical, legal, and policy requirements relevant to their roles, as well as for reporting any suspected violations of law or the Code.



We review the Code annually to address regulatory changes and evolving ethical expectations. The Board then reviews and approves any proposed revisions.

Each year, employees are required to familiarize themselves with the Code, complete corresponding trainings, and acknowledge their commitment to comply with these governing standards and principles.

Partner code

Our [Partner Code](#) defines the standards and expectations for our suppliers, partners, and other third parties to ensure ethical conduct, integrity, and responsible business practices. It reinforces our commitment to maintaining ethical supply chains. In addition to the standards in the Partner Code, we support the RBA Code of Conduct. The RBA Code of Conduct embodies industry-recognized standards for human rights, labor practices, environmental stewardship, health and safety, and ethical business conduct. We require our partners to operate in accordance with both codes.

You can access the RBA Code of Conduct at responsiblebusiness.org/code-of-conduct/.

Fair competition

We are committed to promoting fair competition and ethical business practices across all of our markets. Our policies establish a framework for operating with integrity and in compliance with antitrust and competition laws worldwide.

Our Antitrust Policy provides guidance to prevent even the appearance of anticompetitive conduct in our business activities. As one of the world's largest distributors of electronic components, we hold ourselves to high standards to avoid exclusionary conduct and to ensure strategic decisions do not misuse a dominant market position.

Our Anti-Bribery and Anti-Corruption (ABAC) Policy aligns with global regulatory frameworks, including the U.S. Foreign Corrupt Practices Act and the U.K.'s Bribery Act 2010, while establishing standards that go beyond legal requirements. It prohibits employees from offering, giving, or receiving anything of value — to public officials or any other parties — in exchange for an unfair business advantage. This principle is reinforced through our policies on gifts, entertainment, and business expenses and is supported by controls and regular program assessments to ensure compliance and effectiveness.

We also recognize that identifying and managing conflicts of interest is essential to fair competition. Our position on conflicts is reflected in the Code and reinforced through internal guidelines, periodic communications, and training programs. Board members and employees are required to disclose activities that present potential conflicts (actual or apparent), including outside employment, civil service

positions, and beneficial ownership of a supplier, customer, or competitor. We review these disclosures and implement appropriate restrictions and controls where needed.

Human rights

We conduct business in a manner that respects the rights of all individuals, including employees, contractors, and workers in our supply chain, as well as other stakeholders potentially impacted by our operations. We do not tolerate exploitative labor in our operations or supply chains, including child labor or any form of forced, bonded, indentured, or involuntary labor.

We strive to uphold the fundamental principles of fair labor, including the rights to reasonable working hours, safe and healthy working conditions, and fair wages, as well as protection against discrimination, harassment, retaliation, and other violations of worker rights. We expect all parties with whom we do business to maintain these standards and extend these obligations throughout their value chain.

Our policies, third-party agreements, and training programs reinforce our commitment to respecting human rights. These materials undergo annual reviews to address changes in supply chain risk, operational risk, applicable law, and international standards.



Employee compliance training

We maintain a comprehensive global compliance training program designed to equip employees with the knowledge and tools to act with integrity in all business activities. The program includes both online and instructor-led training courses offered in local languages. Compliance trainings are mandatory for all employees, including our annual code of conduct training and certification. Employees are assigned additional specialized training modules based on their region, role, and responsibilities.

Each year, we establish a training plan informed by an assessment of internal and external risk factors to ensure relevant topics and timely deployment. Courses are designed to adapt to a participant’s knowledge level. Employees must demonstrate proficiency to successfully complete each course.

Training topics emphasize how ethics, integrity, fairness, and the law guide daily decisions and actions. Employees are trained to recognize and respond to situations that conflict with these principles, including bribery and corruption; antitrust and unfair competition; human trafficking and forced labor; workplace harassment and discrimination; and insider trading.

Our program continues to demonstrate strength and engagement, with a 98% average global completion rate across topics.

98%
2025 average
online compliance
training
completion rate

- Working with third parties
- Code of conduct
- Conflicts of interest
- Export control compliance
- Preventing bribery and corruption (global edition, facilitation payments prohibited)
- Preventing workplace harassment
- Fraud and financial crime
- Anti-money laundering and combating terrorist financing

Reporting channels

Our strong ethical culture empowers and requires our employees to make the right choices and reinforces our speak-up culture. We offer multiple grievance mechanisms to support this commitment. We maintain an open-door policy, encouraging employees to ask questions and report concerns to management, human resources, compliance, or our AlertLine. Employees are prohibited from interfering with any individual's access to these escalation channels.

Our AlertLine is a confidential 24-hour reporting system available online and by phone to both internal and external parties. Reporters can submit their concerns anonymously where legally permitted. Our AlertLine is managed by a third-party vendor and is available in multiple languages.

Every quarter, our AlertLine is tested to ensure reporters can access the system using their preferred method.

Details regarding AlertLine cases can be found in the [“Governance metrics”](#) section.

Investigations and remediations

Suspected violations of the Code or other policies are investigated promptly, objectively, fairly, and in full consideration of all relevant facts. Confidentiality — including the identity of reporters, involved parties, and witnesses — is maintained to the extent permitted by law.

Based on investigation findings, remedial action may be taken to correct behavior, address process deficiencies, and prevent recurrence of violations. Typical actions may include targeted training, strengthened controls, and disciplinary measures up to and including termination.

Employees are required to fully cooperate with investigations.

Non-retaliation

We strictly prohibit retaliation against anyone who, in good faith, raises a concern or participates in an investigation. Concerns of retaliation can be reported through our escalation channels or in the post-investigation feedback process. They are reviewed in accordance with our investigation procedures.



Cybersecurity and data protection

Safeguarding information assets and personal data is central to upholding our commitment to data security. We've designed a rigorous cybersecurity and data privacy program to manage the risk of negative impacts on our employees and third parties while being responsive to regulatory updates and evolving cyber threats. Our comprehensive security framework, policies and procedures, and employee trainings all reinforce our data security program.

Oversight

Our chief information officer and chief security officer oversee our cybersecurity program, while our chief legal and compliance officer has responsibility for our data privacy program. Cybersecurity updates are provided periodically to the Board and Audit Committee, highlighting areas such as program governance, control maturity, and third-party information security.

For more information on our oversight and management of our cybersecurity program, see Item 1C of our [Form 10-K](#) for fiscal year 2025, filed on February 11, 2026.

Security framework

We adhere to a security framework that incorporates industry best practices and key security pillars.

In today's rapidly evolving digital landscape, safeguarding information assets and ensuring data privacy are fundamental to maintaining stakeholder trust and business resilience. We are committed to a proactive, risk-based approach to cybersecurity and data protection, underpinned by a robust security framework that aligns with industry best practices and regulatory requirements.

Our security framework is supported by functional expertise in responsible data sharing, process implementation, and security threat monitoring for security posture.

We are certified under the EU-U.S. Data Privacy Framework, which allows for the transfer of data from the EU to the U.S. in compliance with the EU's General Data Protection Regulation (GDPR). The certification, which requires an explicit commitment to GDPR's privacy safeguards, is enforceable by the U.S. Federal Trade Commission.

<p>NIST National Institute of Standards and Technology U.S. Department of Commerce</p>	<p>National Institute of Standards and Technology 800-171</p>		<p>SANS Institute's Critical Security Controls (CSC)</p>
	<p>Trusted Information Security Assessment Exchange (automotive cybersecurity)</p>		<p>International Organization for Standardization (ISO) 27001</p>
		<p>CIS Center for Internet Security</p>	<p>Center for Internet Security Controls</p>

We also maintain [ISO 27001](#) certifications for 15 key distribution and programming centers around the globe. These certifications validate the effectiveness of our security controls in operational areas that require heightened customer or partner assurances. These security pillars align with the NIST Cybersecurity Framework (CSF) guidelines for mitigating organizational cybersecurity risks and enable us to quickly identify and remediate threats.

In 2025, we enhanced our incident response plan by integrating advanced security technologies into our in-house 24/7 security operations center (SOC). These improvements have significantly reduced detection and response times by enabling faster processing of large datasets and accelerating threat identification.

Our third-party risk management (TPRM) program remains a core component of our cybersecurity strategy as we continue to address increasingly sophisticated cyber threats. Our TPRM framework enables ongoing oversight of our business partners' cybersecurity postures and helps protect our global digital ecosystem.

We regularly refine our security framework through monitoring, internal and external assessments, and stress testing, as well as promoting employee awareness through training, communications, and guidance resources.

Data privacy

The primary focus of our global data privacy program is safeguarding personal information while respecting individuals' data management control rights. By integrating globally recognized privacy principles, such as accountability and transparency, throughout our processes and procedures, we establish and sustain trust from both internal and external stakeholders.

Key parts of our global data privacy compliance strategy include tracking legislative developments and reviewing and updating policies and procedures. We also regularly train employees on proper handling of personal and sensitive information; data minimization and disposal; and identification and escalation of data security risks.

Our privacy center is a key resource that enables individuals to access our privacy policy, submit data rights requests, and inquire about our privacy practices in one convenient location.

Artificial intelligence

We continue to demonstrate our commitment to responsibly adopting opportunities for innovation presented by artificial intelligence (AI). We are leveraging the power of AI solutions to execute our strategy and advance technology for good within a safe, ethical, and responsible framework.

Our forward-looking approach emphasizes robust AI governance, including:

- Maintaining policies establishing guidelines for the conscientious and transparent use of AI
- Promoting human oversight
- Testing and monitoring AI solutions for accuracy and reliability before deployment
- Ensuring continued alignment with our ethical standards, regulatory requirements, and objectives through Board oversight

Additional details on our governance practices are available in the "Corporate Governance" section of our [Proxy Statement](#), filed March 30, 2026.

Governance across our value chain

At Arrow, we recognize that our impact extends beyond our own workforce to the workers in the value chain, as well as consumers, end users, and communities. Therefore, upholding our commitment to social responsibility means looking beyond our own operations.

We work to identify and prioritize the points in our value chain where we can most effectively support responsible business practices. Through our policies, contractual requirements, due diligence processes, and engagement with stakeholders, we seek to honor the interests of those impacted by our business.

Supply chain risk management

We take an ethics-driven approach to supply chain management, using our position in the industry to promote integrity, resilience, and responsible practices across our network of suppliers and partners. We rely on both supplier engagement and independent due diligence to identify and manage potential impacts on workers, consumers, and communities.

Our relationships span component manufacturers, service providers, transportation and logistics companies, resellers, and other third parties. Many of these partnerships extend for decades — founded on a shared commitment to fair dealing, environmental responsibility, and respect for human rights.

Our supply chain due diligence program is operationalized through policies, trainings, and procedures. Suppliers are screened during onboarding and monitored for indicators of bribery, corruption, human rights violations, and other conduct inconsistent with our standards and values. On a risk basis, suppliers may be asked to reaffirm their commitment to our Partner Code, complete self-assessment questionnaires, provide supporting documentation, and implement remedial action plans where deficiencies are identified.

In 2025, we advanced our governance goal to enhance supplier due diligence by adopting a global supply chain mapping tool that has expanded both the depth and scope of our assessments. This capability strengthens transparency across our strategic supplier network and positions us to better identify and prioritize material risks and opportunities affecting stakeholders in the value chain.

We embed accountability and oversight across all functions, roles, and controls. All employees have a role in identifying and managing supply chain risks, and we leverage stakeholder engagement to identify potential violations. Our AlertLine is available to both employees and external parties for raising concerns regarding practices in the supply chain.



Customer due diligence

While our operations help advance technology for good, we recognize the risk of bad actors that seek to divert electronic components to entities or regions where they could be misused. At Arrow, we prioritize customer due diligence to help prevent transfer or end use that could contribute to human rights abuses, unauthorized military applications, or violations of international law.

Our global trade compliance risk management (TCRM) team, which reports to our chief legal and compliance officer, follows industry best practices for managing trade and export compliance risks. The team is responsible for developing, maintaining, and enhancing our controls to identify and mitigate the risk of diversion and other downstream risks.

Our TCRM team is staffed with engineers and other experienced trade compliance professionals and supported by a dedicated due diligence function with deep expertise in customer and end-user validation. Among other responsibilities, the team reviews transactions, conducts “know your customer” assessments, and screens customers and third parties against restricted party lists. If a red flag arises that cannot be resolved, the transaction is stopped. Where appropriate, we also collaborate with public authorities and business partners to address and mitigate identified risks.

Mineral sourcing

We recognize that responsible mineral sourcing is essential to building more sustainable and ethical supply chains. If not managed responsibly, minerals originating from conflict-affected areas, including tin, tantalum, tungsten, and gold (known as “conflict minerals”), can contribute to armed conflict, human rights abuses, and other adverse impacts on local communities.

Although we do not directly purchase or control the sourcing of raw conflict minerals, we recognize that these materials are prevalent in electronic components. For the parts we assemble or integrate, we work with our suppliers to trace the smelters and refiners within our supply chain, identify those lacking “conflict-free” certification, and disclose these findings in accordance with applicable regulations and OECD guidelines. By advancing transparency, we enable our partners and consumers to make informed decisions that promote responsible sourcing and the protection of affected communities.

For more information on our conflict minerals due diligence program, see our current Conflict Minerals Report on the [“Reporting and Governance”](#) page at [arrow.com](#).



Advancing environmental stewardship

As a trusted partner in a complex value chain, we are uniquely positioned to champion environmental stewardship in our own operations and support our customers and suppliers in achieving common goals. Our materiality results highlight the importance of climate-related strategies and product life cycle impacts, reinforcing the foundation of our overall environmental program.

We aim to advance the integration of sustainability throughout our operations and value chain while simultaneously supporting our business objectives — managing our environmental footprint, optimizing operations, and facilitating ongoing collaboration.

Our environmental strategy is organized around three key pillars:



**Climate
impact**



**Sustainable
operations**



**Supply
chain**

These pillars guide our efforts to measure, manage, and reduce environmental impacts in support of our business strategy.





Building on this strategic framework, we deepened our understanding of climate-related risks and opportunities by conducting a dedicated climate risk assessment in 2025 aligned with the TCFD framework. This assessment helped us address climate hazards, operational disruptions, and evolving customer expectations, while supporting our efforts to reduce our climate footprint. Our work on climate scenario analysis began in 2022 with qualitative research and stakeholder interviews. In 2023, we expanded to quantitative scenario modeling; in 2025, we engaged a third party to further expand our quantitative scenario modeling and evaluate financial impacts of additional key climate risks and opportunities.

Our latest scenario analysis yielded the following priority risks and opportunities:

Risk/opportunity	TCFD category	Description
Transition risk	Policy and legal	Enhanced emissions-reporting obligations
Opportunity	Resource efficiency	More efficient distribution process
	Products and services	Development/expansion of low-emission goods and services
	Products and services	Development of new products or services through research, development, and innovation
Physical risk	Acute	Impacts to our business, supply chain, and customers from four acute physical risks (i.e., floods, tropical cyclones, extreme heat, and extreme precipitation)
	Chronic	Impacts to our business, supply chain, and customers from two chronic physical risks (i.e., chronic heat and chronic precipitation)

Details on our methodology and findings are available in our [TCFD report](#).

