





## From Mike Long

“At Arrow, we are Five Years Out. It is the time horizon that bridges the possible and the practical. It is a call to action that inspires and delivers.

We believe that by doing good we also do well, because as technology’s benefit reaches more people, so expands our addressable market, and it is a virtuous cycle.

We believe in this virtuous cycle because we have been living it. Our results are living proof of it. And we invite you to join us in these pages and learn more.”

**MIKE LONG**  
Chairman, President and CEO

## in•no•va•tion

“WE BELIEVE THE POWER OF INNOVATION MAKES LIFE BETTER, NOT JUST FOR THE FEW, BUT FOR THE MANY. AND YOU CAN SEE THAT IN OUR RESULTS.”

— MIKE LONG

**On the Cover:** In 2018, the Arrow SAM Car team expanded to include disabled representatives of the branches of the U.S. armed forces, pictured here with driver Sam Schmidt (center).

See pages 5-6

## About This Report

This report provides an overview of Arrow’s social, environmental and economic impacts, highlighting initiatives in fiscal year 2018 – January 1 through December 31.

This is the fourth consecutive year we have published the Arrow Corporate Social Responsibility & Sustainability Report. Our report is informed by the guidelines of several voluntary international corporate reporting organizations, including the Global Reporting Initiative.

The report features three main sections – Social, Environment and Governance – and highlights material issues for Arrow, including sustainable procurement, fair labor practices and human rights and ethical business practices.

Recognizing the role we play in the communities where we live and work, we look to measure our baseline performance as well as set goals for future performance.

## About Arrow

Arrow Electronics (NYSE:ARW) guides innovation forward for over 200,000 leading technology manufacturers and service providers. With 2018 sales of \$30 billion, Arrow develops technology solutions that improve business and daily life.





*Arrow field applications engineer Grace Doepker conducts a STEM education workshop at a "Girls and Science" event in Denver.*

# Whats Inside

## Arrow CSR & Community Impact

1 IMPACT DATA GRAPHICS

### Social

- 3 THE ARROW CSR APPROACH
- 4 MISSION STATEMENT
- 4 APPLICATION & GIVING GUIDELINES
- 5 INNOVATING LIVES (Health, Lifestyle, Mobility)
- 11 INNOVATING TOMORROW (Education)
- 15 INNOVATING TALENT (In the Workplace)
- 19 INNOVATING CULTURE
- 21 INNOVATING COMMUNITY

## Environment

- 25 OPERATIONAL MEASURES
- 26 HIGHLIGHT ON GLOBAL HQ
- 27 OUR CUSTOMERS' STORIES

## Governance

- 29 ARROW IN THE SUPPLY CHAIN
- 30 UNITED NATIONS GLOBAL COMPACT
- 30 HUMAN RIGHTS AND CONFLICT MINERALS
- 31 CERTIFICATIONS
- 32 HAZARDOUS MATERIALS

# Arrow CSR and Community Impact

## 2018 CSR Awards

### FORTUNE

**Fortune** – Named to the “World’s Most Admired Companies” list for the 18th year, including #1 for Wholesalers: Electronics and Office Equipment for the sixth consecutive year

### Forbes

**Forbes** – Recognized as one of the World’s Best Regarded Companies 2018 with a #190 ranking

### RAGAN'S PR Daily

**Ragan's PR Daily CSR Awards** – Best Stakeholder/Employee Engagement Program and Best CSR Report



**Association of Marketing and Communication Professionals** – Communitas Award for Excellence in Community Service

### HR Asia

**HR Asia** – 2018 Best Companies to Work for in Asia for offices in China, Hong Kong, Malaysia and Singapore



**Hong Kong Council of Social Services** – Arrow Asia Pac Ltd. recognized as a “Caring Company” for 5+ years



**Colorado Department of Public Health and Environment** – Environmental Leadership Program “Gold Leader”

### HIRED

**Hired** – 2018 Global Brand Health Report named Arrow as the “Top Employer Brand in Denver”

## 2018 Global Impact Stats

**29 PROGRAMS & PROJECTS** directly impacting 2,697,620 individuals

**2,656 SCHOOLS RECEIVED AID** for nearly 100,000 youth and nearly 2,000 educators

**36% BOARD LEADERSHIP** provided by Arrow employees at 36% of partner organizations

**23,744 COMPUTERS DONATED** to distance learning programs

**28 EVENTS THIS YEAR** with total attendance of 452,912

**22,337 HEALTH SERVICES SUPPORTED** including 10,000+ HIV, cancer and diabetes screenings

**≈1/2 ARROW SUPPORTED PROGRAMS** focused on underrepresented minorities, low-income families, at-risk youth, or women and girls

**5M+ USED IT DEVICES** processed in 2018

**44% OF STRATEGIC PARTNERS** received Arrow in-kind contributions

**101,214 MEALS PROVIDED** keeping 7,500 pounds of food out of landfills and diverting 4,464 pounds CO<sub>2</sub>

**\$814K ADDITIONAL FUNDING** attracted by Arrow partners after leveraging our support

**12M+ LBS OF MATERIAL RETURNED** to the manufacturing stream

**5,945 VOLUNTEER HOURS** served by Arrow employees

**46,000 TONS OF E-WASTE** diverted from landfills

**4,000 PEOPLE WITH DISABILITIES** served via our programs

**2.5M+ DEVICES REPURPOSED** through Arrow programs





**Arrow CSR partner organizations supported nearly 14.7 million people on 6 continents—a 77% increase over 2017!**

**NORTH AMERICA**

- > **Denver** — Arrow CSR HQ
- > **New York City** — SAM Car street drive
- > **Atlanta** — NFL First and Future competition at Super Bowl LIII
- > **Halifax, Nova Scotia** — Employees ride 30-seat bike in Heart and Stroke Foundation of Canada race

**EUROPE**

- > **Trondheim, Norway** — Supported Formula Student race car with Norwegian University of Science and Technology
- > **Milan, Italy** — Employees competed in StraWoman Race to raise awareness for violence against women
- > **Gdansk, Poland** — Employees and the nonprofit Wiosna Association helped families who lost homes in fires

**ASIA**

- > **Bangalore, India** — Digital Equalizer IT training program in 13 schools
- > **Bangkok, Thailand** — Branch office donated appliances, furniture and gifts to the Banpakkred Orphanage
- > **Penang, Malaysia** — Employees complete Colorful Run marathon supporting the Penang Deaf Association
- > **Shenzhen, China** — Sign language training for Arrow office

**AFRICA**

- > **Nairobi, Kenya** — DigiTruck for IT education and enterprise development
- > **Rubaya, Uganda** — Solar Suitcase field trial
- > **Johannesburg, South Africa** — Resolution Circle workforce tech training

# SOCIAL

## Social



### **The Arrow CSR Approach: Technology to Benefit Humanity**

Our CSR approach is a business strategy that creates competitive advantages by establishing partnerships around shared values and pursuing innovations that strengthen Arrow's reputation as an industry leader. And just as technology touches all facets of our lives, we intend

to foster new, cross-cutting collaborations between Arrow, CSR partners, customers and suppliers, so efforts yield astonishing and unforeseen results. Working together, we can make the world a better place — now and Five Years Out.



## Mission Statement

Arrow Electronics' Corporate Social Responsibility (CSR) program guides today's innovators to a better tomorrow. With our help, our partners transform their ideas into real and influential achievements that help people and the communities in which Arrow works.

*Arrow SAM Car manager Drake Carpenter prepares former U.S. Navy top gun pilot Buddy Marshall to drive using only head controls.*

## Applications & Guidelines

### How to Apply

Our program is limited to a few new initiatives every year. So, while every proposal is considered, we will select only a small number of transformative ideas.

