Introduction

This statement is made by Arrow Electronics, Inc. (hereinafter, “Arrow”, “we”, “us” or “our”) pursuant to section 54(1) of the United Kingdom’s Modern Slavery Act 2015 and includes the activities of all our majority-owned subsidiaries.

Arrow is committed to maintaining the highest ethical and legal standards. We continually strive to comply with both the letter and spirit of all applicable laws and regulations. Arrow maintains effective business controls as well as a dynamic and robust compliance program designed to detect and prevent violations of applicable laws, including laws regarding slavery, human trafficking and forced or compulsory labour, throughout our operations. Local policies and practices are reviewed and audited against corporate guidelines. Consequently, Arrow’s compliance program is not static but evolves to meet changing business circumstances and regulations.

Employees are encouraged to contact Arrow’s law department (including the General Counsel and the Chief Compliance Officer) or the finance department (including the Chief Financial Officer) with questions regarding any of our policies and practices. Employees also have the option of using Arrow’s “AlertLine”, a confidential reporting mechanism for all employees and our business partners.

Arrow’s Structure

We are one of the largest technology lifecycle solutions providers in the world, with sales in 2018 in excess of $29.7 billion. We have offices, partners and trade all over the globe, including several in the United Kingdom. Our corporate headquarters are in Centennial, Colorado, USA and we are publicly traded on the New York Stock Exchange (NYSE:ARW).

Our Business

Arrow conducts business in the United Kingdom under the following:

- Arrow Enterprise Computing Solutions Ltd
- Arrow ECS (NI) Limited
- Commttech Solutions (UK) Ltd
- Arrow Electronics (UK) Ltd
- R.D. Trading Ltd
- A.E. Petsche
- Richardson RFPD UK Ltd

Our Supply Chains

Arrow serves as a supply channel partner for over 200,000 original manufacturers, contract manufacturers and commercial customers through a global network.
Our Policy on Slavery and Human Trafficking

At Arrow we are committed to ensuring that there is no slavery, servitude, forced or compulsory labor or human trafficking in our supply chain or in any part of our businesses.

Arrow’s senior managers promote and encourage transparency, ethical conduct and a commitment to compliance with anti-slavery and human trafficking laws. Our employees are provided with resources and training to help them meet Arrow’s ethical and legal obligations with regard to anti-slavery and human trafficking laws, including the Modern Slavery Act 2015. Arrow’s Worldwide Code of Business Conduct and Ethics (the “Code”) is a central component of our overall compliance program and contains provisions aimed at combating slavery and human trafficking. Arrow’s Code is administered by our Chief Compliance Officer and all employees are required to comply with the Code and obey the law. The audit committee of Arrow’s Board of Directors reviews the Code annually to ensure that it continues to meet or exceed the current regulatory framework and Arrow’s operational strategies.

Proposed changes to the Code are reviewed and approved by the Board of Directors before being implemented and communicated to our employees. Additionally, the Board requires that all Arrow employees, officers and directors review and certify their understanding and acceptance of the Code annually. Arrow’s Code can be accessed on the company’s web site at: https://investor.arrow.com/leadership-and-governance/governance-documents/default.aspx.

Arrow’s anti-bribery and anti-corruption policies apply to all Arrow officers, directors, and employees worldwide and all of our subsidiaries and affiliated companies. Its general principles and prohibitions, and Arrow’s Business Partner Code of Conduct (as further described herein), also apply to agents, distributors, consultants, and any other third parties acting on Arrow’s behalf, regardless of country of residence or citizenship.