Our climate impact

Climate and energy

As a global technology solutions provider, climate change presents significant risks and opportunities for our business, stakeholders, and communities. We recognize the impact that GHG emissions have on climate and the close link between energy consumption and those emissions. Alongside our business partners around the world, we strive to purposefully reduce emissions, increase energy efficiency, responsibly leverage renewable energy, and support fleet electrification and infrastructure.

Emissions reduction

In 2025, we advanced our climate action objectives by enhancing transparency in GHG reporting, setting SBTi-validated reduction goals, and deepening engagement with suppliers and customers.

We continued to advance efforts aimed at further reducing emissions in 2025, demonstrated by:

- Receiving validation of our near-term SBTs from the SBTi, demonstrating alignment with best-practice climate goals
- Implementing a new Scope 3 inventory management tool, providing access to more specific emissions factors and improving visibility into our value chain emissions
- Expanding incorporation of supplier-specific data into Scope 3 emissions calculations, enhancing accuracy and granularity
- Partnering with a product carbon footprint (PCF) provider to enhance transparency of product-level emissions for our ECS products
- Reducing energy use at our locations through energy efficiency projects
- Advancing our renewable electricity strategy through continued use of renewable energy certificates (RECs) and execution of a virtual power purchase agreement (VPPA), positioning the company for longer-term renewable electricity procurement
- Onboarding a new lease accounting tool to improve the accuracy of our real estate data



Scope 1 and Scope 2 emissions

Since 2021, we've established formal goals to reduce our GHG emissions and strengthen our sustainability efforts. After achieving our initial GHG emissions reduction goal in 2022, we set a multiyear goal to reduce Scope 1 and 2 emissions by 10% across all Arrow locations and fleet by the end of 2025. In 2025, we achieved a 27.5% reduction in absolute Scope 1 and 2 emissions from a 2022 base year, exceeding our multiyear target. Consistent with our ongoing climate impact strategy, we have established additional absolute Scope 1 and 2 targets, including a 42% reduction by 2030 from a 2023 base year. This 2030 target has been validated by the SBTi.

Our reduction efforts are guided by the following pillars, which collectively reflect our commitment to continuous improvement and responsible operations:

Improve building and system [efficiency](#)

Responsibly leverage energy from [renewable](#) sources

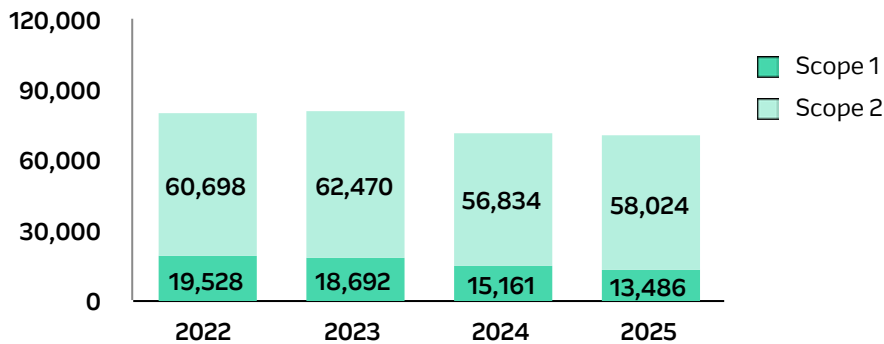
Electrify our [fleet](#)

[Reduce the space](#) we need to power, light, heat, and cool

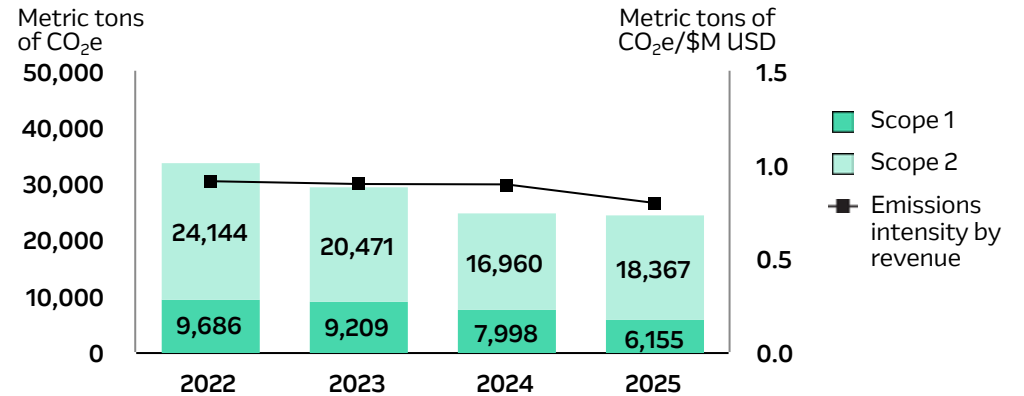
In support of our overall Scope 1 and 2 emissions reduction, we achieved a decrease in our building energy consumption in 2025. We also implemented several enhancements to improve the accuracy of our global utility bill management system that tracks energy usage and emissions across our facilities and fleet. These efforts included increasing actual data capture by identifying appropriate local contacts, updating our estimation methodology to better leverage our historical data, improving the accuracy of real estate data through migration to a new lease accounting tool, and surveying our landlords to reduce the number of sites where we estimate natural gas use for heating.

Scope 1 and Scope 2 building energy use

Megawatt hours



Market-based emissions



Scope 3 emissions

In 2025, we continued to improve our approach to Scope 3 data collection, calculation, and analysis. Through a comprehensive procurement process, we evolved our Scope 3 technology to better understand our value chain impacts, effectively request environmental data from 200 suppliers, and meet customer needs for more granular emissions reporting.

We migrated our Scope 3 inventory to an emissions management platform that supports our transition away from a spend-based accounting approach and enables insights into value chain decarbonization opportunities. Leveraging this platform, we enhanced reporting accuracy for Scope 3 Category 1 (purchased goods and services) — which represents approximately 73% (Category 1 emissions as % of total Scope 3) of our total Scope 3 emissions — by integrating PCF as well as supplier-specific and hybrid data.

Reported Scope 3 emissions increased year over year primarily due to expanded data coverage and improved emission factors, reflecting greater methodological rigor in our accounting approach.

This dynamic may recur in future periods as we capture data from additional suppliers, improve supplier-level data quality, and continue to enhance our reporting processes. See the [“Climate and energy metrics methodology”](#) section for more details.

We also partnered with a PCF provider to gain visibility into the product-level impacts within our ECS business. This partnership has enhanced the accuracy of our Category 1, 11 (use of sold products), and 12 (end-of-life treatment of sold products) calculations, while also enabling us to provide customers with more precise data to improve their own emissions reporting.

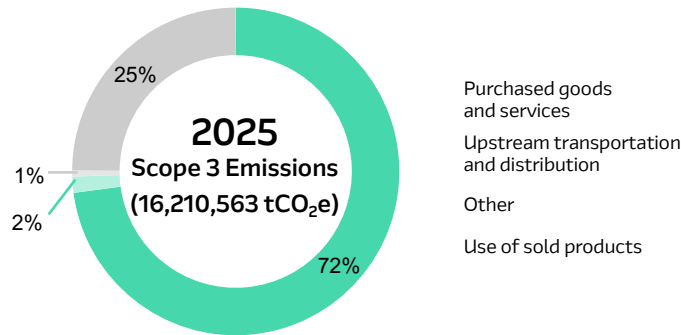
Building on our progress in 2024, we continued to collaborate with our logistics partners to obtain supplier-specific emissions data for Scope 3 Category 4 (upstream transportation and distribution) calculations. In 2025, 78% of our total Scope 3 Category 4 inventory was calculated using distance- or location-based data. These efforts improve accuracy and reduce reliance on spend-based methodologies, enabling deeper insight into our logistics footprint and more targeted emissions reduction strategies in partnership with our logistics providers.

A key highlight in 2025 was the validation of our near-term SBTs by the SBTi. Our Scope 3 goals include three engagement targets, aiming to encourage the following stakeholders to set SBTs by 2030:

- 85% of suppliers covering Category 1 emissions (purchased goods and services)
- 60% of logistics partners covering Category 4 emissions (upstream transportation and distribution)
- 30% of customers covering Category 11 emissions (use of sold products)

We've scaled initiatives that empower suppliers and customers to set SBTs, improved data accuracy through more granular accounting methods, and will use our new inventory system to uncover and act on decarbonization opportunities across the value chain; more information on these programs are included in the [“Supply chain stewardship”](#) section. While we have already exceeded our 30% customer engagement goal for Category 11 emissions, we will continue monitoring and encouraging further customer commitments through 2030 as our customer base evolves.

Scope 3 emissions (in metric tons CO₂E)



2030 Scope 3 SBTi engagement target goals

Goals	2025 progress
85% of our suppliers by spend covering purchased goods and services	33% (2025 progress) / 85% (SBTi engagement target)
60% of our logistics partners by spend covering upstream transportation and distribution	35% (2025 progress) / 60% (SBTi engagement target)
30% of our customers by revenue covering use of sold products	30% (2025 progress) / 32% (SBTi engagement target)

2025 progress ■ SBTi engagement target ■

Energy efficiency

We believe the most sustainable energy is the energy we don't use. To this end, we focus on increasing the energy efficiency of our global operations as a fundamental building block to our climate and energy strategy.

In 2025, we initiated a number of energy efficiency projects, including:

- Budapest, Hungary: Upgrades to an optimized and energy-efficient HVAC system
- Mississauga, Canada: Replacing existing fluorescent lights with new energy-efficient LED fixtures

We will also report annually on our energy use intensity, both globally and regionally. We believe transparency empowers us to take action and hold ourselves accountable for our environmental impact.

Energy use intensity (KWh/ft²)

	2023	2024	2025
Global	11.6	10.5	11.3
Americas	14.7	13.3	14.7
Asia-Pacific	11.4	10.2	10.2
EMEA	8.1	7.4	8.8



Additionally, we embarked on several partnerships throughout our business to promote energy efficiency:

- In collaboration with EMASS, we accelerated the deployment of ultra-low power edge AI solutions across wearables and industrial IoT and smart sensing devices, using EMASS's ECS-DoT System on Chip (SoC)
- In collaboration with NXP Semiconductors, we supported Prime Batteries' development of a scalable, safety-compliant battery energy storage system (BESS) platform to accelerate renewable energy adoption and enhance energy grid resilience
- Together with elfochips and Vishay eMobility, we launched a scalable, low-voltage traction inverter reference design for light EVs, aiming to accelerate sustainable urban mobility through advanced power components and embedded systems



Renewable energy

We play a role in advancing the global transition to clean energy by delivering innovative products, engineering expertise, and system-level solutions that support renewable technologies — including solar and wind power systems, energy storage solutions, and smart grid infrastructure such as virtual power plants. To support our own climate and energy strategy, we also engage in renewable energy procurement through mechanisms like a virtual power purchase agreement (VPPA). To guide our approach for leveraging renewable electricity in ways that act in our stakeholders’ best interests, we draw on internationally recognized standards and industry best practices:

- [Clean Energy Buyers Association](#) ▶
- [RE100](#) ▶
- [Emissions First Coalition](#) ▶
- [U.S. EPA Green Power Partnership](#) ▶
- [The Net Zero Consortium for Buyers \(NZCB\)](#) ▶

Through these engagements, we’ve developed a comprehensive renewable procurement strategy that ensures fiscal stewardship while supporting the additionality of renewable energy sources with environmental impact reduction.

Key elements of our strategy include:

- Deploying on-site renewables at our locations, where feasible and cost-effective
- Leveraging net-new, high-impact regional renewable energy projects to complement on-site solutions
- Utilizing utility green power programs and, if necessary, unbundled RECs to address gaps

In 2025, we increased the total amount of electricity derived from renewable sources, reflecting continued execution of our multiyear transition toward 100% renewable electricity, cost effectively and as available, by the end of 2030. As overall electricity demand also

grew across our operations, renewable energy accounted for 40% of our electricity globally, remaining consistent year over year as a percentage of total consumption.

Through REC offtake agreements with multiple global partners, we strengthened renewable electricity coverage across the Americas and accelerated progress in Asian countries where we operate, including India, Malaysia, and Singapore. In 2025, we signed an aggregated procurement VPPA through the Net Zero Consortium for Buyers. This agreement expands our access to renewable electricity coverage across Arrow’s European Union footprint, accelerating progress in key markets as a part of our longer-term 2030 renewable electricity strategy. These agreements protect against price volatility and meet the operational needs of our evolving real estate portfolio, while maximizing positive environmental impact and fulfilling stakeholder expectations. Further, several of these initiatives require longer time horizons to deliver measurable benefits, including emissions reductions, and are designed to position us for sustained, long-term improvement in our emissions performance.

Amount of electricity derived from renewable sources (MWh)

	2023	2024	2025
Global	16,271	22,938	23,310
Americas	13,784	20,604	20,790
Asia-Pacific	88	104	138
EMEA	2,399	2,230	2,382





Fleet electrification and infrastructure

Our vehicle fleet accounts for a portion of our Scope 1 emissions. Transitioning to hybrid and EVs, where feasible, helps reduce Scope 1 emissions from our owned and operated fleet, directly supporting our climate targets. Our primary focus has been on our largest fleet in EMEA, where we have made significant progress in expanding the availability of electric and hybrid vehicles. As a result, the percentage of EVs and hybrids in our fleet compared with traditional combustion vehicles has increased, supporting both our sustainability goals and a growing preference among employees for low-emission vehicles.

In 2025, we increased our percentage of electric or hybrid vehicles by 26%, resulting in 48% of our fleet now being electric or hybrid. In addition to vehicle electrification, we also evaluated our approach to fleet vehicle eligibility, reducing the total number of vehicles in our fleet, further minimizing environmental impact.

By offering workplace charging access, we support EV adoption among employees with non-fleet EVs. In 2025, EV charging stations were available to our employees at 20 of our global locations, helping promote broader adoption of clean transportation.

Fleet details

	2023	2024	2025
Global fleet vehicle count	1,702	1,661	1,700
EMEA fleet vehicle count	1,619	1,587	1,636
Global electric/hybrid fleet vehicle count	679	630	811
Percentage of total fleet vehicles that are electric/hybrid	40%	38%	48%

Our sustainable operations

Our approach to sustainable operations is guided by environmental stewardship, operational efficiency, and long-term resilience. Recognizing that our global facilities are the largest contributors to our direct environmental footprint, we regularly encourage sustainable practices throughout our operations.

Facilities

Our real estate portfolio encompasses 191 buildings and spans 6,383,896 square feet. The emissions produced across this portfolio make up a significant portion of our Scope 1 emissions and all of our Scope 2 emissions.

As our business adapts to meet supplier and customer needs, so too does our real estate portfolio. In 2025, we opened or increased square footage in 18 locations and closed or reduced square footage in 26 locations. The openings of two new warehouses to support operational demand and growth were the primary drivers for our net increase in square footage. Finding opportunities to decrease our operational footprint

supports our emissions reduction efforts and provides waste and water-use reduction benefits. For any new sites added to our footprint, or for evaluation of our existing footprint, we leverage our sustainable real estate framework as described in our Global Sustainable Real Estate Policy (available on the [Reporting and Governance](#) subsite). This framework aims to influence the selection, leasing, fit-out, and operations of our buildings — formally codifying our real estate policies and processes to improve the environmental performance of the company’s global real estate portfolio.

Green building certifications, such as LEED, WELL, and BREEAM, also play a vital role in our commitment to sustainable operations. These internationally recognized standards validate that these facilities meet elevated criteria for energy efficiency, water conservation, indoor environmental quality, and resource stewardship. Pursuing and maintaining these certifications not only supports our emissions reduction goals but also contributes to lower operational costs and sustainable operations.