Proposals should be brief – a short document or a few slides. Links to video and other supporting information are acceptable, but should be limited as well.

They should include commitments to a specific technology-related innovation, including goals, deliverables, a timeline and progress reports. You also must commit to completing our annual Arrow CSR impact survey.

As you develop your proposal, please reflect on our program's mission and approach in your submission.

Send requests to:  
Joe Verrengia  
Global CSR Director  
JVerrengia@arrow.com

### Arrow Does Not Support

- > Non-501(c)(3) charities or organizations
- > Political candidates, campaigns or PACs
- > Individuals
- > Sectarian or denominational religious organizations
- > Organizations that limit membership based on race, gender or sexual orientation
- > Fraternal or labor organizations
- > Sporting events or teams
- > Unrestricted gifts
- > Capital campaigns
- > Travel and tours
- > Basic research

**Innovating Lives »** Half of the world's population now is online. Connectivity means that more people and ideas are empowered. However, those without access to technology risk falling further behind. At this significant moment, Arrow is helping make life better with technology and the transformative power of innovation.

## Arrow SAM Car

Sam Schmidt was an IndyCar driver. He lived to push machines, and himself, to the limit. A horrific racing crash in 2000 left Sam paralyzed from the shoulders down. After the crash, Sam focused on developing new solutions for his disability's challenges and helping others like him find meaning in their new lives.

In 2018, the Arrow Semi-Autonomous Motorcar (SAM Car) continued to break barriers for the disabled community.

Originally built for Schmidt in 2014, the modified Corvette now enables a wider range of disabled drivers to control the vehicle using only the motions of their head.

Arrow provided the SAM Car to disabled representatives from the U.S. armed forces. They took turns driving past the monuments of Washington D.C., along the Virginia and New Jersey shorelines and the sweeping turns of the Blue Ridge Parkway in North Carolina.

Then they gathered in New York City on the decommissioned USS Intrepid aircraft carrier to celebrate their extended mobility and share stories of their technology-assisted freedom. They were joined by 1,000 disabled athletes and veterans at the No Barriers Summit, one of the nation's largest annual mobility events.

Arrow also hosted driving experiences at 11 IndyCar races around the U.S. More than 100 veterans and others with physical disabilities drove the SAM Car on closed road courses.



*Buddy Marshall*

## Driving with Veterans

Navy fighter pilot William "Buddy" Marshall was on his way to work when another driver — high on methamphetamine — ran a stop sign and hit his car at 110 miles per hour.

The accident left Marshall paralyzed from the neck down and ventilator-dependent, cutting short a promising military career.

Three years later, Marshall was lowered into the SAM Car cockpit and he drove again for the first time since his accident — a liberating high-speed cruise near the Oceana Naval Air Station in Virginia Beach, Virginia.

He is one of five disabled service members and veterans chosen to represent their service branches and drive the Arrow SAM Car.

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au•ton•omy

"IN THE MILITARY, WE USE A LOT OF ACRONYMS. ONE OF MY ACRONYMS IS 'A' FOR AUTONOMY. THAT IS WHAT I STRIVE FOR. WHEN I'M DRIVING LIKE THIS...IT LETS ME FORGET THAT I'M PARALYZED AND (I) JUST DRIVE ON THE OPEN ROAD."

— WILLIAM "BUDDY" MARSHALL,  
FIGHTER PILOT, U.S. NAVY





*Arrow makes the SAM Car technology available free of charge for any qualified research and development group, so more people with disabilities can gain greater independence.*

INNOVATING LIVES

Sam Schmidt and The Arrow SAM Car at Rockefeller Plaza.



Sam Schmidt drives *Today Show* correspondent Harry Smith in the Arrow SAM car.



## SAM Car Takes Manhattan

In 2018, driver Sam Schmidt perfected his city driving skills by making an epic drive on the streets of Manhattan. Accompanied by *Today Show* correspondent Harry Smith, Schmidt traveled from the Upper West Side to the NBC studios at Rockefeller Center in Midtown. Along the way, he passed Lincoln Center, Central Park, Radio City Music Hall and other landmarks.

While Schmidt has hit a record-breaking 192 miles per hour in the SAM Car, driving bumper-to-bumper in one of the country's most congested cities truly demonstrates how technology can make everyday life more accessible.

### control

"IT'S THE FIRST TIME IN 19 YEARS THAT I FEEL NORMAL BECAUSE I AM IN CONTROL. I'M CONTROLLING THE GAS, I'M CONTROLLING THE STEERING AND I'M COMPLETELY INDEPENDENT WHEN I'M DRIVING THIS CAR. THERE'S REALLY NO OTHER TIME WHEN IT'S LIKE THAT."

— SAM SCHMIDT

### wor•thy

"I FELT HONORED. I FELT LIKE OF ALL THE PEOPLE IN THE WORLD, I GET TO DO THIS. IT'S THAT FEELING THAT DESPITE ALL THE THINGS THAT HAVE HAPPENED, I STILL FEEL WORTHY."

— GRETCHEN EVANS  
RETIRED COMMAND SGT. MAJOR,  
U.S. ARMY

### a•maz•ing

"I NEVER EVEN KNEW THERE WOULD BE THE POSSIBILITY OF DRIVING PAIN FREE. IT WAS A BLAST. IT WAS SO MUCH FUN, AND I, FOR ONE, WAS HAPPY DRIVING. IT WAS NOTHING SHORT OF AMAZING."

— KRISSEY ESGET  
RETIRED PETTY OFFICER 3RD CLASS,  
U.S. COAST GUARD

### free•dom

"DRIVING AROUND THE NATION'S CAPITAL AS A MILITARY MEMBER, IT'S ALL ABOUT KEEPING THIS COUNTRY FREE, AND THAT'S EXACTLY WHAT THIS TECHNOLOGY IS ALLOWING FOR PEOPLE THAT OTHERWISE THINK THEY'RE BOUND IN SOME WAY AND CAN'T DO THINGS TO BE FREE."

— AUGUST O'NIELL,  
STAFF SGT., U.S. AIR FORCE





## Solar Suitcase

Arrow collaborated with nonprofit We Care Solar to launch the next generation of the We Care Solar Suitcase, a portable solar-powered battery unit that provides electricity to remote, off-grid medical clinics throughout the night.

Worldwide, more than one billion people live without electricity — and 300,000 women die in childbirth. Often, they are turned away from health centers that lack power.

The We Care Solar Suitcase is a sun-powered, waterproof, portable system that includes medical-quality lighting, a fetal monitor, a battery charger, headlamps and cell phone charging for remote health workers to make emergency referrals.

To provide We Care Solar with a lifesaving technology solution, Arrow helped create a lower cost, more powerful design that is now easier to source, manufacture at scale, install and operate. Each unit is expected to work for at least five years with minimal maintenance. Extensive field testing is continuing in Uganda, and expanded manufacturing in the United States is planned for 2019.

In 2019, Arrow and We Care Solar shared the Edison Award for Social Innovation for our collaboration to improve the We Care Solar Suitcase.

### eve•ry•thing

"HAVING THE LIGHT CHANGED THE LIVES OF THE HEALTH WORKERS, THE LIVES OF THE PATIENTS, EVEN THE LIVES OF THE PATIENT'S RELATIONS. IT CHANGED EVERYTHING."

— MAIMUNA MUYE,  
NIGERIAN MIDWIFE

*A nurse in a remote African medical clinic prepares to use a fetal monitor charged by the Solar Suitcase.*



## NFL 1st and Future Competition

Arrow teamed with the NFL to host 1st and Future, a live competition where five companies pitched innovative products and concepts aimed at enhancing player health and safety. Four individuals also competed to propose rule changes geared at reducing injuries on punts, a particularly dangerous play that exposes players to high-speed collisions.

