

Arrow Electronics, Inc.
Worldwide Code Of Business Conduct And Ethics

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Overview

Our good reputation and success as a company can be attributed to how we conduct business worldwide. For more than 65 years, Arrow has upheld the highest standards of ethics on which this company has been built and to which we continue to adhere. We believe in the importance of working and living according to a set of core values. These values must resonate in all that we do, as employees, officers or directors of Arrow and its subsidiaries, for our fellow employees, officers and directors, customers, suppliers, and shareholders.

We operate in accordance with our values statement: “Arrow is a company that operates to the *highest ethical standards* in all that we do. Our company is staffed by *open and courageous people*, organized as *high-performance, accountable teams* who *work effectively with no boundaries* to *innovate and execute* with a *passion for service excellence*.”

Ethics, a hallmark value at Arrow, is the foundation for building an environment based on respect, trust, and credibility for our employees, officers and directors, and for our customers, suppliers, and shareholders. We believe in applying our high standards of ethical behavior to everything we do. Acts which are, or may appear to be, unethical are not acceptable even if they seem to be standard business practices for others.

It is our responsibility, as representatives of Arrow, to perform our duties in an efficient, honest and courteous manner and to obey the laws and regulations of all jurisdictions where such duties are performed. In carrying out our duties, we are expected to observe the highest standards of business and personal ethics while promoting the objectives and interests of Arrow. Living and working according to a set of core values means that we must not engage in activities that create, or even appear to create, conflict between our personal interests and the interests of Arrow.

In addition, each of us is responsible for our own actions. We should never justify, and will not be excused from the consequences of, an action prohibited by Arrow by saying that we were ordered to perform such an action by someone higher in authority. In no case would a manager, supervisor or director be authorized by Arrow to direct or permit an Arrow employee, officer or director to commit an illegal or prohibited act.

Use Of The Code Of Business Conduct And Ethics

This Code of Business Conduct and Ethics (“this Code”) contains the policy guidelines and procedures adopted by Arrow’s Board of Directors (the “Board”) that relate to the legal and ethical standards for conducting Arrow business worldwide. This Code cannot and is not intended to cover every applicable law or to anticipate every issue that may arise, but does provide basic principles to offer guidance in

identifying appropriate and inappropriate behavior. This Code applies to all directors, officers, and employees of Arrow and its subsidiaries around the world; therefore, you must become familiar with it and adhere to the standards and restrictions within this document, conducting yourself appropriately at all times.

Violations of this Code may lead to discipline, up to and including termination of employment. Furthermore, some of these policies are based on specific legal requirements, the violation of which may form the basis for civil or criminal legal action against the violator.

As an employee, officer or director of Arrow, you are also obligated to report any violation of this Code. You will not be disciplined or criticized for reporting a possible violation. See the section labeled “How to Report a Potential Violation or Concern” for detailed contact information.

Code Of Business Conduct And Ethics

The information below, while not all-inclusive, provides guidelines for expected conduct under a variety of circumstances. If you are unclear about a particular situation, in the case of employees, ask your manager or a higher level manager, and in the case of officers or directors, ask the General Counsel, for guidance before taking action.

Conflicts Of Interest

Every Arrow employee, officer and director has an obligation to act in the best interests of Arrow. This obligation may easily be compromised when a conflict, or even the appearance of a conflict, exists between an individual’s private interests and the business interests of Arrow.

A “conflict of interest” occurs when a person’s private interest interferes in any way – or even appears to interfere – with the interests of Arrow. A conflict situation can arise when an Arrow employee, officer or director takes actions or has interests that may make it difficult to perform his or her work objectively and effectively. Conflicts of interest also arise when an Arrow employee, officer or director, or a member of his or her family, receives improper personal benefits as a result of the Arrow employee, officer or director’s position in the company. Conflicts of interest include the following examples:

- (i) engaging in a personal business transaction involving Arrow for profit or gain;
- (ii) being a consultant to, or an employee, officer or director of, a supplier, customer or competitor of Arrow;
- (iii) having a financial or other beneficial interest in a supplier, customer or competitor of Arrow (a shareholding of less than 3% in a publicly-traded company is permitted),

- (iv) receiving, directly or indirectly, improper personal benefits as a result of using Arrow property or obtaining Arrow services;
- (v) conducting Arrow business with a family member, or taking any business action that improperly benefits a family member; and
- (vi) accepting money, personal gifts, discounts, loans (other than loans from lending institutions at prevailing interest rates) or other special treatment from any supplier, customer or competitor of Arrow.