In 2025, we opened our new “Raffles City the Bund” office in Shanghai. The new office earned the LEED Gold Certification, a globally recognized standard for green building design.



7	7	4	8
LEED-certified buildings	BREEAM-certified offices	WELL-certified buildings	Other green building certifications (e.g., ENERGY STAR and DGNB)

Environmental management

We aim to strengthen our own environmental management practices where we have the greatest influence. Our [Global Environmental Sustainability Policy](#) outlines guiding principles for sustainable operations and environmental stewardship, including our strategy to reduce our carbon footprint and foster a culture of accountability.

Beyond internal policy, we implemented environmental and energy management systems to improve the quality of our products, services, and support, as well as the effectiveness of our quality management systems. In 2025, we had one operational site ISO 50001- and 19 operational sites ISO 14001-certified, covering 11% of our total operational sites and 53% of our total employees (where required to adhere to sustainability management system requirements).

Waste

While we are not a large waste generator relative to our global footprint, our approach emphasizes responsible waste management to reduce landfill impacts, support regulatory compliance, and identify opportunities for reuse and recycling across our operations.

In 2025, we continued to collect and analyze waste data using a mix of reported and estimated figures to maintain a global view of our waste profile. Forty-seven percent of waste data is reported based on actual data. For the remaining operations, we apply an estimation methodology to ensure metrics reflect all operations. This data supports the calculation of Scope 3 emissions under the “waste generated in operations” category and helps inform future waste reduction and diversion efforts.

Our analysis of waste data collected shows we generated 15,376,588 pounds of waste and diverted 8,043,843 pounds of waste from landfills throughout the year globally.

As our data coverage improves over time, we will use these insights to identify focus areas for source reduction, reuse, and material recovery, particularly in categories such as packaging and e-waste. This data will also help to inform our [circularity strategy](#).



In 2025, our e-waste program globally resulted in:

10,045

**E-waste assets
recycled**

2,669

**E-waste assets
remarketed**

200,904

**Pounds of e-waste diverted
from landfills**

In Europe, our e-waste is reported in line with the Waste Electrical and Electronic Equipment (WEEE) Directive, which sets collection, recycling, and covering targets for all electrical goods.

To encourage responsible disposal beyond operational waste streams, our global headquarters hosts an annual employee e-waste collection event, allowing staff to bring in personal electronics for proper recycling through certified waste vendors.

Packaging

Packaging is essential to protecting the items that we receive, transport, and distribute. Packaging is also one of our largest sources of potential waste at our warehouses, which is why we've made efforts to reduce the amount of materials needed for our packaging operations.

Efficient use of packaging also drives cost savings, as shipping costs are calculated based on the weight of a box's contents, as well as the amount of space it occupies. Both factors also impact the emissions related to distributing a box. Therefore, our efforts to efficiently package help reduce shipping costs, the likelihood of damage, the amount of packaging material needed, and the amount of fuel needed to transport.

Different packaging initiatives are in place at our largest warehouses to help maximize efficiency and reduce transportation emissions. This year, we redesigned our carton solutions across our warehouses to more closely match the dimensions of products being shipped, which reduces corrugate waste and decreases the shipping costs and associated emissions. For example, we optimized box dimensions by shifting from a standard 10 x 8 x 8 carton to a right-sized system using 8 x 8 x 5 and 8 x 8 x 2 box combinations, which has reduced the use of cardboard in our warehouses.

Many of our packages stem from inbound suppliers that also work to optimize their packaging to reduce costs, emissions, and excess material usage. These partners often use paper, wood, and recyclable content, which avoids generating plastic and nonrecyclable waste. While we do not control manufacturer packaging practices, we do reuse packaging and filling materials where feasible across our global operations. As we continue to mature our environmental supplier engagement program, we will encourage and share packaging optimization practices.



Water

Our water use is primarily from office facilities, as we are a distributor of electronic components and other products and services. We integrate water considerations into our broader risk management processes, including climate scenario analyses and enterprise risk assessments. Our enterprise risk assessments allow us to prepare for severe weather events and water outages in our business continuity plans to ensure the continuity of water supplies. To date, our risk assessments have found that water-related risks and availability do not have the potential to materially disrupt our operations. Additionally, we have not had any incidents of noncompliance with water regulations.

In 2025, two sites implemented water efficiency initiatives aligned with local conditions. At our Colorado headquarters, exterior landscaping was converted to native plantings and gravel-based xeriscaping, reducing maintenance needs and expected to cut landscape-related water use. Additionally, at our warehouse in Nogales, Mexico, we installed a greywater recycling system that captures water used in connector washing — the facility's only water-intensive process — and diverts it for use in restroom toilets. The system is estimated to save approximately 33,720 liters of potable water and \$15,000 annually while eliminating unnecessary discharge.

These targeted efforts reflect our pragmatic approach to water stewardship, prioritizing conservation where it is most locally relevant and operationally impactful.



Biodiversity

We recognize that biodiversity can influence the resilience of supply chains, the availability of natural resources, and the health of environmental ecosystems that support critical infrastructure and communities. In alignment with the TNFD, we conducted a location assessment to identify where our direct operating sites may be in or near biodiversity-sensitive areas. We applied tools such as the Integrated Biodiversity Assessment Tool (IBAT) and World Wildlife Fund (WWF) Biodiversity Risk Filter and found that 21% of our sites are located within 5 km of key biodiversity areas. We also found that most impacts/pressures and dependencies produced from economic activities throughout our value chain are found to have very low, low, and medium rankings.

Partnerships

In 2025, we continued our partnership with the Butterfly Pavilion, a biodiversity-focused nonprofit organization based in Westminster, Colorado, as a member of its BEE Sustainable Partners Program. Our employees participated in an educational opportunity to understand the crucial role native pollinators play in balancing and protecting our ecosystems. Our employees also participated in two volunteer events with the Butterfly Pavilion to remove invasive species and plant native species that are critical to pollinators.

In addition to our partnership with the Butterfly Pavilion, we provided several nature-focused volunteer opportunities for employees. For example, in celebration of Earth Month, employees around the world created seed balls to grow native wildflowers, and many of our office locations organized local cleanups to help keep their communities and natural spaces healthy and vibrant.

Supply chain stewardship

As a distributor, we play a pivotal role in connecting suppliers and customers across the electronics value chain. Engaging with suppliers and customers enables us to address environmental impacts, fosters shared accountability, and supports long-term business sustainability.

Environmental supplier engagement

Our supplier engagement program enables us to collect emissions data and identify opportunities to support suppliers in reducing downstream environmental impacts. Through knowledge sharing and collaboration, we aim to drive progress toward reducing the environmental impact of the products we distribute.

Since the majority of our emissions occur upstream and downstream in our value chain, our near-term SBTs focus on collaboration with suppliers, logistics partners, and customers. In 2025, we received validation of our SBTs with the SBTi, reinforcing our commitment to climate action. These targets aim to engage 85% of our suppliers covering Scope 3 Category 1 emissions and 60% of our logistics partners covering Scope 3 Category 4 emissions to set their own SBTs.

To support forward momentum, we continue to grow our environmental supplier engagement program, which is grounded in listening to our suppliers, understanding their sustainability journeys, and

providing tailored support and resources. This partnership-based approach fosters shared accountability and enables progress toward reducing value chain emissions. We also established an internal supplier due diligence working group to align standards and processes across sustainability, compliance, and quality functions, helping ensure consistent expectations and effective risk management.

Our approach emphasizes transparency and accountability. Evidence of our continued commitment is captured through some of the following engagement activities that took place in 2025.



Events

- Four suppliers participated in our annual Sustainability Summit through a panel discussion on best practices in product-level sustainability innovations, circularity investments, and strategies for achieving SBTs
- We hosted a Supplier Sustainability Exchange with 58 participants, where suppliers shared insights among their industry peers on classifying products as sustainable and ways to communicate product life cycle impacts to customers

CDP supply chain

We continued our partnership with CDP Supply Chain to streamline environmental data requests and reduce reporting burden for 200 suppliers. We achieved a 73% response rate in 2025.

RBA

We maintained our supporter-level RBA membership, providing enhanced visibility into the entities in our supply chain, as well as access to industry resources and best practices.

Product impact

To deepen our understanding of product-level environmental impacts, we continued our collaboration with SiliconExpert, an Arrow subsidiary, and other partners to strengthen our PCF capabilities. These partnerships enhance our ability to provide customer-specific emissions reporting and further improve data quality for Scope 3 Categories 1, 11, and 12.

We also offer a range of products that support clean energy transition, including renewable energy solutions such as solar inverters, Battery Energy Storage System (BESS) platforms, battery management systems, and system interface and control technologies. We also serve the light electric vehicle (LEV) market with charging infrastructure and low-voltage power systems. We are proud to work closely with our suppliers to foster a balance between technology and the planet.

We remain committed to meeting regulatory requirements related to substances contained in products that may impact human health and the environment. Our approach is focused on product compliance in the jurisdictions in which we operate, collecting required materials data and providing transparent regulatory disclosures to downstream partners.

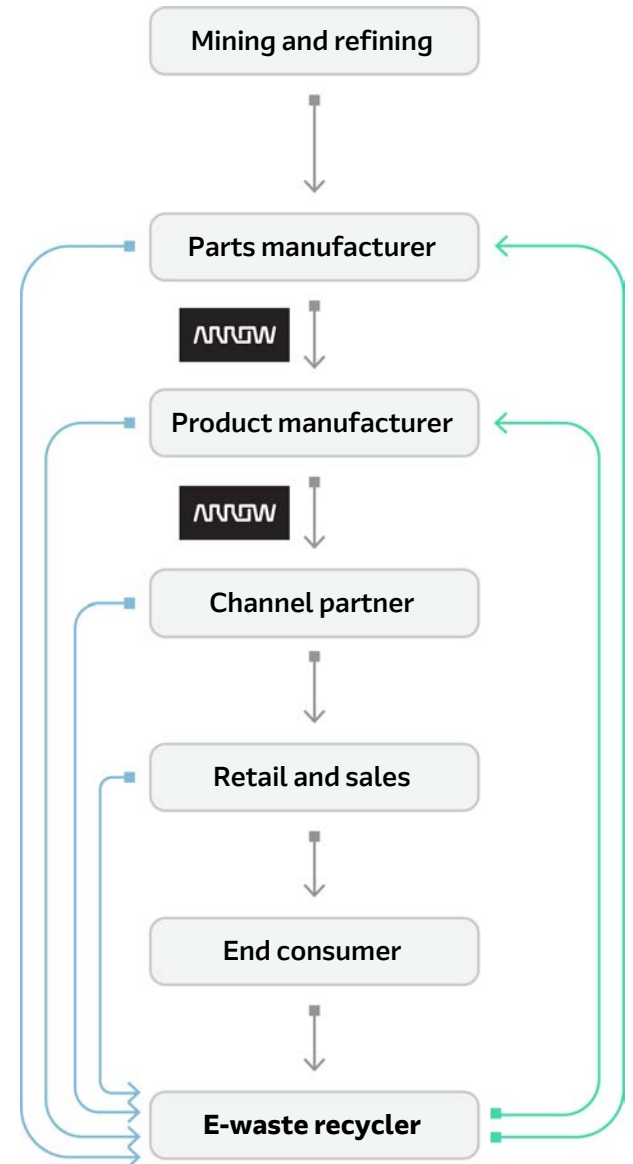
Resource use and circular economy

We recognize the role material efficiency and product life extension play in reducing environmental impacts. Activities like reuse, repair, remanufacture, and recycling can help reduce waste, conserve resources, and unlock future environmental and operational value across the value chain. In 2025, we began exploring a programmatic approach to circularity across our operations and value chain, including:

- Collecting and analyzing waste and material flow data across our global sites, including mapping packaging flows to identify key points of intervention
- Engaging internal stakeholders, including warehouse operations and procurement teams, to understand current practices and surface circularity opportunities
- Participating in industry circularity forums and conferences to benchmark approaches and gather insights from peers in the electronics sector
- Identifying climate-aligned circularity opportunities through our climate scenario modeling and holding exploratory internal discussions

These efforts will help inform our future direction as regulatory requirements and stakeholder expectations evolve — and as we continue to identify where circular business practices can support climate impact reduction, operational efficiency, and supplier and customer engagement.

Arrow's position in the supply chain:



Supporting our workforce and communities

We recognize that our innovation, performance, brand, and value are powered by our people. We believe grounding our efforts in our purpose — enabling technology solutions that make a positive difference in people’s lives — attracts, retains, and unifies the kind of people who thrive here. Through this mindset, we strive to build a purpose-driven culture where responsible leadership guides innovation and every employee feels valued and empowered to contribute in high-impact ways — both at work and in the communities we serve around the world. This aspiration guides our “people, work, rewards” focus areas in alignment with our corporate stewardship and impact strategy.



Human capital strategy

Our human capital strategy is closely aligned with the business strategy and is developed by the chief governance, sustainability, and human resources officer and the global human resources leadership team, with oversight from the Compensation Committee of the Board, to support the talent needs critical to the long-term growth of our organization.