The top winner received \$50,000 and tickets to Super Bowl LIII, while the runners-up received \$20,000 and tickets to the big game. Arrow executives served as judges in the Innovations to Advance Health and Safety Competition.

TopSpin Technologies won first place for TopSpin360, the first patented training device proven to strengthen neck muscles to help reduce concussions. Second place went to SOLIUS, which is using light therapy to reduce injuries, enhance recovery and improve athletic performance.

Halla Yang and Alex Wainger won the NFL Punt Analytics Competition. Yang proposed awarding a five-yard bonus on fair catches, changing the allowed coverage on punt returners and requiring a helmet sensor to monitor physical deceleration. Wainger proposed removing the rule that holds the kicking team at the line of scrimmage until the punt.



## MIT

Not all technologies are hard — some are harder. At the Massachusetts Institute of Technology (MIT), they call the harder stuff "tough tech": advanced materials, quantum computing, deep software, artificial intelligence, space and more. Arrow has partnered with The Engine, an MIT-built tough tech venture fund and accelerator. The Engine provides design and prototyping assistance to start-ups admitted to the program, in addition to production, data management, sustainability and disposition services as these companies mature.



## National Western Stock Show

Smart agriculture is vital to a sustainable food supply chain. Farmers and ranchers look to technology to make their jobs not only easier, but also more predictable and cost-effective.

Arrow has partnered with the world's oldest and largest livestock and horse show, the National Western Stock Show, to create a national forum for agricultural innovation. And, Arrow is teaming with the Nathan Yip Foundation to support schools in farming communities so tomorrow's innovative farmers can apply drones, 3D printing, data analytics and other solutions to herd management, crop health and other issues.





3D printing reduces the cost and complexity of prosthetic limbs for fast-growing teenage patients.

## Unlimited Tomorrow – 3D Printing

In many ways, Zoe is a normal teenager. She enjoys playing volleyball, guitar and exploring the outdoors. Yet while most people perform these activities with two arms, Zoe manages despite being born without a lower left arm.

Her parents say no obstacle has ever stood in her way. Still, Zoe couldn't contain her excitement when she received a free 3D-printed prosthetic arm developed by the start-up Unlimited Tomorrow in partnership with Arrow. Arrow serves as Unlimited Tomorrow's

exclusive electronics component supplier and is supporting a campaign to manufacture and distribute 100 free robotic prosthetics.

Unlimited Tomorrow's goal is to reduce the cost of prosthetic limbs – especially for children who require new devices as they grow. With Arrow's help in artificial intelligence, the company also is working to virtualize muscle memory, so a newly printed arm will remember prior experiences and anticipate movements.



## 3D-Printed House

*Worldwide, more than 1 billion people live in scrap huts and tents. In 2019, Arrow will help the nonprofit New Story prototype and deploy a 3D-printing technology that “prints” a basic concrete house in about two days. The first printed housing community is planned outside Mexico City.*

## iRobot

*When our customer iRobot wanted to educate the next generation of technologists, it turned to Arrow. In 2019, Arrow looks to help iRobot develop and distribute 100,000 robot kits to science classrooms in the United States and around the world.*



**Innovating Tomorrow »** Access to technology is critical, providing power in more ways than one. Arrow looks to inspire emerging ideas led by students and educators. Our education investments reflect our commitment to developing the next generation of technology innovators.

## Innovation in Technology Awards

Arrow launched the Innovation in Technology Awards program in 2018 to honor the world's brightest innovators and emerging technologies, transforming ideas into real and influential achievements that will help people and the communities in which Arrow works.



### Collegiate Inventors Competition – Arrow Innovation Prize

For the fifth consecutive year, Arrow was the lead sponsor for the Collegiate Inventors Competition, an annual contest that rewards collegiate innovation and entrepreneurship, presented by the National Inventors Hall of Fame and the U.S. Patent and Trademark Office.

A graduate team from the University of California – Berkeley won the Arrow Innovation Prize for using computer vision and machine learning to better track surgical instruments and prevent surgical errors. The prize automatically advanced the team to the final round of judging and granted access to Arrow's accelerator program.

### National Invention Convention – Innovation in Electronics Award

Arrow presented Connecticut eighth grader Emma Ruccio with its Innovation in Electronics Award at the National Invention Convention hosted at The Henry Ford Museum in Dearborn, Michigan.

Ruccio, diagnosed with scoliosis at age 11, was recognized for her diagnostics tool, Got Your Back 2.0. It processes infrared images to provide at-home monitoring of spine curvature, reducing costly office visits and harmful radiation exposure.



### Colorado Succeeds – Excellence in Technology-Enabled Learning Prize

Colorado educators, Sean Wybrant and Scott Fuller, won the 2018 Succeeds Prize for Excellence in Technology-Enabled Learning. Wybrant, a high school teacher in Colorado Springs, and Fuller, next-generation learning coordinator in the same school district, received funds to create augmented and virtual reality learning experiences for students around the globe.



## DigiTruck Kenya

DigiTruck is a mobile, solar-powered classroom and enterprise incubator.

Arrow and nonprofit Close the Gap launched its third DigiTruck in August 2018. The new unit serves the Kenyan capital of Nairobi — one of Africa's commercial hubs and a portal for Africa's development in the 21st Century.

Kenya is poised to be a global success story because of its motivated youth, a dynamic private sector and improving infrastructure. But, it must address gaps in modern workforce skills and technology access to unlock its potential.

In Kenya, the truck is operated by local nonprofits Waste Electrical and Electronic Equipment (WEEE) Centre and Computers for Schools Kenya (CFSK).

The truck provides IT training to students ages 16 to 65 living in Nairobi's underserved areas, including some of the continent's largest urban slums, as well as surrounding rural communities. By the end of 2020, as many as 10,000 Kenyans will be certified in digital literacy, e-commerce skills and responsible electronic waste handling. More than half of the students are women.

Already, some early DigiTruck graduates have been recruited for online marketing jobs and entrepreneurs have learned how to market their products online.

This DigiTruck also serves as an e-waste collection site and educational hub. Students learn that old IT hardware can be brought to a center, reducing harmful environmental effects while creating new business opportunities.

In nearby Tanzania, Arrow and Close the Gap continue to operate a DigiTruck on the slopes of Mt. Kilimanjaro. That truck delivers up to 1,000 online lessons per week to orphanage students living above the town of Moshi with the help of nonprofit NEEMA International.

The prototype DigiTruck continues to operate in Brussels.



### ed•u•ca•tion

"THE EDUCATION I HAVE NOW WILL HELP ME IN MANAGING MY BUSINESS. I WILL BE ABLE TO WRITE AND SAVE MY INFORMATION. I HAD NEVER USED A COMPUTER BEFORE, AND I AM SO HAPPY THAT NOW I KNOW HOW TO USE IT FOR MY OWN BENEFIT."

— MAMA HALIMA  
FIRST TIME STUDENT AT AGE 48

*Arrow and Close the Gap continue to facilitate the donation of refurbished computers, tablets and phones to schools and organizations. Since 2013, more than 800,000 devices have been shared with 3.2 million people worldwide.*

▼





## Innovations in Project-Based Learning



### Cherry Creek Schools Foundation (CCSF)

#### Cardboard Challenge

Arrow sponsored CCSF's Annual Cardboard Challenge for the sixth consecutive year. More than 750 competitors participated in the challenge, which inspires K-12 students to craft working models of their inventions from cardboard and other recycled materials. Arrow employees served as volunteers and judges for the event and the company also supported the Cardboard Challenge Club, a new after-school activity for more than 300 students designed to encourage participation in the contest and provide assistance with projects.



