

**Arrow Electronics ANZ Holdings Pty Ltd
Arrow ECS Australia Pty Limited
Joint Modern Slavery Statement as required by the Modern Slavery Act 2018 (Cth)
For the financial year ending December 31, 2020**

1. Introduction

This joint statement is made by Arrow Electronics ANZ Holdings Pty Ltd (ABN 90 102 589 515) (“Arrow Holdings”) and its subsidiary, Arrow ECS Australia Pty Limited (ABN 70 006 687 056) (“Arrow ECS”) collectively “Arrow Australia”. Arrow Holdings’ ultimate holding company is Arrow Electronics, Inc, an American Fortune 500 company headquartered in Centennial, Colorado, USA (“Arrow”).

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

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

2. Arrow’s Structure, Operations and Supply Chains

Structure

Arrow is one of the largest technology lifecycle solutions providers in the world, with sales in 2020 of approximately \$29 billion. We have offices, partners and trade all over the globe, including several in Australia. Our corporate headquarters are in Centennial, Colorado, USA and we are publicly traded on the New York Stock Exchange (NYSE:ARW).

Arrow Holdings is the dormant holding company of Arrow ECS. Arrow ECS has an annual revenue of more than \$100m. This means that the AUD\$100 million consolidated reporting requirement is mainly due to Arrow ECS, and therefore it shall be the focus of this Statement.

Arrow Holdings has other subsidiaries, but these do not meet the AUD\$100m reporting threshold. These non-reporting subsidiaries are: Arrow Electronics Australia Pty Ltd (ABN 75 065 151 626), Arrow ECS ANZ Pty Ltd (ABN 16 134 162 940), and Richardson RFPD Australia Pty Ltd (ABN 63 147 769 239).

Operations

The focus on this Modern Slavery Statement will be on the activities of Arrow ECS.

Arrow ECS distributes hardware, software and professional services to resellers in the technology industry.

Arrow ECS operates out of its headquarters in St Leonards, NSW, with staff in WA, QLD, ACT and VIC.

Arrow ECS, and its New Zealand subsidiary, Arrow ECS New Zealand Limited, currently employ approximately 150 people across Australia and New Zealand.

Our Supply Chains

Arrow serves as a supply channel partner for over 180,000 original manufacturers, contract manufacturers and commercial customers through a global network.

In Australia, Arrow ECS procures hardware, software and components from original equipment manufacturers and distribute them to customers, and also provides professional services.

In addition to the above, Arrow ECS procures office supplies and services. These include cleaning contractors, leases of office premises, office stationery, catering and other business services.

3. Identification of Modern Slavery Risks

We have identified the following possible modern slavery risks in our supply chain and operations:

Products and services risks

- Arrow recognises that certain products and services may have high modern slavery risks, and this includes technology manufacturing. The products or components it distributes may be made in countries that have a high risk of labour exploitation. Arrow ECS' vendors are mainly based in the United States of America, Europe and Singapore, but we recognise that they, or their suppliers, may manufacture goods and their components in countries of concern for modern slavery.
- Arrow ECS may employ suppliers, such as cleaners, and subcontractors, who may perform internal services for us. We recognise that there are inherent risks in outsourcing or subcontracting. The majority of these subcontractors and suppliers are based in Australia or New Zealand.

Geographic risk

Our product manufacturers are typically based in the United States of America, Europe and Singapore. However we recognise that the products or their components may be manufactured in countries deemed high risk for modern slavery, including China and India.

4. Actions to assess and address risks of modern slavery practices

Our Policy on Slavery and Human Trafficking

Arrow, Arrow Holdings and Arrow ECS are committed to ensuring that there is no slavery, servitude, forced or compulsory labour 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 antislavery and human trafficking laws, including the UK 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.

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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. The foregoing policies 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;
- With regard to our supply chains, we expect each entity to have suitable anti-slavery and human trafficking policies and processes, and we may conduct third party due diligence in accordance with our procedures. With the number of manufacturers and suppliers we deal with on a regular basis, it is not practical for Arrow (and every other participant in the supply chain) to have a direct relationship with all other parties 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 "whistleblowers". 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 and forced or compulsory labour is not tolerated. Any Arrow employee who engages in conduct that resulting or potentially resulting in a violation 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.
- In Australia, we are building into our contract documents a clause to require our vendors and customers (and their suppliers) to adhere to the Modern Slavery Act. We are also investigating ways to improve our due diligence on our suppliers and vendors.

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, or a code of conduct that is at least as robust as the Business Partner Code of Conduct. The Business Partner Code of Conduct can be accessed on Arrow's website at: <https://www.arrow.com/en/fiveyearsout/company-overview/reporting-and-governance>

Training

Our compliance training program includes online and instructor led training courses. Training covers many relevant topics, including legal requirements and Arrow's Code of Conduct, and we are currently engaged in expanding the training materials to specifically address the definition of modern slavery, increase

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employee awareness on this issue and intend to tailor training scheduled for later this year. 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, in line with the Australian *Treasury Laws Amendment (Enhancing Whistleblower Protections Act) 2019* that provides protection for any employee or third party who report misconduct through confidential reporting. Employees can take comfort in Arrow's no-retaliation policy, knowing that 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 days a week, which provides employees with 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. Matters raised through Arrow's AlertLine are investigated and ultimately addressed. 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.

5. Our Effectiveness in Combatting Slavery and Human Trafficking

Arrow and Arrow ECS 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 human resource information 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 training, and the corresponding increase in employees' awareness of risk; and
- Monitoring Arrow AlertLine use and issue resolution.


For additional information about Arrow Electronics, Inc, 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*
<http://phx.corporate-ir.net/phoenix.zhtml?c=85834&p=irol-irhome>
- *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:*
<https://investor.arrow.com/leadership-and-governance/governance-documents/default.aspx>

6. Consultation with any entities the reporting entity owns or controls

Arrow Holdings', its subsidiaries and Arrow ECS have consulted with each other on the preparation of this Statement. They will continue to have ongoing dialogue internally and with the wider Arrow business.

This joint statement was approved by the Board of Arrow Electronics ANZ Holdings Pty Ltd for itself and on behalf of its subsidiary, Arrow ECS Australia Pty Limited, and is signed by the responsible member below:

DocuSigned by:

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Chris Tsernakis,
Director, Arrow Electronics ANZ Holdings Pty Ltd

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