People

We believe in a workplace that works forward for all



WORK(PLACE) FORWARD CULTURE

Embracing inclusion as a catalyst for innovation in technology and driving a future-focused work experience

WORK(FORCE) FORWARD CULTURE

Adapting and supporting our unique workforce in line with our values

COMMUNITY FORWARD CULTURE

Harnessing the power of our teams to benefit the communities where we operate around the world

Work

We believe in work that elevates career opportunity for all



SKILL GROWTH

Growing agile learners at scale

CAREER OPPORTUNITY GROWTH

Creating pathways for lateral and upward movement at scale

Rewards

We believe in rewards that improve performance outcomes for all



CAREER INVESTMENT GROWTH

Compounding knowledge, skills, abilities, experiences, and rewards at scale

PERFORMANCE GROWTH

Creating value by driving a performance culture

Our workforce

People

We believe in a workplace that works forward for all

Inclusion

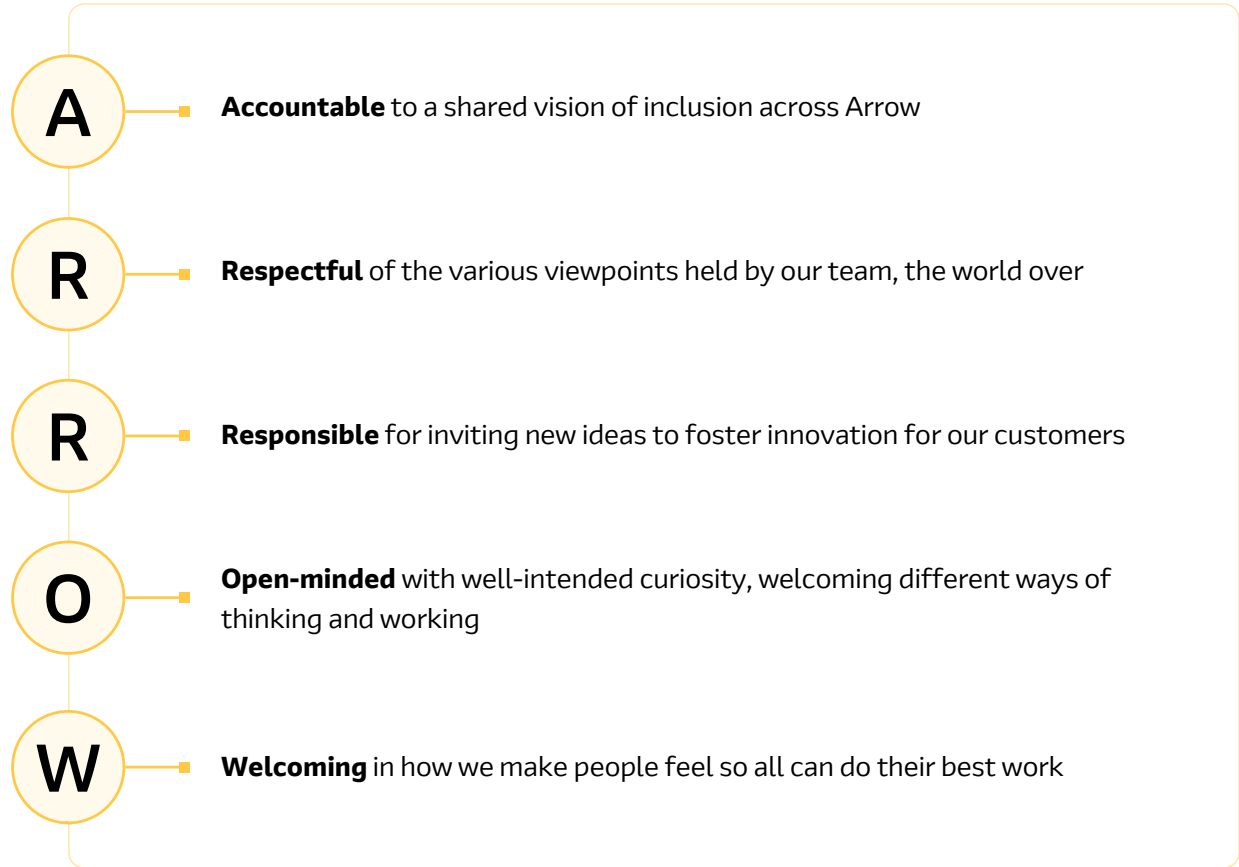
Our global team of employees, with different backgrounds, experiences, and viewpoints, comes from and serves customers from every corner of the world. Inclusion at Arrow means working effectively with people of all cultures and backgrounds toward shared goals and intentional outcomes. It's what gives us a multicultural advantage.

The various talents, viewpoints, and identities in our ways of working and developing solutions are the catalysts for our innovation. The collective efforts of our global team enable us to advance technology, deliver solutions, and focus on the future. This is what makes working every day at Arrow an innovative professional experience.

We know we can find and develop talent wherever we choose to look and invest. We continue to grow our team in a way that is reflective of the talent available in the communities where we operate around the world. We embrace inclusion in the workplace and believe in equal opportunities for all. Our inclusion principles outline the blueprint for how we harness our multicultural advantage and ensure a workplace that works forward for all; we describe this growth mindset as Work(place) Forward.

Our inclusion principles

Our commitment to inclusion is supported by dedicated training to instill awareness, application, and accountability of our inclusion principles.



Work(place) Forward guides our efforts and strategies related to inclusion in partnership with a steering committee that includes a cross-functional group of enterprise leaders. The committee provides oversight and guides the prioritization of resources and activities related to our inclusion strategies in alignment with our business strategy and brand.

We mobilize our commitments and values around people and culture through the following strategic priorities:

Multicultural and global advantage in technology

Inclusion as a catalyst for innovation

Future work experience

Work(place) Forward in action

We strive to create an environment that works forward for all and enables employees to excel. We bring these strategies to life by:

- Magnifying our global cultural advantage through our multicultural calendar and “People and Culture” online site
- Promoting inclusion as a catalyst for innovation through our training and development programming
- Preparing employees with change management training to navigate business transformation, as well as AI skilling needed for the future of work
- Monitoring the employee experience through surveys given at key career moments to understand employee sentiment



Employee safety

Keeping our employees safe is a priority across the entire organization. By prioritizing safety, we strive to create a workplace that not only complies with legal regulations but that also fosters a culture of care and respect.

Employees at all levels within the organization are empowered to learn, practice, and enforce safety protocols and procedures. We all share a personal responsibility to promote a safe working environment and uphold a culture of risk awareness and loss prevention.

Health and safety compliance is monitored by multiple metrics and performance indicators, which we use to track progress and identify areas for improvement. Key metrics are included in the U.S. safety data, which can be found in the [“Workforce and communities metrics”](#) section.

Employee engagement

We strive to maintain a thriving work experience for all employees. One way we accomplish this is by collecting employee feedback via surveys to gain insights into employee satisfaction and engagement. With these insights, we adjust management practices to support continued alignment with our values, purpose, and brand.

In addition to our service anniversary, new hire, and exit surveys, we also leverage periodic engagement pulse surveys and global development program surveys to assess employee sentiment at key career moments.

How we measure employee engagement

We look at two key measures to understand the overall sentiment of our employees:

EMPLOYEE NET PROMOTER SCORE (eNPS)

This measure is based on responses to this statement in our service anniversary and new hire surveys: “I would recommend Arrow as a good place to work.” Overall eNPS is calculated by subtracting the percentage of survey detractors from the percentage of promoters, using a standard net promoter score range from -100 to +100. A higher eNPS reflects higher employee satisfaction and engagement.

“I would recommend Arrow as a good place to work.”

Arrow survey types

Service anniversary

Deployed annually to employees within 60 days of their continuous service date

New hire

Deployed to new hires within 90 days of their hire date

2025 response rate: 69%
2024 response rate: 66%

How is eNPS calculated?

$$eNPS = \% \text{ of promoters} - \% \text{ of detractors}$$

Detractors

Disagree Tend to disagree Neither agree nor disagree

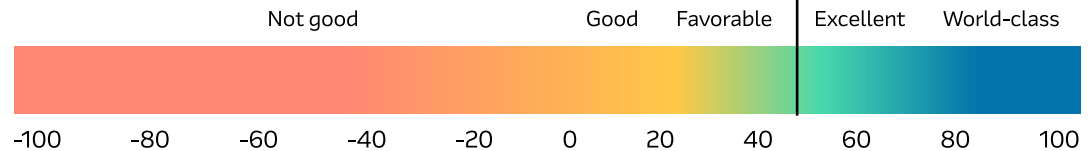
Passives

Tend to agree

Promoters

Agree

48



* Passives are excluded from the calculation of eNPS

FAVORABILITY

This measure is the percentage of employees responding “favorably” to questions across the service anniversary and new hire surveys. Responding favorably means an employee has selected “Agree” or “Tend to agree” to survey questions.

Our executive team monitors our eNPS monthly, in conjunction with other human capital reporting measures, and shares updates as part of our regular human capital strategy update to the Board.

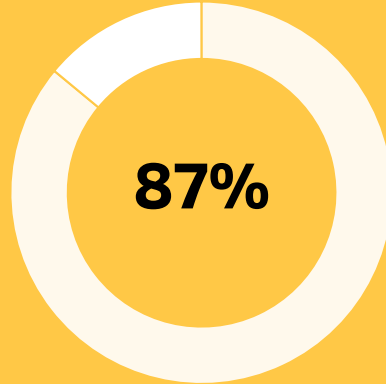
Our eNPS results continue to remain within favorable levels based on industry standards. In addition, our “Favorability” scores across the broader set of employee survey questions suggest healthy manager-employee relationships and feelings of purpose in our work.

To further support our leaders in fostering this culture, we focus on tools like our “Culture Enhancement” toolkit as well as leadership styles and climate assessments conducted upon request from vice president-level leaders. Our “Culture Enhancement” toolkit provides helpful conversation starters and reminders of how leaders can act on the insights that they hear from employees. Meanwhile, our leadership styles and climate assessments allow leadership teams to identify gaps and create conditions that their teams need to succeed.

From our frontline employees delivering solutions to our customers, to our people managers facilitating an effective workplace, to our executive leadership team guiding our organization toward a sustainable future, we cocreate our Arrow culture.

Favorability scores

Responding to survey questions as “Agree” or “Tend to agree”



90%
People
Benchmark: 77%

88%
Purpose
Benchmark: 82%

90%
Manager
Benchmark: 79%

82%
Work
Benchmark: 77%

89%
Engagement
Benchmark: 78%

76%
Rewards
Benchmark: 72%

Benchmark source:
Perceptyx, 2025 Fortune 500 companies

Talent attraction and recruiting

We believe in equal opportunity for all qualified employees and job applicants. Our global talent acquisition teams partner with hiring managers to leverage best-in-class technology, market data, and reporting tools.

We optimize candidate outreach by:

- Identifying market trends and gaps
- Distributing job postings through a variety of internal and external channels
- Proactively sourcing candidates for unique skills and experience
- Using referral campaigns to access employee networks and professional affiliations

We know talent can be found wherever we look, which is why we optimize our recruiting efforts with various partnerships to maximize our talent pools.



Work

We believe in work that elevates career opportunity for all

Global training and development

We view our employees as investors in their own futures. Employees invest in Arrow by bringing their unique talents, experiences, and perspectives to the organization. Over time, employees can expect a return on their investment in the form of compounding their knowledge, skills, and abilities as their careers grow within the company.

We are committed to fostering a community of learners through:

- A wide range of development tools and programs to help our employees grow their knowledge, skills, and abilities at all levels within the organization
- Our annual performance management and talent/succession programs that encourage ongoing dialogue between managers and employees and that help the organization identify and develop talent to support our business both now and in the future
- Self-service tools and resources to empower employees to drive their own careers within the organization

Career investors: Training for all

We encourage our employees to take an active role in their careers and provide tools to help them navigate the possibilities.

Our Career Hub serves as an integrated talent marketplace that consolidates various tools and learning resources in one place and uses the power of

AI to provide personalized career advice to employees. It facilitates mentorship pairings, suggests employee connections to increase internal networks, matches employees with internal job opportunities, and offers learning courses tailored to the skills employees want to cultivate.

SPOTLIGHT

Career conversations

In 2025, we launched our first formal process to drive career conversations globally. Our career conversations program empowers employees to take ownership of their professional growth by actively engaging in self-reflection, goal setting, and career planning. Through structured tasks in our human resources information system, such as updating their career profiles and scheduling career conversations with their managers, employees receive the tools and the autonomy to shape and drive their careers.

Once initiated by the employee, the manager reviews the employee's career profile and actively prepares for the conversation leveraging a manager toolkit. The manager toolkit provides

tips on how to guide the dialogue, as well as an overview of the various development tools available within the company.

Employees and managers are prompted to engage in career conversations annually to strengthen engagement, clarity, and alignment between individual aspirations and organizational opportunities to reinforce our internal talent pipeline.

58%
Employees who
participated in career
conversations

Leadership development

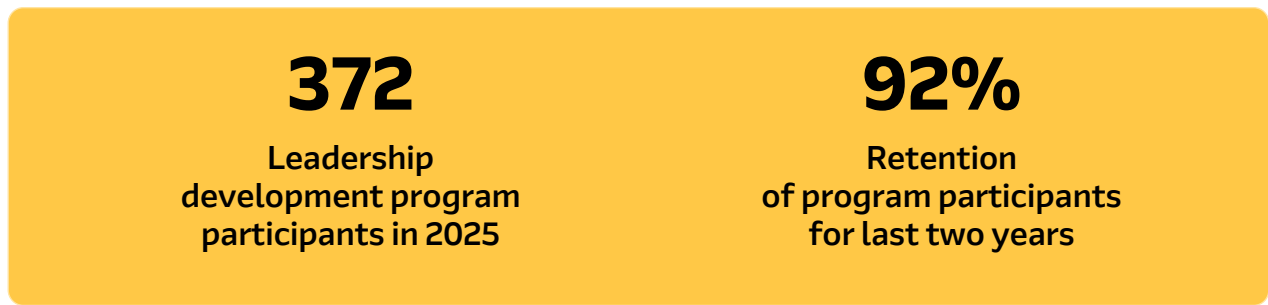
We value leadership excellence and invest in virtual and in-person instructor-led training for all management levels within our organization. We regularly refresh our programs to create an engaging learning experience, ensuring the content remains relevant to the challenges employees face at Arrow and the needs surfaced through our enterprise succession planning program.

Our training and development portfolio offers key development tracks to support:

- High-potential development for employees preparing for the next steps in their careers
- Essentials to build key leadership capabilities across the enterprise
- Targeted training to develop functional skills and/or augment capabilities

Recognizing leadership happens at all levels, we continue to amplify the ways that we provide development solutions to reach more internal talent. Our Authentic Leadership Program (ALP) focuses on preparing high-potential individual contributors for future management roles, while Coaching for Leadership Impact (CLI) provides one-on-one coaching opportunities at scale for high-potential people managers across our organization.

Whether an employee is early in their career, new to the company, or a seasoned professional, our programs support their long-term career growth and skill progression, helping us accomplish both our inclusion and internal mobility aspirations, and ensuring we have a future-ready talent pipeline to support enterprise succession.



Leadership programs	Key program features				
Global Arrow Leadership Academy (GALA): Vice presidents and directors GALA focuses on the skills needed to lead at an enterprise level	In-person/virtual training	Assessments	Global networking	One-on-one coaching	Business simulation
Leadership Excellence Program (LEP): Directors and senior managers LEP creates leaders who can bridge strategy and execution	In-person/virtual training	Assessments	Action learning	One-on-one coaching	
Coaching for Leadership Impact (CLI): Managers CLI focuses on targeted coaching for people managers who demonstrate the potential to move to a director role	One-on-one coaching				
Management Essentials (ME): Managers ME builds key capabilities in leadership skills, including coaching, delegation, managing conflict, and leading change	In-person/virtual training	Assessments	Action learning		
Authentic Leadership Program (ALP): Individual contributors ALP focuses on preparing high-potential individual contributors for management roles	In-person/virtual training	Group coaching			

Early career talent

In addition to offering self-driven career tools and leadership development programs, we focus on attracting and preparing early career talent to expand our capabilities and grow from the ground up.

Globally, we have a portfolio of nine early career talent programs — focused on interns, apprentices, recent college graduates, and management trainees — delivered both virtually and in person, helping us reach a broad, geographically dispersed population.

These programs provide a strong career foundation for participants and serve as an important talent pipeline for our organization. Participants gain insight into our business, experience individual and team learning, and develop practical, real-world experiences to accelerate their capabilities.



SPOTLIGHT:

Americas On-Ramp Program

Driven by our commitment to innovation, we refreshed our approach to early career talent through the development of the Americas On-Ramp Program. Recent college graduates are hired into regular, full-time roles, with approximately 50% of their time spent on curriculum that helps bridge the gap between college life and the professional world.

Participants are provided with:

- Professional soft skill training focusing on workplace effectiveness and interpersonal skills
- One Arrow content that offers an overview of our history, business units, and functions, as well as corporate strategy

- Resources highlighting our systems, tools, and career development offerings
- A case competition opportunity for solving a real-world Arrow challenge via cross-functional teams

At the conclusion of the program, participants fully transition into their regular full-time roles. This innovative approach accelerates the integration of early career talent into our culture and operations, equipping employees with the skills, knowledge, and confidence needed to thrive and contribute from Day 1.