### Cherry Creek Schools Foundation (CCSF)

#### Teacher Training

Arrow partnered with the Buck Institute for Education to train 550 teachers on how to teach project-based learning to students in all grades and across several disciplines. For its continued support of the district, Arrow received the Foundation's 2018 Champion of Education award.



### Altron Arrow

#### Workforce Development Training

Altron Arrow partnered with the training hub Resolution Circle to provide workforce skills to South African youth. The companies educated 120 unemployed South African students on engineering and mobile phone repair. Altron Arrow is a leading distributor of electronic components in Sub-Saharan Africa and provides screens and batteries to mobile phone, tablet and screen repair agencies throughout South Africa.



## More in STEM Education



### Ready, STEM, Go!

Over 500 Arrow employees joined our company-sponsored STEM event, Ready, STEM, Go!, designed to teach kids the basics of science, technology, engineering and math. At the event, children learned the fundamentals of motor control, electrical circuits, digital logic, programming, robotics and more as they navigated a series of 12 interactive "pit stops."



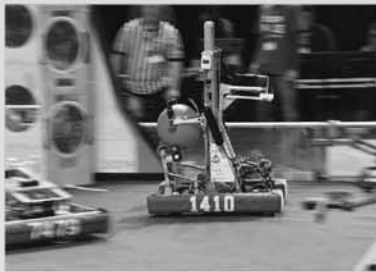
### Junior Achievement (JA)

For the fifth year, Arrow was the presenting sponsor of JA Business Week, a week-long camp where high school students build leadership and problem-solving skills alongside Denver business executives. Second-year JA Business Week students participated in an advanced Arrow project designed to educate local youth and the business community about the need to responsibly recycle and refurbish electronic waste (e-waste). Over 30 employees volunteered.



### Call for Code

Arrow co-sponsored IBM's Call for Code Global Challenge, a contest encouraging software developers to address pressing social challenges. Project OWL, an IoT and software solution, won for its method of connecting first responders and victims in a natural disaster.



### FIRST Robotics

The FIRST Robotics Colorado Regional Competition drew 52 high school teams from Colorado, surrounding western states and Turkey, who faced off in a two-day elimination tournament using student-built robots. Arrow has sponsored the Colorado competition for the past five years, including an additional all-girls team in 2018.



### Digital Equalizer

In India, Arrow continued its three-year partnership with the America India Foundation to provide 13 secondary schools in Bangalore with computers, curriculum and IT training.



### Formula Student

In Europe, Arrow supported Formula Student, a global automotive engineering competition where student teams design, build and race small-scale Formula-style racers. Arrow in Norway is partnering with Revolve NTNU, which represents the Norwegian University of Science and Technology. In Germany, Arrow is part of GreenTeam Uni Stuttgart.



### Refurbished Computers

Arrow donates refurbished computers to schools and education-focused nonprofits that support innovation in challenging environments. In 2018, refurbishes were donated to rural Colorado schools supported by the Nathan Yip Foundation, relief agencies in Haiti and Puerto Rico and the Denver Museum of Nature and Science.

# SOCIAL

**Innovating Talent »** At Arrow, our people are the momentum behind all that we do. We're a community of designers, engineers, builders and visionaries who navigate the path between possibility and practicality, across the lifecycle of electronics. We recruit and develop employees from diverse backgrounds and cultures, and we address workplace issues that commonly affect our industry and communities.

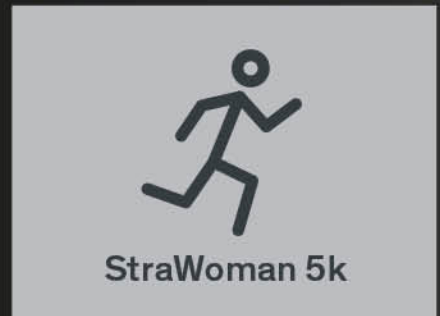
## Arrow Charitable

Arrow believes that purposeful community engagement makes for happier employees and a stronger company. That's why we've expanded access to the award-winning Arrow Charitable platform, now available to all employees in the Americas. The platform makes it easy for employees to give money and time, as well as reward their contributions with financial donations to the causes they support.

Last year, employees supported 165 charities, participating in 747 events and racking up 5,945 volunteer hours.

Arrow employees partner with local nonprofits around the world, extending the company's collaborative and innovative culture into the broader community. In 2018, these efforts include:

- > In honor of Earth Day, Colorado employees held a park clean-up near Arrow's global headquarters, completing the equivalent of four days of work in a single afternoon.
- > Employees in Arrow's Milan, Italy branch participated in the StraWoman 5k race, designed to promote fitness and raise awareness about violence against women.
- > Energetic cyclists in Arrow's Halifax, Canada office, raced on a bike built for 30 against other businesses to raise money for the Heart and Stroke Foundation of Canada.
- > Arrow employees in nine locations across the Americas celebrated International Volunteer Day on December 5 by raising nearly \$10,000 for local food banks and collecting 16,000 pounds food – enough for more than 40,000 meals.





## Arrow Charitable Americas



**24%**  
Employees  
supporting  
165 charities



**\$109,232**  
Total  
donations



**747**  
Volunteer  
events



**5,945**  
Volunteer  
hours valued  
at \$146,782

(2018 value of a  
volunteer hour is  
\$24.69)

## Volunteer Efforts Across Asia Pacific (APAC)

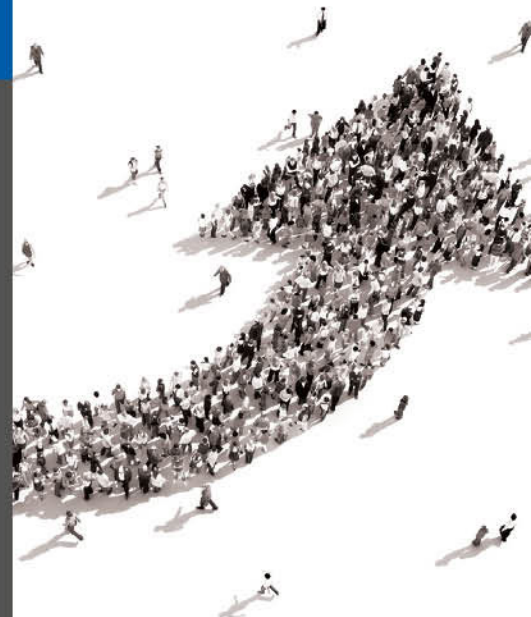
Throughout the year, Arrow teams in APAC participated in 23 initiatives in 12 cities across seven countries. Employees participated in events and activities to help their community and provide meaningful ways to give back, including visits to charitable organizations, charity runs and workshops for those in need and donations.

Working with local nonprofits this August, nearly 500 employees and family members participated in Arrow's annual family day in Hong Kong, Taipei and Shenzhen. During November's CSR month, themed "Talent Development with Disabilities," employees across Hong Kong, India, Malaysia and in our Shenzhen, China branch visited charitable organizations supporting the hearing and visually impaired.

mean•ing•ful

"I AM PROUD TO WORK FOR A COMPANY THAT ORGANIZES COMMUNITY SERVICE EVENTS. SOMETHING MEANINGFUL HAPPENS WHEN YOU SERVE ALONGSIDE YOUR TEAM TO GIVE BACK."