Conflicts of interest are prohibited by Arrow and must be reported. Should a situation arise in which there is some doubt as to whether a conflict of interest exists, Arrow's Law Department should be consulted.

Corporate Opportunities

Arrow employees, officers and directors are prohibited from (a) taking for themselves personally opportunities that are discovered through the use of Arrow property or information or their position with Arrow; (b) using Arrow's property, information, or their position with Arrow for personal gain; and (c) competing with Arrow.

Insider Trading

Since Arrow's stock and other securities are publicly traded, Arrow is required by law to disclose all "material" corporate developments, both favorable and unfavorable. Information is considered "material" if it might affect the value of Arrow's securities or influence anyone's decision to buy, hold, or sell them. Examples of possible material developments include earnings results, acquisitions, divestitures, new lines of business, and significant changes in management. Disclosure must be made simultaneously to shareholders, the financial community, and the general investing public and not exclusively to any individual or particular group. Arrow's senior executive officers will determine when disclosure is appropriate.

In the course of daily business activities Arrow employees, officers and directors acquire material information concerning Arrow. Such information must be held in strictest confidence until it has been publicly disclosed, and precautions must be taken to avoid accidental disclosure. Arrow employees, officers or directors who have such "insider" information must not buy, sell, or in any way deal in Arrow's securities or the securities of any other company whose value may be affected by such information until a public disclosure has been made and the public has had enough time to evaluate the information.

Misuse of insider information is not only unethical and contrary to Arrow policy, but it may also subject an Arrow employee, officer or director to prosecution for violation of United States securities laws (whether or not the person involved is located within the United States) as well as legal action for recovery of any losses suffered by persons who acted or failed to act because they did not have equal access to the information.

Of course, this policy also precludes any attempt to act indirectly through a friend or relative or simply passing such information on to any person who may then act on his own. Such persons who acquire inside information are considered “insiders,” just like an Arrow employee, officer or director, and may be subject to the same penalties for misuse of the information.

Material inside information may also include undisclosed facts about another company, including Arrow’s customers, vendors or competitors, if the information could affect the price of the other company’s securities. Disclosure of inside information about another company could result in the Arrow employee, officer or director being considered an insider of that company and may subject him or her to penalties for premature disclosure.

Compliance With Laws

All Arrow employees, officers and directors must comply with all applicable laws, rules and regulations. If any situation arises in which it is unclear as to whether a proposed action would constitute a breach of applicable laws or regulations, the Arrow Law Department should be consulted before such action is taken.

Antitrust/Competition Laws

The various laws concerning antitrust or competition are designed to maintain effective competition in the marketplace. The standards of conduct set for Arrow employees, officers and directors go beyond the minimum legal requirements of these laws because it is Arrow’s policy to comply fully not only with the letter of the antitrust and competition laws, but with the spirit of these laws as well.

Arrow’s antitrust policy prohibits:

- Discussing prices, terms of sale, or other competitive information with competitors, or attending meetings with competitors at which such topics are discussed.
- Dividing customers, markets, or territories with competitors.
- Attempting to dictate or control a customer’s resale prices.
- Engaging in any other conduct that violates any applicable antitrust or competition law.

Arrow's policy requires that you contact Arrow's Law Department when you have a question as to the propriety of a particular practice or of a course of action; when you are contacted by an investigator, attorney, or potential litigant concerning an antitrust matter; and when you become aware of or suspect an antitrust violation.