Skilling for the future

As the complexity of the external landscape continues to evolve with advances in technology, trends for more automation, and the increased use of agentic AI, we continue to innovate our business to create more efficiency and value in the marketplace. We focus on and invest in building capabilities in two critical areas to grow employee skill sets for both current and future job demands.

AI skilling:

We developed a global learning campaign to build foundational AI skills across the organization. Employees have access to required and recommended trainings; monthly updates on enhancements to our internal GPT tool; quarterly learning newsletters; and an AI education center that offers learning courses tailored to their level of experience and professional needs.

To stay updated on the technology itself, employees can also access our “AI and Automation” site, which showcases testimonials, offers additional technical training resources, and highlights examples of how AI is powering work at Arrow.

96%

Employees who completed required AI skills training

15,434

Total AI learning hours

Change management:

As business operations continue to transform to drive efficiency and innovation, we designed a training program to help employees and leaders navigate and adapt to change. Within the individual contributor training, participants learn strategies and techniques to maintain resilience through change, while managers learn effective change-agent strategies to lead their teams through change.

Both training courses equip employees and leaders with the tools to confidently navigate change and foster a resilient, adaptable workforce.

3,006

Participants who completed training to upskill on change management skills

Career opportunity growth

Developing talent from within is a key part of our growth strategy and commitment to employee development. Our internal mobility strategy helps our company grow from within and retain top talent. We strive to fill at least 70% of available leadership opportunities (supervisor and above) with internal talent through both lateral and promotional opportunities. We have met or exceeded this target for three straight years.

Internal talent growth

VICE PRESIDENT AND ABOVE



DIRECTOR



MANAGER



SUPERVISOR



INDIVIDUAL CONTRIBUTOR



Internal job movement External hire

Rewards

We believe in rewards that improve performance outcomes for all

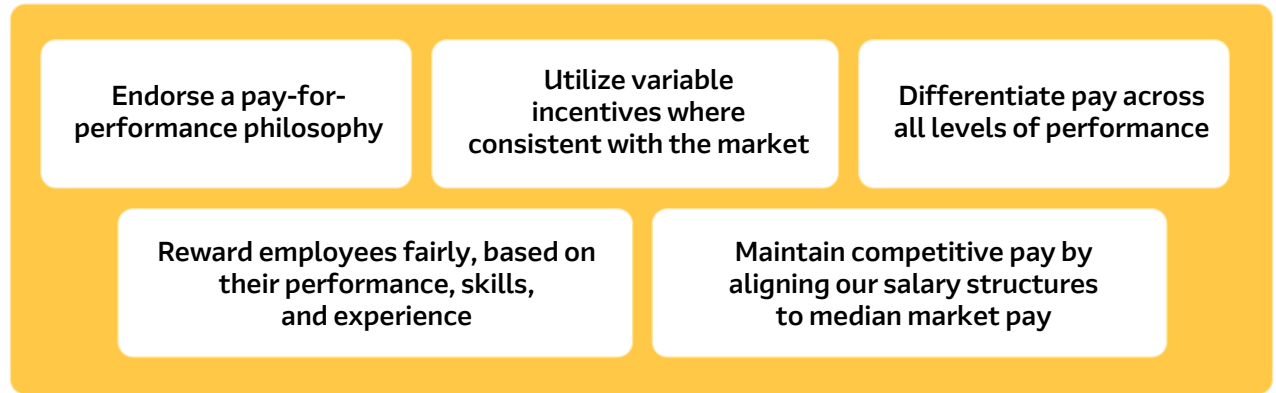
Pay and benefits

Pay

Our performance-based culture creates value by providing commensurate rewards at scale. When our employees excel, so do we. Rewards, which are based on employee results, align with industry best practices and follow our global compensation principles.

We target pay at the market median globally, with employees in all locations being paid at or above applicable minimum wage levels. Our global career framework, which defines all jobs, is accessible to managers and employees worldwide to support employees as they develop their career goals. We use one global benchmarking methodology to consistently compare jobs to the external market. We regularly reevaluate pay and practices to assess whether our rewards programs are competitive with the external market and support our inclusion principles.

Our global compensation principles:



Our steadfast focus on workforce inclusion is matched by our commitment to achieving and maintaining fair pay for our employees, including ensuring pay range placement reflects an employee's professional performance, skills, experience, and pay relative to other similarly situated employees in the same or similar roles. We regularly review compensation best practices and eliminate measures that have been shown to contribute to pay disparity. We also regularly review employee pay to ensure team members in similar roles are paid commensurately with their experience, responsibilities, performance, and location.

Current practices that support fair pay:

- Set pay for new hires and promotions based on professional performance, skills, experience, external market data, and pay relative to other similarly situated employees in the same or similar roles
- Use standard pay rates where applicable
- Include pay ranges on job postings in the Americas region
- Use a globally consistent annual merit planning process
- Provide training to all employees on our compensation programs and practices, as well as specific information about how their personal pay compares to the middle of the pay range for their role and other similar roles
- Grow a leadership talent pipeline through talent development opportunities
- Publish reports that promote pay transparency, where required by law

Benefits

Global

We are committed to our employees' health and wellbeing. Globally, we seek to attract and retain talent by offering a comprehensive and competitive market-based benefits program that:

- Considers the local market while balancing the overall total rewards package and local compliance
- Provides employees with access to health care, income protection and insurance, retirement savings, and wellbeing programs in alignment with local market practice

We conduct ongoing reviews of our benefits programs in each country, with a focus on:

- Harmonizing offerings to drive a consistent employee experience for all business groups
- Achieving and maintaining market competitiveness
- Identifying additional market-based offerings, where appropriate, to support local nuances

Our global Wellbeing Forward program offers online resources available to our global employees and their household members when needed to address mental health, financial, social, and physical wellbeing concerns. In support of overall wellbeing, employees and their immediate family members can access free, confidential counseling sessions for personal or work-related issues. The Calm mobile app, a top-rated resource designed to help manage stress, improve sleep, and live more mindfully, is also available to download at no cost.

U.S.

In the U.S., we provide comprehensive benefits to assist employees at all stages of life.

Benefits include:

- Medical and prescription drug care, including telemedicine
- Dental and vision coverage
- Life and disability insurance
- Health Savings Account (HSA), Health Reimbursement Account (HRA), and health care and dependent care flexible spending accounts
- 401(k) retirement plan
- Employee assistance program
- Backup child care and elder care
- Voluntary benefits to meet individual needs
- Robust wellbeing programs
- Paid time off and leave of absence programs, including six weeks of paid parental leave to new parents
- Tuition reimbursement

Employment security

Employment security of our workforce is a top priority for our leadership — and our goal is to avoid workforce reductions whenever possible. When restructuring results in job eliminations, we offer a market-based separation package to assist impacted employees.

Our U.S. severance package includes outplacement assistance, a minimum of six weeks of pay continuity, and supplemental pay to support continued health insurance coverage for both full-time and part-time employees scheduled to work 20 hours or more per week. These benefits increase based on an employee's length of service and job level.

Outside the U.S., separation benefits are based on local regulations, requirements, and market practices.



Our communities

Community engagement

We recognize the pivotal role corporate citizenship plays in benefiting the communities where we operate around the world. Through Community Forward, our corporate social responsibility program, we harness the power of our people and technology to do good in our communities while simultaneously reinforcing our business strategy and brand reputation.

<p>1,283 Organizations supported via volunteering and/or giving</p>	<p>70 Countries impacted by volunteering and/or giving</p>
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Making a difference together

Our employees are central to bringing our community engagement focus areas to life. We empower our global employees to make a positive impact in their local communities through environmental and social events, education, and programming.

Global Volunteer Network: A catalyst for change

At the heart of our volunteer program is our Global Volunteer Network (GVN), where employees organize volunteer opportunities that enable us to make a difference in our communities worldwide. Since its inception in 2023, the GVN has been a powerful platform for employees to collaborate with Community Forward, identifying and recommending locally relevant, mission-aligned volunteer activities.

Amplifying our impact

To further expand the impact of our employees, our Community Forward program offers matching opportunities for hours volunteered and dollars donated.

DOLLARS FOR DOERS

We grant a dollar amount per hour, for the first 12 hours served each year, for employees to donate to charitable organizations of their choice.

GIFT-MATCHING CAMPAIGNS

We match employees' monetary donations to nonprofits aligned with philanthropic focus areas at certain times of the year.

Global volunteer program

5,292 Volunteers	18,651 Hours
39 Countries	368 Events

Global Volunteer Network

229 Members	368 Member events
32 Countries with members	

Community Forward focus areas

Community Forward prioritizes four strategies where we are uniquely positioned to create positive change at scale.



Giving for Good

Empowering employees to support causes important to them through volunteering and giving



Tech for Good

Advancing solutions for societal and environmental challenges with tech-forward innovations



STEM for Growth

Inspiring a global talent pipeline of students to pursue education and careers in science, technology, engineering, and mathematics (STEM)



Green Good

Committing to environmental stewardship by supporting innovative climate solutions





Giving for Good

Empowering employees to support causes important to them through volunteering and giving

We support employees giving back to their communities in ways most meaningful to them, whether volunteering on their own, collaborating with their teams, or participating in Arrow-sponsored initiatives powered by the GVN.

We support Giving for Good through several initiatives, including:

DISASTER RELIEF

We provided critical humanitarian aid, emergency response, and recovery efforts through local nonprofits during natural disasters or crises where employees live and work.

SEASON OF GIVING

We organized volunteer events and donation drives to spread kindness and hope to those who needed it most.

PLAYING IT FORWARD

Over 537 volunteers across 11 countries assembled sports kits to create movement and play for kids in need. These sports kits helped remove financial barriers for over 682 low-income children, supporting their physical and emotional wellbeing.

WELLBEING

As an extension of our Wellbeing Forward program, employees volunteered in company-hosted events that promoted healthy lifestyles in our communities.

BUILDING MORE THAN BOARDS

During several of our global sales kickoff events, 251 Arrow employees across the U.S. and EMEA came together to build 109 skateboards for children in need — providing not just a means of transportation but a source of joy, independence, and opportunity through local nonprofit partners.

CONSTRUCTING CLASSROOMS AND COMPUTERS

In India, we sponsored an infrastructure project at a government school serving around 200 students from grades one to seven. Together, we constructed and renovated classrooms, upgraded sanitation and safety infrastructure, and, most notably, established a fully equipped computer lab — a first for the school.

VOLUNTEER AWARDS

We paid tribute to our top volunteers per region with the most hours served over 12 months in observance of International Volunteer Day.

- Top individual volunteers served the following hours of their own time
 - Americas:** 175 hours
 - Asia-Pacific:** 15 hours
 - EMEA:** 104 hours
- Top team event volunteers served the following hours in Arrow-organized activities
 - Americas:** 138 hours
 - Asia-Pacific:** 53 hours
 - EMEA:** 25 hours

“Attending the volunteer event where we assembled sports kits was such a rewarding experience. I was especially excited that my teammates — remote workers based outside of Denver — were able to join me in person. While we’re used to collaborating virtually, it was wonderful to connect face-to-face and strengthen our bond beyond the screen. One of the things I truly value about working at Arrow is its deep commitment to community involvement — not just here in Denver but globally. I’ve had the privilege of participating in several meaningful initiatives, and each one reinforces how much Arrow invests in making a positive impact.”

- Business process manager





Tech for Good

Advancing technology access and innovation to improve lives at scale

Our vision for a tangible future is one where technology is accessible and life-improving. Our annual campaign celebrates the power of our people and technology to positively impact communities through technology. Globally, we supported 68 nonprofit organizations with 2,054 hours served.

To further our community presence around the world, we offer grants to charitable organizations that support the ability to impact at scale. In alignment with our Tech for Good strategy, we partner with nonprofits that leverage technology to improve our communities around the world.

Fast Forward

Fast Forward accelerates social impact by equipping tech nonprofits with the tools, funding, and community they need to scale solutions for global challenges. We partnered with Fast Forward through its Pitch Camp program, where our employees met with 11 nonprofit leaders to provide actionable feedback, amplifying their work and impact.

The N50 Project

The N50 Project is dedicated to driving digital adoption and enhancing communities by leveraging innovative applications, strategic network design, and sustainable business models. We joined forces with The N50 Project to install three digital labs as part of its EdTech Equity initiative and launch its AI for All initiative as the lead sponsor. Together, we aim to reduce the digital divide.

DIGITAL LABS

Guadalajara: In partnership with Intel, ApplianSys, SMART, and ASUS, we provided fifth and sixth graders with 40 workstations, interactive SMART boards, and technology to stabilize internet connectivity to compete in Guadalajara's fast-growing digital economy.

Indianapolis: Our second digital lab was installed in the spring of 2025 at Monarca Academy — featuring 20 computer workstations, interactive SMART Boards, an AI tool, a 3D printer, a FIRST Robotics kit, and reliable internet connectivity — helping 240 students explore coding, robotics, and responsible AI use.

Mexico City: In the fall of 2025, we partnered with The N50 Project to sponsor our third digital learning lab at a school in Mexico City, introducing Critical Link's offline AI solution that gives teachers access to lesson plans without an internet connection.

AI FOR ALL

The N50 Project's AI for All initiative aims to bring the benefits of artificial intelligence to all. Through tools like the N50 Connectivity Kit, offline language models, and innovative network solutions, the program ensures the promise of AI reaches all communities, not just those already on the grid.





STEM for Growth

Growing a global talent pipeline in STEM

As a technology company, we support nonprofits in the global STEM community to provide students with critical opportunities, resources, and tools to help them enter their desired professions and reach their career goals. Each year, we award grants to organizations advancing this mission, aiming to inspire students to join the next generation of innovators, problem-solvers, and builders.



GLOBAL

- As long-term supporters of global robotics and STEM initiatives, we strengthened our impact by working with regional nonprofit partners to provide students with more opportunities to participate in hands-on robotics programs and real-world STEM skill development
- For the 2025-2026 competition season, we are sponsoring four high school robotics competition teams (ages 14-18) in Mexico, Morocco, China, and the U.S.; this funding will provide opportunities for students to participate in a global robotics community and advance their STEM learning

AMERICAS

- For the 13th year, we sponsored a major regional high school robotics competition in Colorado, hosted at the University of Denver
- With funding from Arrow, Desert Research Institute expanded hands-on learning by training five educators to use robotics in teaching core subjects, engaging hundreds of students in Reno, Nevada
- We're partnering with Project Lead The Way to support implementation of STEM learning programs for schools in Alpharetta, Georgia, in 2026 and beyond, helping to connect classroom concepts to practical applications, explore career pathways, and build the skills and confidence needed to succeed in the future workforce
- Through Fundación Robótica para la Educación, we're expanding access to high-quality STEM education in Jalisco, Mexico, and supporting opportunities that connect students with peers from around the world, inspiring creativity, collaboration, and innovation

ASIA-PACIFIC

- In partnership with Penang Science Cluster, we supported a 2025 regional secondary-school robotics challenge in Malaysia, involving 154 students and 20 teachers from 17 school teams across Penang; we will sponsor the 2026 competition, making it our third consecutive year
- For the 2025-2026 school year, our funding will help expand AI-on-Wheels, Penang Science Cluster's new program to deliver foundational AI learning to students across Penang

EMEA

- We funded a hackathon in Madrid, Spain, that encouraged 34 students to develop innovative, data-driven solutions for a circular economy, while building skills in sustainability, entrepreneurship, and collaboration
- In collaboration with Al Jisr, we're helping bridge the digital divide in Morocco for the 2025-2026 school year by providing 120 fourth- and fifth-grade students equitable access to devices, coding, and safe internet, turning their first contact with technology into lasting skills and confidence
- With Teach for Poland, we aim to advance science, technology, engineering, arts, and mathematics (STEAM) education in Gdańsk, Poland, for the 2025-2026 school year through its EduLeadership Program, equipping educators with the skills and mindset to integrate STEAM methodologies into their practice



Green Good

Committing to environmental stewardship by supporting innovative climate solutions

We aim to engage employees worldwide in supporting innovative climate solutions that advance sustainability across our company and communities.