— RYAN HERRMANN,  
GLOBAL QUALITY SENIOR MANAGER



## 10% Increase in Employee Giving

*Increase employee giving and volunteering by 10% in 2019 across the Americas.*

GOAL



INNOVATING TALENT

## Investing in Talent

### Internship Program

In 2018, Arrow hired 196 interns in six locations across the United States, representing 82 universities. In addition to their work assignments, interns were divided into case competition teams. Each group worked to solve an issue and integrate a solution related to the implementation of IoT (Internet of Things) in smart buildings. The program concluded with the presentation of these solutions to senior leadership. At headquarters, the interns also volunteered to assemble boxes of school supplies and assisted the Colorado 14ers initiative with their summer trail restoration on the Greys and Torreys Peaks in the mountains of Colorado.

### Leadership Excellence Program (LEP)

Arrow is committed to developing its leadership pipeline. LEP was launched in EMEA in 2015, expanded to North America in 2017 and included select participants from APAC in 2018. Through this global program, we have developed 245 mid-level leaders and expect to include another 72 in the program in 2019, which represents nearly 17 percent of our director-level employees.

## Inclusion and Diversity

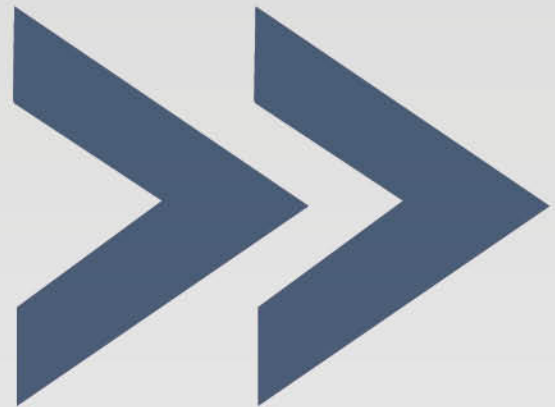
Arrow is committed to inclusion and diversity, both inside our four walls and throughout the broader technology community. This commitment starts with the talented, inquisitive and passionate people who work for Arrow.

### Work(place) Forward

Arrow Work(place) Forward provides inclusion and diversity thought leadership to programs, activities and business practices, shaping how employees perceive and experience the workplace.

As part of the Work(place) Forward strategy, Arrow's Global Inclusion and Diversity Council engages leaders from around the world to achieve better business outcomes and competitive advantage.

The mission of the council is to create an inclusive workplace that attracts, develops and retains a workforce that is diverse, agile and innovative, while championing and embedding the thinking, practices and principles into the fabric of Arrow's culture.



### for•ward

"INNOVATION ISN'T POWERED BY MACHINES OR ALGORITHMS. IT'S POWERED BY PEOPLE. TOGETHER, WE THINK BIGGER. WE LISTEN AND LEARN. WE EMBRACE OUR DIFFERENCES, YET SHARE OUR COMMON GOAL. WE FOSTER EXPLORATION. WE SEEK, AND WE SOLVE.

TOGETHER, WE FUEL THE INNOVATION THAT INSPIRES US NOW AND FIVE YEARS OUT. BECAUSE AT ARROW, WE'RE NOT JUST BUILDING A BETTER WORKPLACE – WE'RE BUILDING A BETTER WORLD.

THIS IS WORK(PLACE) FORWARD."

— GRETCHEN ZECH, SENIOR VICE PRESIDENT AND CHIEF HUMAN RESOURCES OFFICER



## Women in Technology

- > For the third year, Arrow was the title sponsor of the **Colorado Technology Association's (CTA) Women in Technology Conference**, an annual, day-long retreat for hundreds of professionals celebrating women across Colorado's growing tech community. Arrow also participates on CTA's Women in Tech Coalition.
- > Arrow participated in **Women in the Workplace 2018**, a comprehensive study of the state of women in corporate America. The study gives organizations the information they need to promote women's leadership and foster gender equality.
- > As the key sponsor for the **American Heart Association Bring STEM to Life program**, 100 girls attended the day-long conference that included a panel of female STEM leaders, interactive breakout sessions, as well as hands-on micro:bit programming, virtual reality and CPR training.
- > Arrow supported the **WorldDenver International Women's Day** event, sponsoring a globally representative group of Arrow women to attend.
- > Arrow co-sponsored the **Women's Foundation of Colorado's Annual Luncheon**, which drew 3,000 guests and featured Billie Jean King – sports icon, humanitarian and social change crusader.



## Veteran Outreach Program



Aaron Bowman (left) was Arrow's first corporate fellow and works full time at Arrow HQ.  
<

Launched in 2018, the program's enduring mission is to increase Arrow brand awareness and hire from within the United States military veteran community. Through engagement at military installations, strategic advertising and corporate fellowships through the nonprofit Hiring Our Heroes, Arrow is moving forward to find the best in veteran talent.

## Diversity Day



Diversity Day participants at Arrow's Panorama building  
<

Arrow hosted its 5th Annual Diversity Day in 2018, welcoming 50 students from a wide variety of backgrounds from five Colorado universities to learn more about careers at Arrow. The program helps foster a diverse pipeline of talent in Arrow's backyard.

## Awards

- We are proud to both honor diverse innovators and see our talented employees recognized for building a more inclusive workplace.
- > Arrow executives **Susanne Endress and Nichole Wiley-Marks** were featured in *Profiles in Diversity Journal's* 2019 Women Worth Watching Awards, which spotlight women leading the way to workplace excellence.
  - > Engineer **Victoria Bohannon-Pea** was profiled in *Minority Engineer Magazine* in an article highlighting rising stars in the technology and engineering world.
  - > A team of **University of Denver students** each won \$2,500 scholarships in Arrow's 3rd annual Diversity Meets Innovation Competition that brings together students of diverse majors and backgrounds to solve tech problems.



**Innovating Culture »** Arrow believes the creative process and innovation in technology spring from the same source and should be nurtured together. Art and technology can address social concerns in new ways, while inspiring people to be more creative and productive in their own lives.



*Cellist Yo-Yo Ma played with youth musicians to kick off his "Culture in Action" day in Denver's Civic Center Park.*

## Culture in Action with Yo-Yo Ma

Arrow supported cellist Yo-Yo Ma and the Colorado Symphony to launch Culture in Action Day, the first in a series of international events designed to bridge cultural divides in Denver and around the world. After opening a two-year world concert tour at the iconic Red Rocks Amphitheatre, Ma connected with public officials, nonprofit leaders and community residents to discuss how cultural engagement can improve communities and lift vulnerable populations.

Through Arrow's sponsorship, more than 100 students from underserved communities and school districts attended Ma's virtuoso performance of six Bach suites for solo cello at Red Rocks. Five of the students selected by the Colorado Symphony met privately with Ma, providing them with inspiration and encouragement in their development as future innovators. Others performed with Ma in an onstage encore.

Arrow also supplied organizational support for the Culture in Action Day, which took Ma to a cultural center for refugees, a community garden in a low-income neighborhood plagued by limited access to nutritional food and an art gallery featuring the work of homeless artists. The model established in Denver is being repeated in the 36 cities Ma visits on his worldwide tour, broadening the reach of this unique social initiative.