Illegal Payments

Any dealings between any person acting on behalf of Arrow and any agent, department or office of any government or any government contractor or subcontractor, must be kept free of improper attempts to influence any regulatory decision. This means that no money, gifts (other than inexpensive souvenirs or advertising mementos), loans, rewards, discounts, favors, or preferential treatment of any kind may be promised, offered, or made with the intention of influencing any act or decision of a government official or civil servant in his or her official capacity. This rule applies regardless of how beneficial a certain decision might be to Arrow's business.

An agent or other intermediary may not be used to accomplish what an Arrow employee, officer or director is prohibited from doing directly.

Any Arrow employee, officer or director who has knowledge of such an act has a duty to report it. See the section labeled "How to Report a Potential Violation or Concern." Violations of these rules may also constitute violations of applicable law. For example, the U.S. Foreign Corrupt Practices Act makes it unlawful for a U.S. person to make a payment to any foreign official for the purpose of obtaining or retaining business.

Integrity Of Arrow Records

Almost all Arrow employees report information of some kind as part of their responsibilities, whether it involves purchases, sales, orders, correspondence, expense accounts, payroll records or other data. Such records are of critical importance to Arrow in meeting its financial, legal, and managerial responsibilities and objectives. Consequently, all reports must be prepared with care and honestly, and any person entering data or generating any Arrow document (for example, an invoice, statement, or shipping document) is personally responsible for the accuracy and reliability of the information reported, data entered, or document generated.

False or inaccurate reporting is prohibited, including, for example, listing a fictitious expense on an expense report, keeping accounts off Arrow's books and failing to value properly an Arrow asset on the books. Even when information reported is accurate, it should never be organized or arranged in such a way that it could mislead or misinform the reader.

Business records and communications often become public, and Arrow employees should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to e-mail, internal memos and formal reports. Records should always be retained or destroyed according to Arrow's record retention policies. In accordance with those policies, in the event of litigation or governmental investigations, please consult the Arrow Law Department.

Protection And Proper Use Of Arrow Assets

Arrow assets, such as information, materials, supplies, software, hardware and facilities, among other property, are valuable resources owned, licensed or otherwise belonging to Arrow. Arrow assets also include proprietary information such as intellectual property, including patents, trademarks, trade secrets and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Arrow assets should be used only for legitimate business purposes. All Arrow employees, officers and directors should endeavor to protect Arrow's assets and ensure their efficient use.

Confidentiality

Much of the information Arrow receives from its suppliers and customers, including future requirements, pending quotations, and pricing, is highly confidential and is received under written nondisclosure agreements which makes Arrow liable for damages in the event the information is released. All Arrow employees, officers and directors are prohibited from disclosing any such information except as

authorized by the source of such information and as necessary to perform their job functions or if compelled to do so by applicable law.

Much of the information Arrow generates internally is also confidential, and all of it is the property of Arrow. This includes any files, lists, notes or other information an employee, officer or director creates in the course of his or her employment, even if kept in a desk, "personal file," at home or elsewhere. All of the contents of Arrow's computer systems, even "e-mails" and voicemails between Arrow employees, officers or directors, are the property of Arrow.

In general, confidential information includes trade secrets and technical, financial or business information concerning equipment, new developments, future plans, customers, contacts, investigation, litigation, human resources data, financial results or projected results, earnings, and other matters. It may be in the form of letters, drawings, plans, notes, memos, records, computer print-outs, diskettes, or anything marked "confidential" or it may not even have been recorded, but may instead have been heard at a meeting or passed on in a conversation or overheard while being discussed by other Arrow employees, officers or directors. Confidential information concerns both past and present operations and plans or projections for the future.

Every Arrow employee, officer and director has an individual responsibility to safeguard confidential information. Such information can be passed on only to those who have a "need to know" in the performance of job assignments and responsibilities. In most cases, the duty to safeguard confidential information is relieved once Arrow releases that information to the public in a speech, publication, or news item. An Arrow employee, officer or director may be held liable to Arrow for any benefit derived from improper use of confidential information or any damage inflicted on Arrow as a result of unauthorized disclosure.

If any Arrow employee, officer or director comes into possession of confidential information inadvertently, he or she must notify Arrow of that fact. If you are unsure as to whether information in your possession is confidential, please consult the Arrow Law Department.