Due Diligence Processes for Slavery and Human Trafficking

As part of our initiative to identify and mitigate risk:

- Where possible we build long standing relationships with manufacturers, suppliers and customers and make clear our expectations of business behaviour;
- We expect each entity in our supply chains to have suitable anti-slavery and human trafficking policies and processes, and we conduct third party due diligence in accordance with our procedures. We expect each entity to, at least, adopt “one-up” due diligence on the next link in the chain. With the number of manufacturers and suppliers that we deal with on a regular basis, it is not practical for Arrow (and every other participant in the chain) to have a direct relationship with all links in the supply chain, as the supply chain starts ultimately with the sourcing of the applicable raw materials;
- We have in place robust systems to encourage the reporting of concerns and the protection of “whistle-blowers”. The Arrow AlertLine is a confidential means of reporting concerns for all employees, in accordance with applicable local rules and regulations; and
- Engaging in practices contributing to slavery, human trafficking or forced or compulsory labour are not tolerated. Any Arrow employee who engages in conduct that results in a violation of applicable laws is subject to discipline, up to and including termination of employment. Similarly, consultants, agents or third-party service providers that provide services to or on behalf of Arrow should expect to have their contracts terminated if they violate anti-slavery laws.
Business Partner Adherence to Our Values

We have a zero-tolerance approach to slavery and human trafficking. Arrow believes in the importance of its business partners adhering to our high ethical and legal standards, and therefore require its business partners to review and comply with our Business Partner Code of Conduct. The Business Partner Code of Conduct is based on principles similar to that which is set forth in the Code. Arrow also offers training to partners to make certain of their understanding of all applicable laws, rules and regulations while conducting Arrow business. The Business Partner Code of Conduct can be accessed on Arrow’s website at: http://www.arrow.com/about_arrow.

All managers are responsible for compliance in their respective departments and supplier relationships.

Training

Our compliance training program includes both online and instructor led training courses which are delivered in the local languages of our employees or in English. Training covers many relevant topics, including legal requirements and Arrow’s Code of Conduct, and we expanded the training materials to specifically address modern slavery and human trafficking and to increase employee awareness of the issues. Additionally, we periodically provide key employees informational notices on high-risk issues, where a greater potential for bribery, corruption or practices in violation of the Code may exist.

Arrow maintains a strong whistle-blower program and provides protection for any employee who report misconduct by confidential reporting and a clear, no-retaliation policy. Reports made in good faith will not result in adverse employment action. As part of our open-door policy employees are encouraged to come forward with questions or information regarding improprieties, including any related to slavery and human trafficking. Arrow maintains the AlertLine twenty-four hours a day/seven day a week, which provides a means to report to the Chief Compliance Officer, the General Counsel and, where appropriate, Arrow’s Board of Directors. Employees using the AlertLine have the option, where permitted by local law, to remain anonymous. Calls to Arrow’s Alertline are responded to without delay. Details of the program are communicated to our Board of Directors as well as to our external auditors and the program is tested frequently throughout the year. Information on the AlertLine is included in the Code and is available on the company’s intranet sites across the regions as well as our public web site.

Our Effectiveness in Combatting Slavery and Human Trafficking

We use the following key performance indicators to measure how effective we have been in working to ensure that slavery and human trafficking is not taking place in any part of our business or supply chain:

- Use of payroll systems and HRIS to ensure that all employees are registered and paid fairly for the work they do;
- The building of relationships/partnerships with the next link in the supply chain and their understanding of, and compliance with, applicable laws and Arrow expectations;
- Measuring completed/outstanding trainings, and the corresponding increase in employees’ awareness of risk; and
- Monitoring Arrow AlertLine use and issue resolution.
For additional information about Arrow and our efforts to combat slavery, human trafficking and forced or compulsory labour please visit the following:

Arrow Electronics, Inc. Investor Relations page including annual reports and proxy statements
https://investor.arrow.com/investors/default.aspx

Our Company fact sheet: For additional information on Arrow’s history and business.
https://www.arrow.com/en/about-arrow/fact-sheet

Our Corporate Governance page including a link to our Code of Conduct:

We thank you for your continued support and for your confidence in our organisation.

Sincerely,
Carine Jean-Claude
Vice President, Legal Affairs & Chief Compliance Officer