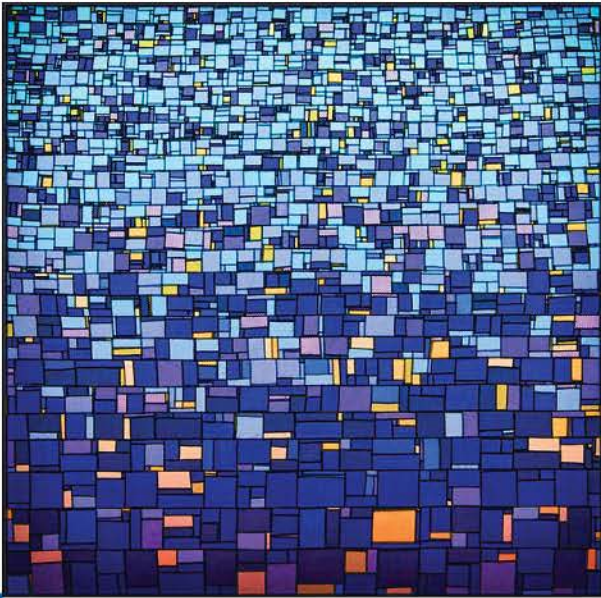


## cul•ture

‘I THINK CULTURE – THE WAY WE EXPRESS OURSELVES AND UNDERSTAND EACH OTHER – IS AN ESSENTIAL PART OF BUILDING A STRONG SOCIETY. MY HOPE IS THAT WE CAN USE BACH’S MUSIC TO START A BIGGER CONVERSATION ABOUT THE CULTURE OF ALL OF US.’

— YO-YO MA





< **"See as Bees See"**  
Artist: Jan R. Carson

## Arrow Five Years Out Art Challenge

Arrow continued to inspire artists from around the world to explore innovation through the 6th annual Five Years Out Art Challenge. Presented in partnership with the Cherry Creek Arts Festival, the juried international art contest challenges artists to express what Five Years Out looks like through their medium.

In 2018, 135 artists submitted their concepts, with the top prize going to Colorado artist Jan R. Carson for her textile work, "See as Bees See." Carson stitched together pieces of silk and paired them with LED lights to reveal colors only seen by bees. The piece honors Arrow's collaboration with the technology company Semios to create pheromone-based alternatives to chemical pesticides.

Carson received \$10,000 and a jury-exempt invitation to exhibit at the 2019 Cherry Creek Arts Festival. Her work will become part of Arrow's permanent collection, along with six other finalists who received \$5,000 commissions to display their art at the 2018 festival.

Arrow celebrated five years of the challenge with the publication of a book featuring commissioned works now on display in Arrow offices around the world.

### Colorado Ballet

Arrow and the Colorado Ballet continued their partnership exploring how innovation can be expressed in human motion. Arrow supported the Ballet's new Black Box Theater, a space for new creation. And, the Ballet performed an original dance to Arrow's signature music — an overture composed and performed by the Colorado Symphony.

### Colorado Symphony

Arrow again was the presenting sponsor for the Colorado Symphony, one of the leading regional orchestras in the U.S. The symphony continues to innovate in its Musicurious education program for inner city students.

### Denver Zoo

The Denver Zoo is Colorado's most popular cultural institution, serving more than two million visitors annually. Arrow sponsors programming at the zoo, as well as more than 100 recycling stations on the 80-acre grounds.

# GOAL

## iKnow Concerts

*In 2019, Arrow will sponsor concerts in Uganda and Rwanda. The concerts launched by the nonprofit Global Livingston Foundation leverage the power of popular music to encourage thousands of young people to access medical testing and treatment in a connected public health facility. The medical services will be powered by innovative Solar Suitcase green units provided by We Care Solar, another Arrow nonprofit partner.*





**Innovating Community »** Arrow shares resources and expertise with a variety of organizations to guide innovation and foster opportunity where we live and work.

Combined, Arrow CSR partner organizations supported over 14.6 million people in 36 countries on six continents.



*Dr. Tod Olin teaches a young athlete new breathing techniques.*

## National Jewish Health

National Jewish Health opened in Denver in 1899 as the first institution in the United States providing free care to indigent tuberculosis patients and restoring their health. Today, it is the only facility in the world dedicated exclusively to groundbreaking medical research and treatment of patients with respiratory, cardiac, immune and related disorders.

Arrow provides financial and technical support to National Jewish's Pediatric Exercise Tolerance Center, the premier center for evaluating and curing exercise-induced breathing problems in children.

Pediatric pulmonologist Dr. Tod Olin has developed a novel set of breathing techniques to help young athletes and others overcome vocal cord dysfunction that contributes to severe breathing

restrictions and improve performance during high-intensity exercise.

With the help of microelectronics snaked through the patient's nose and down the windpipe, Olin coaches young patients to overcome frightening breathing problems at the moment when their larynx spasms. The center combines all the features of a state-of-the-art cardiopulmonary exercise lab with real-time video of the vocal cords.

Arrow also sponsored National Jewish's Beaux Arts Ball, which drew more than 1,200 attendees and raised a record \$2.4 million. Arrow Chairman, President and Chief Executive Officer Mike Long and his wife Karen served as honorary grand marshals of the event.

## al•ways

"WE TAKE CARE OF EVERY CHILD NO MATTER THEIR ABILITY TO PAY – WE ALWAYS HAVE, AND WITH THE HELP OF DONORS, WE ALWAYS WILL."

— PAMELA ZEITLIN, MD, MPHIL, PHD,  
CHAIR OF THE NATIONAL JEWISH  
HEALTH SILVERSTEIN FAMILY  
DEPARTMENT OF PEDIATRICS

## Arrow Community Partners

American Heart Association  
 Boy Scouts of America  
 Center of Hope – Haiti\*  
 Cherry Creek Schools Foundation  
 Cherry Arts  
 Close the Gap International  
 Colorado Ballet  
 Colorado State University  
 College of Business  
 Colorado Succeeds  
 Colorado Symphony Association  
 Colorado Technology Association\*  
 Colorado FIRST Robotics  
 Conquer Paralysis Now  
 Denver Museum of Nature & Science  
 Denver Scholarship Foundation\*  
 Denver South Economic Development  
 Partnership – Smart Cities Alliance  
 Denver Zoological Foundation  
 Digital Equalizer - India  
 Girl Scouts of Colorado\*  
 Global Livingston Institute  
 Habitat for Humanity of Metro Denver  
 Hiring Our Heroes  
 Junior Achievement  
 Nathan Yip Foundation  
 National Inventors Hall of Fame  
 National Jewish Health

National Sports Center for the Disabled\*  
 Neema International  
 New Story  
 No Barriers USA  
 Posner Center for International Development  
 Resolution Circle  
 Red Cross – Southeastern Colorado Chapter  
 Rose Andom Center  
 Swim Across America  
 The Henry Ford Museum – STEMIE Coalition  
 The Women's Foundation of Colorado  
 University of Colorado Center for Women's Health\*  
 Urban Peak  
 U.S. Chamber of Commerce Foundation  
 We Care Solar

*\*Indicates executive board service*





# Environment

Arrow approaches sustainability from many directions – helping our customers with innovative technological solutions to sustainability challenges, uncovering hidden value across the technology lifecycle, protecting sensitive data and diverting electronics from the landfill.

Internally, we focus on efficiency. We strive for streamlined operations in our offices, facilities and distribution centers.

As a global provider of products, services and solutions to industrial and commercial users of electronic components and enterprise computing solutions, we ensure that our products comply with all applicable environmental laws, regulations and standards. We make every effort to handle products in our distribution network transparently, and we provide value-added services in a responsible way.



## Operational Measures » Doing Our Part

We are increasing our efforts to track and manage our energy, facilities, operations, data centers, fleet and more. We continue to explore energy and water reduction opportunities, offer refurbished electronics for sale and provide employees with options for mobility, remote work and electric vehicle charging. Arrow reports annually to the Carbon Disclosure Project and other international monitoring platforms.

### Corporate Travel

Arrow's largest source of carbon emissions is travel. Currently, our Americas and European operations use carbon calculation software to estimate the pounds of CO<sub>2</sub> emitted per flight. In 2018, Arrow employees flew 1,440,118 fewer miles in these regions than in the previous year. This saved 603,224 pounds of carbon emissions. Efforts to calculate our global travel carbon footprint continue in 2019.