When an Arrow employee's service with Arrow has ended, all documents, records, files, diskettes or compilations containing, relating to, or derived from confidential information must be turned in; however the Arrow employee is not then relieved of his or her responsibility to safeguard confidential information. Any confidential information learned while working for Arrow must remain confidential and must not be discussed with others.

Fair Dealing

Each Arrow employee, officer and director should endeavor to deal fairly with Arrow's customers, suppliers, competitors and other Arrow employees, officers and directors. No Arrow employee, officer or director should seek to take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

Relationships With Suppliers, Customers, And Competitors

Because of the close business relationship that exists between Arrow and its suppliers and customers, dealings can be sensitive and involve issues of both law and ethics. The following basic rules should be strictly observed in all such dealings:

- Current or potential suppliers and customers are to be treated honestly and fairly, and all dealings are to be conducted impartially.
- Sales and purchases by Arrow shall be based on price, product quality, and service, including the consistency and dependability of customer and supplier relationships.
- No Arrow employee, officer or director or member of his or her family shall accept from or give to any supplier, customer or competitor any money or gift if the same could reasonably be viewed as intended to influence the conduct of the recipient.
- No Arrow employee, officer or director shall make false, misleading, unfair, or other damaging remarks to suppliers or customers about suppliers, customers, or competitors.
- No Arrow employee, officer or director who has acquired confidential information concerning Arrow or any current or potential supplier or customer shall reveal that information to anyone except as is necessary in the normal course of Arrow's business.

Equal Employment Opportunity

Arrow is firmly committed to a policy of equal employment opportunity for all qualified persons without regard to race, color, religion, national origin, age, gender, or sexual orientation. None of these personal attributes may influence any part in any employment decision, including recruitment, promotion, transfer, rate of pay, training, and termination. It is the obligation of each Arrow employee, officer and director to adhere to the spirit as well as the letter of this policy.

How To Report A Potential Violation Or Concern

Open Door Policy

You are encouraged to raise any potential violations or concerns relating to this Code. Employees may contact any senior manager, including the President & CEO, the General Counsel, the Chief Financial Officer, any Business Unit President, Managing Director or Vice President, any human resources manager, and any other manager with whom it may be appropriate for the matter to be discussed. Officers or directors may contact the General Counsel or the President & CEO. If you believe that the matter involves a violation of this Code and, after taking the matter to the President & CEO, do not believe that management is taking the appropriate action, you should contact one of Arrow's independent directors. No one may restrict or discourage the exercise of this policy by an Arrow employee, officer or director and any action taken against any employee, officer or director by way of punishment or retribution for exercising this policy will constitute grounds for dismissal.

You also have the option of using the Arrow AlertLine, and may request to remain anonymous when reporting a concern. Staffed by an independent third party, Pinkerton Service Corp., the Arrow AlertLine is a toll-free telephone hotline available 24 hours a day, 7 days a week, which you can reach by calling 1-877-Code-ARW (please click [here](#) for international access codes).

Responsibility Of Employees, Officers And Directors

As Arrow employees, officers and directors, we each have a responsibility to report any circumstances or actions, whether caused by us or by others that we believe may violate the principles of this Code. Such communication is confidential, and no one will be subject to reprisal for raising a concern or reporting in good faith actions that they feel may violate the Policy or any applicable law.

Without our commitment to guide our professional and personal behavior according to this Code, its principles are only words. Each of us must accept personal responsibility to read the Policy, understand what it means, and apply it consistently. Employees that need more guidance to do that, or have a question about the Code, can ask their supervisor or manager, or can contact the Arrow Law Department or the Human Resources Department for assistance. Officers or directors that need more guidance, or have a question about the Code, can contact the General Counsel for assistance.

Amendment/Waivers

Any amendment of this Code or any waiver of any provision of this Code for any corporate officer or any director may be made only by the Board, and, in the case of executive officers and directors, will be

promptly disclosed as required by the Securities Exchange Commission and the applicable NYSE listing requirements.