Our Green Team hosts events year-round to share sustainability progress and spotlight projects throughout our business. Additionally, throughout 2025, we engaged Green Team members and our broader workforce in campaigns that supported environmental stewardship.

In celebration of Earth Day, we hosted a monthlong campaign where employees furthered our Green Good impact through volunteering, giving, and learning. In 2025, our collective efforts supported 56 nonprofit organizations with 2,298 hours served.



During Earth Month, we also hosted our second annual Sustainability Summit, bringing employees, leaders, and suppliers together to share ideas and drive sustainability-related innovation.

Our “Sustainability Shark Tank” event — with the winning idea launching at our Guadalajara, Mexico, office — featured a reuse hub and mug wall to reduce disposables and promote circularity. We also awarded two employees at our Venlo warehouse with our Green Standard Award for programming employee workstations to power down after hours, an initiative that reduces energy usage.

In September, our third annual On-the-Go Arrow campaign encouraged employees to choose low-carbon commuting options, contributing to reductions in our Scope 3 commuting emissions. Employees participated worldwide, choosing more sustainable

commuting options such as cycling, walking, carpooling, or taking public transit. Together, employees logged 31,558 kilometers of low-carbon commuting options, avoiding 4 metric tons of emissions.

WattTime

Supported by a grant from Arrow in 2024, WattTime launched its Grid Emissions Data platform in 2025 to provide free, high-resolution global carbon data — empowering organizations, researchers, and NGOs to make more informed, impact-driven climate decisions, which earned it Time magazine’s “Best Inventions of 2025.”

Global environmental program

298
Green Team
members

13
Events

585
Employees
participated

36
Countries
represented

Data and performance

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Sustainability Accounting Standards Board (SASB)

Topic	Metric	SASB code	Response or location
Energy management in retail and distribution	(1) Total energy consumed, (2) percentage grid electricity, and (3) percentage renewable	CG-MR-130a.1	(1) Total energy consumed in megawatt hours (MWh): 71,510 (2) Percentage of energy consumed that is grid electricity: 81% (3) Percentage of energy consumed that is renewable: 33%
Data security	Description of approach to identifying and addressing data security risks	CG-MR-230a.1	Cybersecurity and data protection Form 10-K , cyber risk, pages 22-23
	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), and (3) number of customers affected	CG-MR-230a.2	No material breaches in FY 2025 Form 10-K , cyber risk, pages 22-23
Labor practices and conditions	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	CG-MR-310a.1	We do not have in-store employees; however — (1) Average hourly wage for light industrial (LI) employees where our largest distribution centers are based: U.S.: \$24.25 Netherlands: \$20.76 Hong Kong: \$12.18 (2) 100% of LI employees are paid at or above applicable minimum wage (globally)
	(1) Voluntary and (2) involuntary turnover rate for in-store employees	CG-MR-310a.2	We do not have in-store employees; however — (1) Voluntary turnover rate for LI employees: 13.15% (2) Involuntary turnover rate for LI employees: 3.74%
	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	CG-MR-310a.3	While we monitor this information closely, it is not publicly disclosed at this time Form 10-K , legal proceedings, Page 24
Workforce diversity and inclusion	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	CG-MR-330a.1	We do not publicly disclose this data at this time
	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	CG-MR-330a.2	While we monitor this information closely, it is not publicly disclosed at this time Form 10-K , legal proceedings, Page 24
Product sourcing, packaging, and marketing	Revenue from products third-party-certified to environmental and/or social sustainability standards	CG-MR-410a.1	We do not manufacture products nor certify services to environmental and/or social standards
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	CG-MR-410a.2	Arrow operations do not involve chemicals from product sourcing, packaging, or marketing at this time Product impact
	Discussion of strategies to reduce the environmental impact of packaging	CG-MR-410a.3	Waste

Activity metrics	SASB code	Arrow disclosure
Number of (1) retail locations and (2) distribution centers	CG-MR-000.A	Total number of: (1) Retail locations: Arrow does not operate any retail locations. (2) Distribution centers: 39
Total area of (1) retail space and (2) distribution centers	CG-MR-000.B	Total area of: (1) Retail space: Arrow does not operate any retail locations. (2) Distribution centers: 3,972,985 sq ft.

The data is as of December 31, 2025, unless otherwise noted.

Task Force on Climate-related Financial Disclosures (TCFD)

In the table below, we detail our alignment with the TCFD framework. We note that we are not indicating that any risks or impacts identified below are material to the company from a securities law perspective. We refer all readers to Item 1A (“Risk Factors”) of our annual report on [Form 10-K](#) for a discussion of the material factors that make an investment in the company speculative or risky, which should be read in conjunction with the following information. We undertake no obligation to update information set forth below should any such information become untrue and refer all readers to the statements in information regarding [forward-looking statements](#).

Governance

Disclose the organization’s governance around climate-related risks and opportunities.

(a) Describe the Board of Directors’ oversight of climate-related risks and opportunities.

Our Board of Directors (the Board) oversees corporate stewardship and impact matters primarily through its three committees: (1) the Corporate Governance Committee maintains primary oversight of our programs, policies, practices, relevant risks and opportunities, measures, objectives, and performance relating to corporate stewardship and impact matters and makes recommendations to the Board regarding the integration of such matters into our business strategy and operations; (2) the Audit Committee reviews publicly disclosed corporate stewardship and impact metrics and monitors internal control

procedures used to prepare or develop such metrics; and (3) the Compensation Committee reviews our human capital-related corporate stewardship and impact targets, goals, and other disclosures.

(b) Describe management’s role in assessing and managing climate-related risks and opportunities.

Executive-level accountability for corporate stewardship and impact resides with our senior vice president, chief governance, sustainability, and human resources officer, who reports directly to the chief executive officer and oversees the cross-functional corporate stewardship and impact strategy and implementation.

Our Corporate Stewardship Operating Committee (CSOC) is responsible for identifying, assessing, and managing corporate stewardship risks, opportunities, and impacts. The CSOC includes leaders from legal and compliance, corporate affairs, human resources, finance, enterprise and resource planning, and information technology.

We also maintain cross-functional working groups and project teams that support the corporate stewardship and impact implementation, goal setting, and performance monitoring. These groups draw from the same departments as CSOC, as well as supply chain and marketing. They also include representatives from our global business units, which play a critical role in advancing corporate stewardship and impact objectives across our operations.

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.

Our climate strategy is focused on minimizing the risks that a changing climate poses to our business strategy, positioning the company to capture emerging opportunities and reducing our overall climate impact.

In 2025, we received validation of our near-term science-based targets (SBTs) by the Science Based Targets initiative (SBTi). We commit to reduce absolute Scope 1 and 2 GHG emissions 42% by 2030 from a 2023 base year. We also commit that 85% of our suppliers by spend covering purchased goods and services will have SBTs by 2030. We further commit that 60% of our logistics partners by spend covering upstream transportation and distribution will have SBTs by 2030. We finally commit that 30% of our customers by revenue covering use of sold products will have SBTs by 2030.

To achieve these targets, we focus on carbon reduction efforts in our direct operations, including:

- Improving building and system efficiency
- Procuring energy from renewable sources
- Electrifying our fleet

To achieve our Scope 3 targets, we are continuing to evolve our supplier engagement program, which is grounded in listening to our suppliers, understanding their sustainability journeys, and providing tailored support and resources. For additional information about this program, please view the [“Environmental supplier engagement”](#) section.

(a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

(b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.

In 2025, we worked with an external third party to model the financial impacts of six climate-related risks and opportunities to evaluate how our current business model would perform across different climate scenarios based on fiscal year 2024 input. This report builds upon our previous analysis conducted in 2023. We use a scenario analysis to assist in envisioning future financial impacts to build resilience to unpredictable environmental, technological, market, and policy disruptions.

We selected three scenarios, created by the Network for Greening the Financial System (NGFS), to capture a variety of possible scenarios.

Transition risk scenario	Physical risk scenario	Description
NGFS net zero 2050	IPCC SSP1-2.6	This scenario reflects a future in which immediate, coordinated global action is taken to reduce emissions in line with the Paris Agreement, limiting global temperature rise to 1.5°C above preindustrial levels by 2100. While this pathway entails significant transition impacts, it substantially reduces long-term physical climate risks. We used this scenario to assess the company’s resilience to transition-related risks.
NGFS delayed transition	IPCC SSP2-4.5	This scenario represents a delayed and fragmented global response to climate policy commitments, resulting in the world falling short of the 1.5°C target and instead limiting warming to approximately 2.7°C by 2100. It reflects a “middle ground” pathway in which both transition and physical risks are moderate — policies and market shifts occur but too late to avoid more pronounced climate impacts. We used this scenario to evaluate the company’s exposure to both transition and physical risks under a less coordinated policy environment.
NGFS current policies	IPCC SSP5-8.5	This scenario reflects a future in which no additional climate policies are implemented and global emissions continue to rise throughout the century. As a result, average global temperatures are projected to increase by approximately 4°C above preindustrial levels by 2100, leading to severe and widespread physical climate impacts. We used this scenario to assess the company’s exposure to high physical climate-related risks under a business-as-usual pathway.

We assessed these impacts across three time horizons to understand how they may evolve over time and to inform how we adapt our strategy accordingly.

Time horizon	Years	Description
Short term	0 to 4 years	Our short-term horizon aligns most closely with our strategic risk management process and capital planning cycles. This timeframe supports the identification of adaptation needs and the implementation of responsive measures.
Medium term	5 to 9 years	Our medium-term horizon aligns with our stated targets (i.e., our aspiration to achieve 100% renewable electricity by the end of 2030 and our near-term science-based target year of 2030). This timeframe should allow us to balance immediate investment concerns with longer-term impacts.
Long term	10 to 25 years	Our long-term time horizon captures slower-onset or systematic impacts that unfold over decades and long-term policy objectives that would not be observable in the short- to medium-term horizons.

The analysis covered approximately 200 direct operating sites, including our offices and warehouses as well as 500 indirect operating sites, such as third-party logistics providers (3PLs) and data centers, where we maintain operations but have less direct operational control. We also conducted a high-level analysis of our priority supplier and customer locations by analyzing their respective countries' vulnerability to climate change and other related global challenges. In future years, we aim to conduct a more detailed site-level analysis of our Tier 1 suppliers and further explore deeper tiers of our supply chain to understand how climate impacts could affect areas such as raw material availability and shipping routes.

Table 1: Transition risks and opportunities

TCFD category	Description	Impacts on Arrow business strategy	
Transition risks	Policy and legal	Enhanced emissions-reporting obligations	As a global company, we operate under the laws of many different jurisdictions, making enhanced emissions-reporting obligations potentially impactful, especially under lower-temperature scenarios where regulation is projected to be more stringent. To mitigate this risk, our compliance, CS&I, and environmental sustainability teams actively track emerging legislation with a variety of tools. In 2025, we also refined the roles and responsibilities of our teams to prepare for CSRD, which not only strengthens our legislative readiness but also provides a stronger foundation to advance our broader sustainability strategy. Finally, our GHG emission reduction targets reduce our carbon footprint and exposure to future GHG emission regulations.
Transition opportunities	Resource efficiency	Use of more efficient distribution processes	As a distributor that relies heavily on air freight to meet customer expectations for speed, changes in logistics costs pose an opportunity for us. Under a low emissions scenario, greater investment in sustainable aviation fuels and improved fuel efficiency is expected to stabilize or even reduce air freight prices, meaning we could spend less on shipping. However, under a 4.0°C scenario, rising fuel costs and increasing climate-related disruptions are projected to drive prices higher, resulting in potentially greater distribution expenses. To mitigate this risk, we are committed to engaging 60% of our logistics suppliers to set SBTs. By having spend aligned with suppliers committed to decarbonization, we can reduce exposure to volatile fuel prices and regulatory risks, benefit from shared efficiency gains, and ensure its logistics network is better positioned for a low-carbon transition.
Transition opportunities	Products and services	Development and/or expansion of low emission goods and services	We already sell a variety of low-emission goods and services, including infrastructure-as-a-service, which is less carbon intensive than physical goods. This analysis considered how demand for those products might evolve under different scenarios, better positioning us in the marketplace as customer demand evolves. On the ECS side of our business, we considered how climate scenarios might impact our infrastructure-as-a-service offerings. In a net-zero scenario, our infrastructure-as-a-service business is projected to grow alongside electricity generation and demand. This outcome complements the strategy and direction our ECS business is already taking. In the global components side of our business, key stakeholders agreed that taking steps to highlight sustainability attributes of our products could strengthen our value proposition to suppliers. As a next step, we are partnering with the business to explore labeling certain components as “sustainable” based on a standardized definition to drive awareness and demand for more sustainable products.
	Products and services	Development of new products or services	By analyzing how different temperature scenarios could affect the availability and recovery of e-waste, as well as access to virgin raw materials, the assessment provided insights into how the composition of our products may evolve over time. The modeling indicated that in a net-zero scenario, a greater share of our components could incorporate recycled content. Given our role as a distributor within the value chain, this presents a potential opportunity to participate in the recovery and redistribution of recycled materials to support a more consistent supply. However, after exploratory discussions with the business, we determined this opportunity is less impactful than initially anticipated, primarily due to the complexity of our value chain and the limited quantities of recoverable critical materials within our components, as well as challenges in material recovery and purity assurance. As a result, we have decided to deprioritize this initiative to focus our resources on higher ROI opportunities and risk mitigation efforts that present greater immediate impacts to our business. We remain committed to evaluating climate-related opportunities, including this one, as technology and policy evolve to make this more attractive.

Table 2: Physical risks

TCFD category	Description	Impacts on Arrow business strategy	
Physical risks	Acute	Increased severity of extreme weather events, including extreme heat, extreme precipitation, floods, and tropical cyclones	Even today, some of our locations may be exposed to the six physical risks evaluated. Projected changes in exposure are expected to become more pronounced over the medium- and long-term horizons, particularly under higher-emissions scenarios. Our Asia-Pacific facilities are generally more vulnerable to these climate risks than those in EMEA or the Americas. As a result, it will be critical to prioritize resilience measures in this region, ensuring sites are well-prepared to withstand extreme weather events and other climate-related disruptions. For identified physical risks, we collaborate closely with our real estate, risk management, and business continuity teams to review and act on the results of our climate risk analysis. The business continuity team develops emergency response plans that outline procedures for protecting our people and assets during physical climate events, such as severe weather. They also maintain business continuity plans to safeguard critical operations and processes, ensuring business resilience during disruptions. We aim to advance the integration of sustainability throughout our operation by sharing the findings with the risk management team covering the physical risk analysis with additional insights from our insurance providers, brokers, loss control engineers, and consultants to inform enterprise-wide risk mitigation strategies. In the future, we hope to enable more proactive portfolio evaluations by integrating climate risk assessments into the sustainable real estate framework, which informs the selection of new facilities.
	Chronic	Changes in precipitation patterns and increasing variability in weather conditions, including prolonged periods of extreme heat	

(c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Our scenario analysis identified a range of potential impacts across all three time horizons and under each of the three climate scenarios. These insights underscore the importance of continuously building organizational resilience, enhancing the granularity of our assessments, and integrating climate considerations into strategic and operational decision-making.