### FURNITURE

Over 86 percent of office furniture ordered from our two primary suppliers originate from Leadership in Energy and Environmental Design (LEED)-rated furniture sources, and are made with at least 20 percent post-consumer recycled content.

Arrow also consolidated office locations and redeployed furniture, materials and audio-visual equipment to new centralized locations. This prevented hundreds of workstations, chairs and conferencing setups from ending up in recycling centers or landfills.

### Recycled Flooring

Arrow purchased 8,643 square yards of Ecoworx carpet products in 2018. These products contain an average of 36 percent recycled content and are 100 percent recyclable. When recycling the carpet, Arrow will save an additional 10,500 pounds of CO<sub>2</sub> and divert 47,030 pounds of carpet from the landfill.

### DATA CENTER CONSOLIDATION

Last year, Arrow consolidated and redesigned its largest U.S. data center. This project featured state-of-the-art data center efficiency tactics, including modern design elements, improved cooling technology and virtualization. As a result, our new data center uses 53 percent less energy and has reduced energy costs more than 20 percent. This has reduced carbon emissions by 4.8 million pounds.

### GREEN FLEET

Arrow's "Green Fleet" program, started in 2014, continues to prioritize more efficient vehicles and modify driver behavior, especially in the EMEA region. In 2018, the program reduced fleet carbon emissions by 2.7 percent, saving 158,720,000 pounds of CO<sub>2</sub>.

### SKYPE

We use Skype to increase our "telepresence" and reduce business travel. Approximately 5,500 phones and 30 phone systems have been removed globally. We have logged over four million minutes of Skype time per month.

### LED LIGHTING

In 2018, Arrow completed an LED conversion of its fifth major warehouse in Reno, Nevada and a LED retrofit of a 30,000-square foot facility in Minneapolis, Minnesota. This further reduced our energy usage by an estimated 2,275,538 kWh, or 2,733,030 pounds of CO<sub>2</sub> emissions.

### RECYCLING

Arrow's headquarters office and all primary component warehouses have in-house recycling programs in place to minimize landfill impact.



### Printer Reduction

In partnership with Xerox, Arrow initiated a printer reduction and renewal program in the U.S., Canada and Mexico. The program focuses on modernizing equipment and implementing smart technology to improve printing behaviors and reduce paper waste.

The program so far has saved 26 tons of wood, 41,736 pounds of GHG emissions and 157,650 gallons of waste water.



## Venlo Smart Warehouse

In partnership with Prologis, Arrow constructed a warehouse facility in Venlo, Netherlands designed to **leverage the power of smart technology, cutting-edge design and local sustainability incentives.**

The new facility has obtained a BREEAM "Very Good" rating and is WELL Building Standard integration-ready. This state-of-the-art facility was built with environmental sustainability in mind, as well as employee health and wellness.

### Features Include:

- > Smart metering system for real-time energy monitoring
- > Dynamic motion sensors for energy-efficient LED lighting systems
- > Optimized HVAC systems to control for air-quality and energy recovery
- > Grey water system
- > Blower-tested airtight construction with energy-efficient insulation
- > 3.9MW solar panel-ready roof

## E-Waste

### Leveraging sustainability and technology to transform the end-of-life

Electronics discarded without a plan for reuse become electronic waste (e-waste). E-waste is the fastest growing waste stream on the planet – and its mishandling creates some of the most toxic spots on Earth. **Approximately 42 million toxic tons of e-waste is generated each year, growing 5 percent annually.**

Arrow specializes in technology solutions that improve business and daily life, and maximizing the useful life of laptops, tablets and other devices is one of our key services to customers.

**We help our customers repurpose, remarket, recycle or donate their used electronics safely and securely** so they don't contribute to the world's e-waste problem.

Arrow does not export non-functioning equipment and we process all assets in-country (or region) with rigorous attention to worker safety and environmental stewardship standards.

## Diverting Waste Globally

### When it comes to electronics, the end can be a new beginning

Arrow helps businesses transform old and obsolete technology into new products, materials and value, sending zero waste to landfill.

### In 2018, Arrow:

- > Kept more than **five million electronic devices** from becoming e-waste
- > Kept over **46,000 tons of electronic assets** out of landfills
- > Found a **new life for more than 2.5 million devices**
- > **Returned more than 12 million pounds of material** to the manufacturing stream

## HQ Energy Goal

*In 2019, Arrow is aiming for a 5% energy reduction rate in its headquarters complex.*

### Highlight on Global HQ



#### HQ Energy Use

Arrow set a 2018 goal of using less than 3 million kWh of energy at headquarters, assuming 75-80% occupancy. Actual occupancy was nearly 100%, and we exceeded 4 million kWh of energy use.



#### Renewable Energy Power Purchase Agreement (PPA)

In 2018, Arrow worked with Xcel Energy on a 10-year PPA for renewable energy. Through this supplemental program, 44% of energy utilized at Arrow's headquarters now comes from renewable resources, a 34% increase from 2017.



#### Encouraging Public Transportation

Arrow's corporate headquarters is located near a regional light rail route that is also accessible by several bus lines. Arrow offers employees mass transit passes at a 90% subsidy.



#### 2018 EVCs

Electric vehicle charging stations:

- > Displaced 5,414 gallons of fuel
- > Offset 105,038 pounds of GHG emission

## Empowering Sustainability: Our Customer's Stories

Arrow works with leading companies all over the world on cutting-edge solutions and solving today's technology challenges. Arrow is uniquely positioned to simplify the entire technology lifecycle with our end-to-end service offerings, enabling our customers to accelerate their sustainability solutions.



### Hewlett Packard Enterprise

#### Hewlett Packard Enterprise (HPE)

Arrow and Hewlett Packard Enterprise (HPE) work closely to provide innovative solutions to our customers' most pressing challenges – from the data center to the intelligent edge. We both share a vision for sustainability within our supply chains and a desire to design more efficient and sustainable products. HPE's aggressive science-based targets and best-in-class sustainability program inspire everyone in our industry to do more, and Arrow is proud of our long-standing relationship.



### MetLife

#### MetLife

MetLife became the first U.S.-based insurer to achieve carbon neutrality. Today MetLife works to create positive impacts and drive business collaborations around climate action. Arrow's long-standing relationship with MetLife features many innovative technology solutions. In 2018, we collaborated to improve environmental reporting for electronic assets, an often-overlooked aspect of environmental programs. Arrow is proud to offer our award-winning Environmental Scorecard tool to MetLife and its supplier network, helping them increase transparency, address e-waste challenges and meet science-based climate targets.



### Microsoft

#### Microsoft

Microsoft is committed to leveraging technology to solve some of the world's most urgent environmental issues. It deploys artificial intelligence and cloud solutions to advance a world-class sustainability agenda focused on carbon and energy, water and ecosystems and waste minimization. Arrow works with Microsoft to help envision new ways to create, source, build, manage and reuse their products and services. Arrow's solutions contribute to Microsoft's forward-thinking solutions. Together, we are proud to drive sustainability forward.

#### so•lu•tion

"IT'S ON US TO HELP THE WORLD UNDERSTAND HOW TECHNOLOGY CAN HELP SOLVE SOME OF THE WORLD'S CHALLENGES – AND TO HELP BRING THOSE TECHNOLOGIES FORWARD AND MAKE THEM AVAILABLE."

— LUCAS JOPPA, CHIEF ENVIRONMENTAL SCIENTIST, MICROSOFT



The background features a large, light blue watermark of the United Nations logo, which consists of a world map surrounded by a laurel wreath. The word "GOVERNANCE" is faintly visible in the background behind the logo.