A key element of strengthening our resilience is making sustained progress toward our SBTs. Reducing our own operational emissions and partnering with suppliers and customers to do the same positions us to both mitigate transition risks and capture opportunities in a low-carbon economy.

Our globally distributed portfolio of sites also enhances our resilience to physical climate risks. With operations across multiple geographies, we are able to withstand localized disruptions, such as extreme weather events or chronic temperature increases. However, our lack of visibility beyond our Tier 1 suppliers emphasizes the importance of our supplier engagement strategy to fully assess and mitigate vulnerabilities deeper in our supply chain.

Additionally, Arrow’s broad business model and portfolio of technology solutions provide flexibility to adapt to evolving market dynamics. Our range of offerings allows us to meet shifting customer needs, seize emerging opportunities in sectors driving the clean energy transition, and remain insulated from sector-specific downturns.

Overall, our scenario analysis revealed that while we may experience both physical and transition impacts, we are also well-positioned to adapt and manage such impacts. The findings reinforce our aim to diversify our portfolio, strengthen supplier engagement, and integrate climate risk management into strategic planning processes to ensure long-term business resilience.

Risk management

Disclose how the organization identifies, assesses, and manages climate-related risks.

(a) Describe the organization's processes for identifying and assessing climate-related risks.

We identify and assess environmental risks as part of our broader Enterprise Risk Management (ERM) program. Risks aligned with the TCFD framework — including "increase in environmental and climate-related risks," "disruptions in business operations - natural disasters/extreme weather," and "meeting evolving customer expectations" — are evaluated in accordance with our risk identification and assessment processes. If deemed critical to our business, risk results would be elevated to the Audit Committee of the Board, which is responsible for overseeing our ERM program and reviewing steps management has taken to monitor, mitigate, and control material risks.

In addition to our ERM process, the global sustainability team conducts a dedicated climate-related risk assessment to identify and evaluate climate-related risks and opportunities. Our approach is guided by the results of our double materiality assessment and aligned with the TCFD framework.

In 2022, we completed an initial identification phase that included interviews with stakeholders across multiple regions and business units, such as sales, real estate, risk, and business continuity, to identify the climate-related risks and opportunities most relevant to their operations. This qualitative assessment helped determine the directional significance of our top climate-related risks and opportunities.

Building on these insights, we partnered with a third party in 2023 to conduct a quantitative scenario analysis, evaluating the potential financial impacts of these risks and opportunities across multiple time horizons and climate scenarios. In 2025, we refreshed the assessment with updated stakeholder input and enhanced financial modeling to further quantify the potential financial impacts of our priority risks and opportunities.

(b) Describe the organization's processes for managing climate-related risks.

The Board oversees corporate stewardship and impact matters through three committees: the Corporate Governance Committee (primary oversight and integration into strategy), the Audit Committee (reviews disclosed metrics and internal controls), and the Compensation Committee (reviews human capital-related targets and disclosures).

Executive accountability for corporate stewardship and impact rests with the senior vice president, chief governance, sustainability, and human resources officer, reporting to the CEO and leading cross-functional strategy, supported by CSOC and cross-functional working groups spanning key departments and global business units.

(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

We identify and assess climate-related risks as part of our broader ERM program. If deemed critical to our business, climate-related risk results would be elevated to the Audit Committee of the Board, which is responsible for overseeing our ERM program and reviewing steps management has taken to monitor, mitigate, and control material risks.

We are continuously improving our climate risk analysis. In the future we hope to:

- Formalize a consistent process for conducting and updating climate risk assessments, which have previously evolved year to year
- Leverage GIS tools for enhanced physical risk analysis
- Enable more proactive portfolio evaluations by integrating climate risk assessments into the sustainable real estate framework, which guides the selection of new facilities

Metrics and targets

Disclose how the organization identifies, assesses, and manages climate-related risks.

(a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

We collect and monitor a range of metrics to evaluate climate-related risks and opportunities. Metrics within our own operations focus on energy, Scope 1, Scope 2, water, and waste metrics, while metrics within our value chain focus on Scope 3 emissions, categories 1, 2, 3, 4, 5, 6, 7, 11, and 12. For additional information about our metrics, please visit [“Environmental metrics.”](#)

(b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions and related risks.

For more details regarding our Scope 1, Scope 2, and Scope 3 emissions, see [“Environmental metrics.”](#)

(c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Our climate-related targets are established in response to climate change being made a material topic for Arrow. We set goals, manage risks and opportunities, and measure progress on the following data points:

- Reduce Scope 1 and 2 emissions by 10% by the end of 2025 compared to 2022 baseline
- Reduce absolute Scope 1 and 2 emissions 42% by 2030 from 2023 base year*
- Endeavor toward 100% renewable electricity, cost effectively and as available, by the end of 2030
- Promote shared accountability across the value chain by encouraging a portion of suppliers and customers to have SBTs by 2030*
 - 85% of suppliers by spend covering purchased goods and services
 - 60% of logistics partners by spend covering upstream transportation and distribution
 - 30% of customers by revenue covering use of sold products

For additional information about our approach and progress to achieving these goals, please refer to our [“Goals and progress”](#) and [“Our climate impact”](#) sections.

* Indicates this goal has been validated by the SBTi.



Metrics and references

Quick reference	Link
About Arrow	2025 fact sheet
Company year in review	2025 year in review
Company website	arrow.com
Proxy Statement	SEC filings
Company financials	Financial results
Policies and reports	Reporting and governance
Corporate stewardship and impact at Arrow	Corporate stewardship and impact
Quality policies and certifications	Arrow supplier quality
SASB index	Page 65
TCFD disclosure	Page 66

Sustainability research and rating agency performance	2023	2024	2025
Agency name			
ISS Corporate	Not Prime, 1st Decile	Prime, 1st Decile	Prime, 1st Decile
EcoVadis	Silver	Gold	Gold*
Sustainalytics	Negligible Risk	Negligible Risk	Negligible Risk
MSCI	A	AA	AA
CDP climate change	C	C	B-
CDP water security	C-	C-	C

* [EcoVadis Recognition Page](#)

Governance metrics and references

Quick reference	
Policies and reports	Reporting and governance
Quality policies and certifications	Arrow supplier quality
Investor relations	Investor relations
Policies and standards	
Code of conduct	Worldwide Code of Business Conduct and Ethics
Human rights	Page 10 (Code of Conduct)
Forced labor and child labor	Page 10 (Code of Conduct)
Harassment and discrimination	Page 8 (Code of Conduct)
Safe work environment and other labor rights	Pages 9 and 10 (Code of Conduct)

Quick reference		
Anti-bribery and anti-corruption	Page 11 (Code of Conduct)	
Antitrust and fair competition	Page 12 (Code of Conduct)	
Conflicts of interest	Page 13 (Code of Conduct)	
Third-party due diligence	Page 11 (Code of Conduct)	
Political engagement	Page 14 (Code of Conduct)	
Data protection	Pages 15 and 16 (Code of Conduct)	
Confidential reporting and whistleblower protection	Pages 7 and 18 (Code of Conduct)	
Business Partner Code of Conduct	Business Partner Code of Conduct and Ethics	
Human rights	Page 12 (Business Partner Code of Conduct)	
Conflict minerals	Page 14 (Business Partner Code of Conduct)	
Sustainability	Page 14 (Business Partner Code of Conduct)	
Reporting violations	Page 15 (Business Partner Code of Conduct)	
Conflict minerals	Conflict minerals statement/report	
Human rights	Slavery and human trafficking statement	
Responsible Business Alliance (RBA)	2024 = Supporter member	2025 = Supporter member
Frequency of mandatory data privacy training	Annual	
Privacy policy	Privacy policy/privacy center	
Business continuity	Global business continuity program overview	
Overall online compliance training completion rate	2024 = 99%	2025 = 98%

AlertLine/whistleblower hotline	Unit	2023	2024	2025
High-level issue type				
Total cases	Number	—	118	148
Business integrity	Percentage	—	24%	14%
Employee relations	Percentage	—	53%	59%
Environment, health, safety, and security	Percentage	—	3%	8%
Misuse and misappropriation of company assets	Percentage	—	3%	4%
Other	Percentage	—	17%	16%
Allegations that were anonymously reported	Percentage	—	56%	59%
Closed cases that were substantiated	Percentage	—	15%	16%
Closed cases that resulted in corrective action, up to and including terminations	Percentage	—	26%	29%

ISO certifications	Unit	2023	2024	2025
ISO 14001	Number	—	13	19
ISO 27001	Number	—	11	15
ISO 45001	Number	—	3	5
ISO 50001	Number	—	1	1
Percentage of employees at ISO-certified sites	Percentage	—	—	53%

Environmental metrics and references

Quick reference

Global Environmental Sustainability Policy

[Global Environmental Sustainability Policy](#)

GHG Reporting Policy

[Global Greenhouse Gas \(GHG\) Reporting Policy](#)

Global Sustainable Real Estate Policy

[Global Sustainable Real Estate Policy](#)

Metrics	Unit	2022	2023	2024	2025
GHG emissions					
Total GHG emissions (1+2+3 market-based)	tonnes CO ₂ e	—	8,802,982	9,282,221	16,235,086*
GHG emissions from operations (1+2 market-based)	tonnes CO ₂ e	33,830	29,680	24,958	24,522
Total emissions intensity by revenue (1+2 market based)	tonnes CO ₂ e / U.S. \$M revenue	0.911	0.896	0.894	0.795
Scope 1					
Total GHG emissions					
Location-based	tonnes CO ₂ e	9,686	9,209	7,998	6,155
Market-based	tonnes CO ₂ e	9,686	9,209	7,998	6,155
Emissions by type					
Natural gas	tonnes CO ₂ e	3,504	3,310	2,688	2,389
Fleet (excluding EVs)	tonnes CO ₂ e	6,182	5,840	5,239	3,701
Other	tonnes CO ₂ e	—	58	71	66
Emissions by region					
Americas	tonnes CO ₂ e	2,283	2,079	1,701	1,503
Asia-Pacific	tonnes CO ₂ e	725	593	541	279
EMEA	tonnes CO ₂ e	6,677	6,536	5,756	4,374
Other					
Building energy usage (Scope 1)	MWh	19,528	18,692	15,161	13,486
Percent of emissions reported with actual utility bills from natural gas	Percent	41%	37%	50%	58%
Market-based emissions intensity by revenue (Scope 1)	tonnes CO ₂ e / U.S. \$M revenue	0.261	0.278	0.286	0.200
Scope 2					
Total GHG emissions					
Location-based	tonnes CO ₂ e	26,896	28,478	25,190	25,504
Market-based	tonnes CO ₂ e	24,144	20,471	16,960	18,367
Emissions by type					
Purchased electricity	tonnes CO ₂ e	24,144	20,471	16,960	18,129
Fleet (EVs)	tonnes CO ₂ e	—	—	—	238
Emissions by region					
Americas	tonnes CO ₂ e	8,292	4,899	1,803	1,692
Asia-Pacific	tonnes CO ₂ e	12,276	13,060	11,591	12,800
EMEA	tonnes CO ₂ e	3,576	2,513	3,566	3,875

Metrics	Unit	2022	2023	2024	2025
Other					
Building energy usage (Scope 2)	MWh	60,698	62,470	56,834	58,024
Percent of emissions reported with actual utility bills	Percentage	74%	70%	80%	89%
Market-based emissions intensity by revenue (Scope 2)	tonnes CO ₂ e / U.S. \$M revenue	0.65	0.618	0.607	0.595
Scope 3					
Total GHG emissions	tonnes CO ₂ e	—	8,773,302	9,257,263	16,210,563*
Category 1: Purchased goods and services	tonnes CO ₂ e	—	6,111,941	5,413,443	11,876,421*
Category 2: Capital goods	tonnes CO ₂ e	—	14,837	8,821	17,456*
Category 3: Fuel- and energy-related activities	tonnes CO ₂ e	—	5,933	6,151	6,818
Category 4: Upstream transportation and distribution	tonnes CO ₂ e	—	163,498	156,988	254,554*
Category 5: Waste generated in operations	tonnes CO ₂ e	—	892	3,750	2,495
Category 6: Business travel	tonnes CO ₂ e	—	7,847	2,409	14,059*
Category 7: Employee commuting	tonnes CO ₂ e	—	30,203	28,609	29,505
Category 8: Upstream leased assets	tonnes CO ₂ e	—	N/A	N/A	N/A
Category 9: Downstream transportation and distribution	tonnes CO ₂ e	—	N/A	N/A	N/A
Category 10: Processing of sold products	tonnes CO ₂ e	—	N/A	N/A	N/A
Category 11: Use of sold products	tonnes CO ₂ e	—	2,421,979	3,617,019*	3,983,512
Category 12: End-of-life treatment of products	tonnes CO ₂ e	—	16,172	20,073	25,743*
Category 13: Downstream leased assets	tonnes CO ₂ e	—	N/A	N/A	N/A
Category 14: Franchises	tonnes CO ₂ e	—	N/A	N/A	N/A
Category 15: Investments	tonnes CO ₂ e	—	N/A	N/A	N/A
Energy					
Energy use intensity per square foot (MWh/ft ²)	MWh/ft ²	11.8	11.6	10.5	11.3
Total building energy usage	MWh	80,226	81,163	71,995	71,510
Total non-renewable electricity	MWh	53,307	46,357	33,896	34,714
Renewable energy					
Global electricity derived from renewable sources	MWh	7,585	16,271	22,938	23,310
	Percentage	12%	26%	40%	40%
Americas	MWh	5,399	13,784	20,604	20,790
	Percentage	—	49%	80%	84%
Asia-Pacific	MWh	33	88	104	138
	Percentage	—	—	1%	1%
EMEA	MWh	2,153	2,399	2,230	2,382
	Percentage	18%	20%	21%	19%
Purchased	MWh	7,585	16,271	22,938	23,310
Electricity usage by source					
On-site solar	MWh	194	158	328	338
Utility programs	MWh	7,391	16,113	17,610	16,254
Unbundled	MWh	—	—	5,000	6,718

Metrics	Unit	2022	2023	2024	2025
Waste					
Weight of waste generated in operations	Pounds	—	7,424,403	19,347,989	15,376,588
Pounds of landfill waste	Pounds	—	2,614,228***	11,785,545**	7,384,057**
Pounds of hazardous waste	Pounds	—	—	559***	1,206***
Pounds of other waste	Pounds	—	61,568***	25,243***	28,041***
Weight of waste diverted from landfills	Pounds	—	4,748,607	7,561,885	8,043,843
Pounds of recycled waste	Pounds	—	4,748,607***	7,536,642**	7,963,284**
Pounds of other waste (compost)	Pounds	—	61,568***	25,243***	28,041***
Environmental ISO certifications					
Percentage of Arrow sites with environmental ISO certification	Percentage	—	—	7%	11%

* Year-over-year changes in Scope 3 emissions reflect ongoing improvements to data quality, coverage, and calculation methodologies.

** Estimation methodology applied to reflect waste for entire operations.

*** No estimation methodology applied; metric reflects only locations where actual data is received.

Climate and energy metrics methodology

All emissions categories are calculated in accordance with the Greenhouse Gas Protocol.

Scope 1 and Scope 2

- All energy usage data has been converted to its MWh equivalent for comparison purposes
- Scope 1 and 2 data sources in our inventory include stationary combustion, mobile combustion, electric power consumption, and renewable energy
- Building energy usage refers to only energy used at buildings where we operate and does not include fleet energy usage.
- Building energy usage and location- and market-based emissions data are representative of all Arrow sites globally within our “operational control,” as defined by the Greenhouse Gas Protocol; site types excluded from this data include but are not limited to third-party logistics, registration offices, e-suites, parking, guest accommodations, unused land, and joint venture operations
- Actual building energy usage data was not available for all sites
- Where no data is available, gap fills or estimations are calculated to fill in missing data for electric power and natural gas; gap fills are used when some primary data (e.g., invoices) is available, and missing months can be reasonably inferred; estimations are used when no primary data is available and data

collection is not feasible; in those cases, basic site details, like square footage and building type, are used to estimate consumption using intensity metrics from Commercial Buildings Energy Consumption Survey (CBECS)

- For sites with some primary data available for the reporting year, gap filling is applied to estimate the missing months using the following hierarchy:
 - Average value from two surrounding months
 - Value from the same month of prior year
 - Average value from three months before or three months after the missing month
 - Average value from all available actuals
 - Last known value within the reporting year

Scope 1 fleet:

- Scope 1 fleet emissions were calculated using distance-driven and emissions factors from the UK Department for Environment Food and Rural Affairs (DEFRA) 2025; annual distance driven was captured using actual mileage data, where available, or the maximum allowable mileage per vehicle contracts; the year-over-year change in fleet emissions is attributed to increases in the accuracy of both data and emission factor classifications

Scope 1 natural gas:

- For sites where no natural gas data was available, natural gas usage was estimated using 2018 CBECS emissions factors by building type.

- Natural gas estimations are not applied to sites where the existence of fossil-fuel heating sources has been refuted through a formal energy audit or by written landlord confirmation

Scope 2 electric power:

- For sites where no electric power data was available, electric power usage was estimated using 2018 CBECS emissions factors by building type.
- In 2025, we shifted our estimation methodology to estimate usage using CBECS instead of a custom energy-use intensity

Scope 1 and 2 emissions factors:

- Emissions factors used to calculate metric tons of carbon dioxide equivalent were sourced from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories (AR6); the U.S. EPA Emission Factors for Greenhouse Gas Inventories; the U.S. EPA Emissions & Generation Resource Integrated Database (eGRID); UK-DEFRA 2025; RE-DISS European Residual Mix 2024; and the IEA; to calculate Scope 2 emissions based on a market-based approach, up-to-date emission factors for specific utilities were used when available, with the factors provided by Schneider Electric's annual research project, which maintains a comprehensive library of such data

Scope 3 restatements

2023 and 2024 Category 1*: Purchased goods and services (non-trade)

- In 2025, we implemented a more granular spend classification methodology; through this enhanced review, we identified that our 2023 and 2024 Scope 3 Category 1 disclosures included certain non-trade expenditures (e.g., donations, lease payments, and similar items) that do not meet the definition of Category 1 purchased goods and services; accordingly, we have restated our 2023 and 2024 Category 1

2023 and 2024 Category 7: Employee commuting

- A material overstatement was identified in our previously reported Category 7 values for 2023 and 2024 due to miscalculated commute distances and the inadvertent inclusion of remote employees; we updated the methodology to ensure geographic accuracy and excluded remote employees, where appropriate; all other elements of the calculation methodology remain unchanged

2024 categories 1: Purchased goods and services; 11: use of sold products; and 12: end-of-life treatment of sold products

- Our previously reported 2024 disclosures for Scope 3 categories 1, 11, and 12 inadvertently excluded certain source data from our ECS business unit; we restated these categories to incorporate the previously excluded ECS data

2025 Scope 3

Category 1*: Purchased goods and services

- Calculation method: Spend-based, hybrid method, average data, supplier-specific
- Data used: Actual
- Emissions factor(s): Spend factors from CEDA Version 9, hybrid factors sourced from CDP data, supplier-specific factors from suppliers and Rejoose, average data factors from SiliconExpert and Rejoose
- Year over year changes: Category 1 emissions increased from 2024 to 2025 due to expanded data coverage and changes in calculation methodologies with the implementation of a new emissions management platform; in 2025, we enhanced the completeness of our Category 1 calculation by incorporating purchases from subsidiaries (Chip1Stop, Converge, eInfochips, NIC, and RFPD) that were not previously included; we also assessed a business unit operating under a fee-for-service model, where products are typically not recorded on our balance sheet or general ledger; our 2025 review determined that a subset of these purchases is, in fact, recorded on the balance sheet or general ledger and therefore falls within the scope of Category 1; these purchases have now been included; these updates relate to our global components business unit and impact Category 1 only; categories 11 and 12 remain unaffected;

additionally, our 2025 footprint uses a different emission factor database from the one used in 2023 and 2024; on average, these updated emission factors are more intensive than the ones used previously

Category 2: Capital goods

- Calculation method: Spend-based
- Data used: Actual
- Emissions factor(s): CEDA Version 9

Category 3: Fuel and energy-related activities

- Calculation method: Average data
- Coverage: Transmission and distribution (T&D) loss and well-to-tank (WTT) for electricity and natural gas; other activities within Category 3 were considered de minimis
- Data used: Fuel use activity data for these FERA emissions is modeled off stationary combustion fuel and electricity use data that is calculated for Scope 1 and 2 emissions reporting; data from all sites included in the Scope 1 and 2 reporting boundary is included in the Scope 3 Category 3 calculation
- Emissions factor(s): IEA Life Cycle Upstream EF (T&D and WTT) 2025 - year 2023, and 2025 UK DEFRA - WTT

* Due to operational constraints in identifying certain activities, some datasets used for Scope 3 emissions calculations may include subsets of non-emissive activity. This is disclosed to support the GHG Protocol principle of transparency.

Category 4: Upstream transportation and distribution

- Calculation method: Distance-based, spend-based, and supplier-provided
- Coverage: Air, ground, rail, and ocean freight
- Data used: Actual
- Emission factor(s): CEDA Version 9, Ecoinvent v3.11, UK DEFRA 2025 v1.1, supplier-provided

Category 5: Waste generated in operations

- Calculation method: Average data
- Coverage: Disposal in landfill, recovery for recycling, incineration, electronic waste, hazardous waste, and composting; all other activities were considered de minimis
- Data used: Actual data for waste generation and type provided by waste management vendors, landlords, or local employees; estimations were used to gap fill where actual data was not available for solid waste and recycling; estimation factors were created separately for recycling and solid waste using the average waste produced by square footage based on actual data; estimations were not used to gap fill for electronic waste, hazardous waste, and composting; electronic waste diverted from landfill is reported as “recycled” waste rather than “hazardous” waste; compost is reported as “other” waste
- Emission factor(s): EPA 2025 update waste generated in operations or end-of-life treatment of sold products and UK DEFRA 2025 open-loop recycling of WEEE, mixed for e-waste recycled

Category 6*: Business travel

- Calculation method: Distance-based and/or fuel-based for air travel; location-specific for hotel stays; spend-based for all else
- Coverage: Air travel, rail travel, automobile travel, and hotel stays
- Data used: Actual
- Emission factor(s): CEDA Version 9, UK DEFRA 2025 v1.1

Category 7: Employee commuting

- Calculation method: Average data
- Coverage: Automobile, electric vehicle, bus, rail, and other (biking/walking) travel; energy used from teleworking
- Data used: Actual employee records for in-office days; in cases where employee records for in-office days were unavailable, in-office days were assigned based on the average value of the records with actual values; commute distance was assigned based on regional averages; an employee commute survey was used to calculate a regional-specific emissions factor
- Emission factor(s): UK DEFRA 2025 v1.1

Category 11: Use of sold products

- Calculation method: Average product, supplier-provided
- Coverage: Direct-use phase for the ECS business unit (hardware only)

- Data used: Estimated product quantity sold by category based on average revenue per unit in USD; estimated lifetime kWh usage by product category based on category averages
- Emission factor(s): Supplier-provided lifetime kWh consumption; location-based electricity emissions factors, including eGRID US 2023, IEA 2023, AIB EU Residuals 2024, Canada National Inventory Report 2022, Australian National GHG Accounts Factors 2025

Category 12: End-of-life treatment of sold products

- Calculation method: Average product
- Coverage: Downstream end-of-life treatment of products for the ECS business unit only (hardware only)
- Data used: Estimated product quantity sold by category based on average revenue per unit in USD; estimated end-of-life emissions based on category averages
- Emission factor(s): Supplier-provided end-of-life emission factors and category averages

Categories 8, 9, 10, 13, 14, and 15: Upstream leased assets (8), downstream transportation and distribution (9), processing of sold products (10), downstream leased assets (13), franchises (14), and investments (15)

- Coverage: Not included, deemed not relevant or de minimis to our business or operations

* Due to operational constraints in identifying certain activities, some datasets used for Scope 3 emissions calculations may include subsets of non-emissive activity. This is disclosed to support the GHG Protocol principle of transparency.

Workforce and communities metrics and references

Metrics	Unit	2023	2024	2025
Employees	Number	22,100	21,520	22,230
	Percentage	97%	98%	97%
Employees who are people leaders	Percentage	16%	16%	16%
Employees who are individual contributors	Percentage	84%	84%	84%
Median tenure of employees	Years	3.75	4	4
Number of countries with employees	Number	53	52	52
Employee distribution				
Employees by classification				
Regular employees	Percentage	98%	98%	98%
Temporary, fixed-term, and interns	Percentage	2%	2%	2%
Ratio of employees to temporary, fixed-term, and interns	Ratio	46:1	47:1	55:1
Employees by segment				
Engineering	Percentage	18%	20%	21%
Sales	Percentage	28%	29%	29%
Light industrial	Percentage	9%	8%	8%
Business professional	Percentage	45%	43%	42%
Employees by region				
Americas	Number	6,500	5,850	5,860
Employees who are people leaders	Percentage	16%	17%	17%
Employees who are individual contributors	Percentage	84%	83%	83%
Median tenure of employees	Years	4	4	4
Number of countries with employees	Number	6	6	6
EMEA	Number	7,600	7,850	8,020
Employees who are people leaders	Percentage	15%	14%	15%
Employees who are individual contributors	Percentage	85%	86%	85%
Median tenure of employees	Years	5	4	4
Number of countries with employees	Number	33	32	32
Asia-Pacific	Number	8,000	7,820	8,350
Employees who are people leaders	Percentage	17%	17%	17%
Employees who are individual contributors	Percentage	83%	83%	83%
Median tenure of employees	Years	3	3	4
Number of countries with employees	Number	14	14	14

Metrics	Unit	2023	2024	2025
Contingent worker distribution				
Contingent workers	Number	770	508	600
	Percentage	3%	2%	3%
Engineering	Percentage	7%	6%	3%
Sales	Percentage	14%	8%	8%
Light industrial	Percentage	39%	34%	46%
Business professional	Percentage	40%	52%	44%
Ratio of employees to contingent workers	Ratio	29:1	42:1	35:1
Employee tenure				
<1 year	Number	2,775	2,471	3,605
	Percentage	13%	11%	16%
1-4.9 years	Number	9,416	9,184	8,723
	Percentage	43%	43%	39%
5-9.9 years	Number	4,579	4,376	4,322
	Percentage	21%	20%	19%
10-14.9 years	Number	1,927	2,270	2,301
	Percentage	9%	11%	10%
15-19.9 years	Number	1,502	1,270	1,306
	Percentage	7%	6%	6%
20+ years	Number	1,930	1,947	1,975
	Percentage	9%	9%	9%
Voluntary turnover rate of regular employees				
Global	Percentage	10%	10%	9%
Americas	Percentage	12%	11%	10%
EMEA	Percentage	9%	9%	9%
Asia-Pacific	Percentage	10%	12%	10%
Employee engagement				
Employee net promoter score (eNPS)	Number	53	42	48
Participation in employee engagement survey	Percentage	—	66%	69%
Global training and development				
Employee career development and digital training				
Employees who completed Career Hub onboarding (since inception)	Percentage	38%	41%	47%
Employees who highlighted career path interests (since inception)	Percentage	35%	37%	52%
Employees who initiated mentorship	Number	700	661	1,460
Total investment in digital learning	USD	\$860,054	\$879,236	\$918,212

Metrics	Unit	2023	2024	2025
Leadership development				
Total participants of all leadership development programs for year	Number	854	383	372
Retention of program participants for the last two years	Percentage	91%	89%	92%
Average \$ invested per participant (cost per head)	USD	\$1,771	\$1,707	\$2,339
Career development				
Percentage of employees eligible to participate in performance reviews	Percentage	—	83%	98%
Percentage of employees with skills added to their profile (global)	Percentage	—	69%	81%
Percentage of employees that participated in career conversations	Percentage	—	—	58%
Career opportunity growth				
Internal job movements into supervisor and above positions	Percentage	—	—	75%
Internal job movement into VP+ positions	Percentage	71%	82%	31%
External hires into VP+ positions	Percentage	29%	18%	69%
Internal job movement into director positions	Percentage	72%	80%	65%
External hires into director positions	Percentage	28%	20%	35%
Internal job movement into manager positions	Percentage	78%	73%	76%
External hires into manager positions	Percentage	22%	27%	24%
Internal job movement into supervisor positions	Percentage	81%	78%	80%
External hires into supervisor positions	Percentage	19%	22%	20%
Internal movement into individual contributor positions	Percentage	41%	39%	35%
External hires into individual contributor positions	Percentage	59%	61%	65%
U.S. safety data				
Number of cases				
Total number of fatalities by year	Number	0*	0	0
Total number of cases with days away from work	Number	83*	3	5
Total number of cases with job transfer or restriction	Number	20*	13	9
Total number of other recordable cases	Number	13*	5	3
Number of days				
Total number of days away from work for all cases	Number	1,478*	191	284
Total number of days of job transfer or restrictions	Number	900*	762	211
Rates				
Total recordable (TRIR) rates	Number	3.72*	0.81	0.82
Lost workday (DAFWII) rates	Number	3.3*	0.09	0.24
Days away restricted time (DART)	Number	2.66*	0.60	0.67
Experience modification rate (EMR)	Number	0.69*	0.64	0.73

*inclusive of COVID cases

Metrics	Unit	2023	2024	2025
Community engagement				
Global impact				
Number of organizations supported by volunteering and/or giving	Number	515	1,067	1,283
Number of countries impacted by volunteering and/or giving	Number	23	57	70
Employee engagement				
Volunteer participation rate	Percentage	12%	22%	24%
Number of employees who volunteered globally	Number	2,641	4,691	5,292
Total global volunteer hours	Number	11,813.0	13,603	18,651
Number of volunteer events	Number	—	441	518
Volunteer network				
Global number of GVN members	Number	—	158	229
Number of countries with GVN members	Number	—	39	32
Number of events hosted by a GVN member	Number	—	354	368

Data is reported on either a point-in-time basis (as of December 31, 2023, 2024, and 2025) or a for-the-period basis (for the years ended December 31, 2023, 2024, and 2025).

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