# Governance

With our emphasis on responsible business practices, our intent is to advance innovation within our sphere of influence. As part of our commitment, Arrow voluntarily reports to several organizations that encourage transparency and public accountability in business operations and corporate responsibility.

## Arrow in the Supply Chain

Arrow brings technology solutions to a breadth of markets, including telecommunications, information systems, transportation, medical, industrial and consumer electronics. Arrow serves as a supply channel partner for over 200,000 customers.

Arrow's business partners are provided with Arrow's Business Partner Code of Conduct and must conduct business with, and on behalf of, Arrow in accordance with its provisions. Arrow requires its business partners to review and agree to comply with it or its similar Code.

Arrow's corporate responsibility and sustainable procurement practices are audited annually.

The two primary, independent auditors are EcoVadis and Gartner. EcoVadis is a global benchmarking service that rates CSR performance in over 21 criteria in four categories: environment, labor practices, fair business practices and sustainable procurement.

Arrow maintains a rating status at the Silver level on the EcoVadis scorecard, ranking in the top 15 percent of our category.

Arrow received an honorable mention in the Gartner Top-Ranked High Tech Supply Chains rankings, a prominent assessment of global technology supply chain leaders. Gartner documents and ranks the best practices of companies across sectors, and specifically high-tech distributors and electronics manufacturing service providers.

We were recognized as No.11 for bimodal excellence in running our electronic component distribution business while reinventing ourselves as an end-to-end provider of both design and supply chain services.





With our emphasis on sustainability and responsible business practices, our intent is to advance innovation within our sphere of influence. As part of our commitment, Arrow voluntarily reports to several organizations that encourage transparency and public accountability in business operations and CSR.

# GOAL

## HQ Energy GOAL

*SiliconExpert, an Arrow company, has joined the Responsible Minerals Initiative (RMI), formerly Conflict-Free Sourcing Initiative (CFSI). SiliconExpert and Arrow teams will leverage RMI to improve how smelters are compiled for conflict minerals reporting and other disclosure requirements.*



Arrow supports the 10 principles of the United Nations Global Compact in the areas of human rights, labor, environment and anti-corruption. An active and accountable signatory since 2011, Arrow's intent is to transparently advance those principles within our sphere of influence. Each year we submit a Communication on Progress report demonstrating how our strategies and operations align with this important initiative.

### Human Rights Campaign

As the largest national LGBTQ civil rights organization, HRC envisions a world where LGBTQ people are ensured of their basic equal rights, and can be open, honest and safe at home, at work and in the community. Arrow received a 100 percent score for 2018 and is ranked in the HRC "Green" rating zone.



### Slavery and Human Trafficking Statement

Arrow complies with all applicable laws and regulations, including the United Kingdom's Modern Slavery Act of 2015. Arrow maintains effective business controls as well as a robust compliance program designed to detect and prevent slavery, human trafficking, forced or compulsory labor or any form of servitude in our supply chain or in any part of our business. Anti-slavery practices are embedded within the company's various policies. Our employees are provided with resources and training annually to help them meet Arrow's ethical and legal obligations. Our slavery and human trafficking statement is available at: [arrow.com/en/about-arrow/overview](http://arrow.com/en/about-arrow/overview).



### Conflict Minerals

Electronic components and other Arrow products contain various minerals, including tin, tantalum, tungsten and gold ("3TG"). "Conflict minerals" are 3TGs sourced from the Democratic Republic of Congo and the surrounding countries. As a downstream purchaser dependent on our supply chain partners, Arrow is committed to avoiding the use of conflict minerals in the manufacturing of Arrow's products. Arrow does not directly purchase any conflict minerals from any source and does not knowingly procure any product containing conflict minerals. Arrow files the Conflict Minerals Report annually with the U.S. Securities and Exchange Commission. Our Conflict Minerals Policy and Report are available at: [arrow.com/en/about-arrow/overview](http://arrow.com/en/about-arrow/overview).



### Human Rights

Arrow is committed to upholding the dignity of all people. We respect applicable international human rights standards throughout our global operations in the more than 80 nations in which we do business. Human rights practices are embedded within the company's various policies, including Arrow's Worldwide Code of Business Conduct and Ethics. Our employees are required to review and certify their understanding and compliance with the code on an annual basis. The code covers all regions and business units. It is also posted on the company's external website at: [arrow.com/en/about-arrow/overview](http://arrow.com/en/about-arrow/overview).

## Certifications

At Arrow, we maintain the highest standards and meet or exceed government regulations everywhere in the world we operate, protecting data, brands and the environment.

Our compliance efforts include regional requirements such as the WEEE Directive in Europe, as well as rigorous downstream management, investments in both physical and data security systems and full transparency through final disposition in all our global facilities.

Arrow complies with the following set of voluntary industry standards, is actively engaged in continuous improvement and participates in standards development.



### ISO 14001

The ISO 14001 standard, from The International Organization for Standardization Specification for an Environmental Management System, is designed to help organizations meet environmental obligations, reduce environmental impacts, improve pollution prevention and provide a process for continual improvement.

### ISO 50001

Arrow has 22 facilities with ISO 50001 Certifications in Europe. ISO 50001 Energy Management System certification provides a framework for establishing energy management best practices to help organizations to improve their energy efficiency, plus make a return on investment by implementing ISO 50001. The standard enables organizations to establish the systems and processes necessary to improve energy performance, including energy efficiency, use and consumption.



### OHSAS 18001

Arrow recognizes OHSAS 18001, which will soon be replaced by ISO 45001:2018, a new workplace safety standard. The OHSAS 18001 from the Occupational Health and Safety Advisory Services standard provides an international health and safety management system specification to minimize risk to employees and ensure compliance with OH&S policy — all validated by an external third party. Arrow will have seven of its BS OHSAS 18001 globally certified facilities transition to the new standard and has already initiated the proper planning stages. This will help the company stay ahead of the three-year requirement to migrate from OHSAS 18001 to ISO 45001.



### R2 Standard

Eleven of Arrow's warehouses and other locations are certified as R2 compliant for responsible recycling. The R2 Standard provides a common set of processes, safety measures and documentation requirements for businesses that repair and recycle used electronics. R2 is rigorously and independently audited, emphasizing quality, safety and transparency. The R2 Standard is a voluntary, market-based mechanism for ensuring best practices, which also provides essential information/assurance to prospective customers. The standard builds on an ISO-style, Plan-Do-Check-Act.

In 2018, Arrow also partnered with SERI, an organization whose core focus is administering and continually improving the R2 Standard, the premier global environmental, worker health and safety standard for the electronics refurbishing and recycling industry.



### OHSAS 18001

Arrow received e-Stewards certification in its North American facilities in 2018. For companies seeking an e-Stewards certified partner, U.S. Micro, a wholly-owned subsidiary of Arrow Electronics, Inc., provides secure and environmentally responsible disposition of electronics through its e-Stewards certified facilities.



## Hazardous Materials

Arrow is committed to working to eliminate hazardous materials in our business operations, and recognizes the importance of providing hazardous materials information to our customers.

To address these issues, Arrow has approached its suppliers to request that they provide us with a method of identifying the RoHS status of products, China RoHS labeling information, REACH and other relevant hazardous substance information.

All primary distribution centers have in-house recycling programs in place to minimize landfill impact. Consideration of recycled content is given when purchasing commodities to be used within these facilities. Additionally, new equipment is assessed for energy efficiency.

Arrow has developed a range of solutions that are intended to support compliance efforts. In all cases, our suppliers are the original source of hazardous substance information.

*In 2018, five disabled representatives of the U.S. Armed Forces drove the Arrow SAM Car to demonstrate how technology can enhance mobility and freedom.*



**ARROW**  
Five Years Out

Arrow Electronics, Inc.  
Corporate  
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