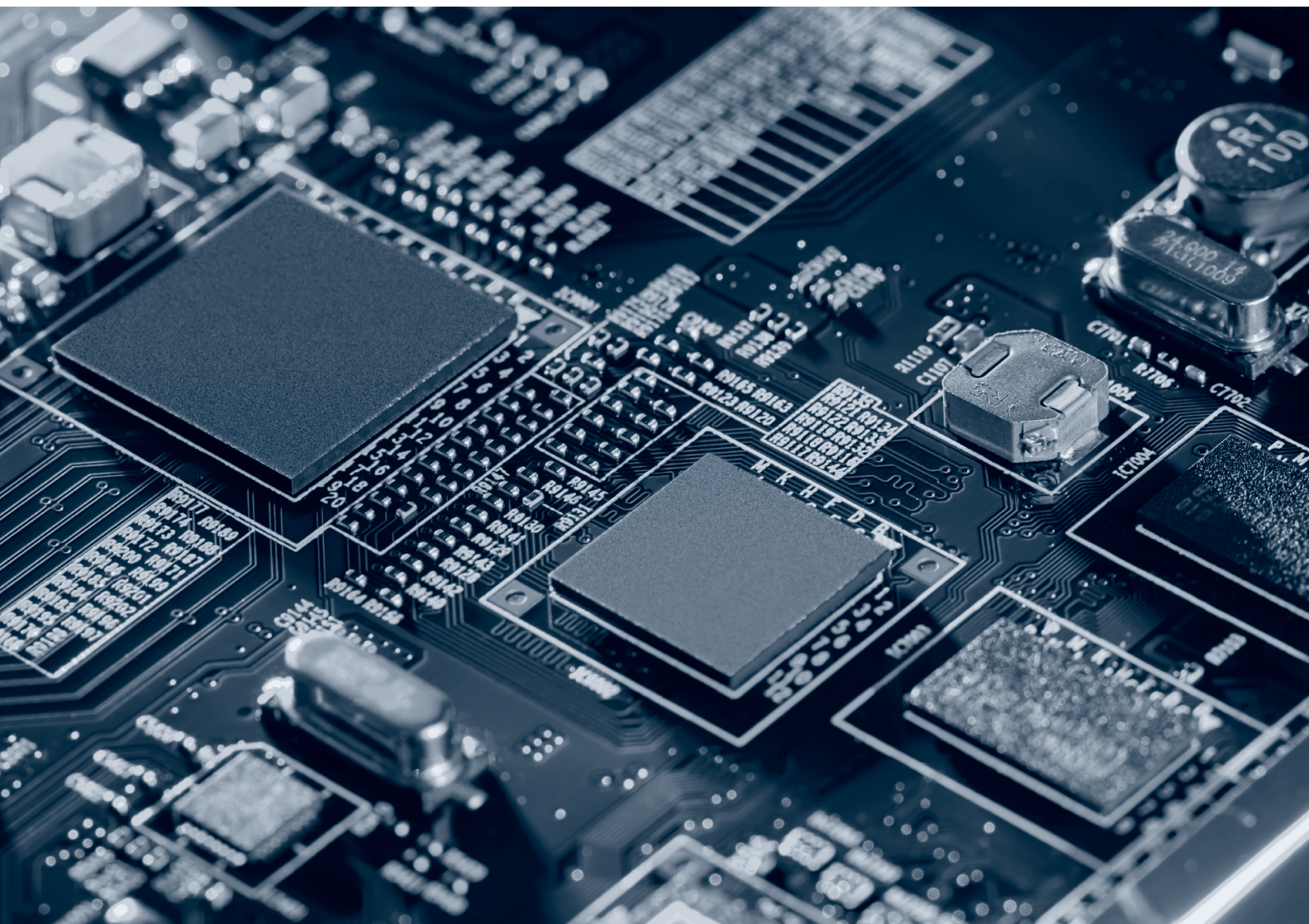




Notice of 2025 Annual Meeting of Shareholders and Proxy Statement



Arrow Electronics, Inc.



OUR 2025 ANNUAL MEETING AND PROXY STATEMENT

**Tuesday, May 6, 2025
at 8:00 a.m. MT
The Inverness Denver, a
Hilton Golf and Spa Resort**

**200 Inverness Drive West
Englewood, Colorado
80112**

March 25, 2025

Dear Shareholder:

You are invited to Arrow Electronics, Inc.'s ("Arrow" or the "Company") Annual Meeting of Shareholders ("Annual Meeting") on Tuesday, May 6, 2025. The formal notice of the Annual Meeting and the Proxy Statement soliciting your vote at the Annual Meeting appear on the following pages.

The matters scheduled to be considered at the Annual Meeting are:

- > the election of the directors named in the Proxy Statement to serve as members of Arrow's Board of Directors ("Board") for a one-year term expiring at Arrow's 2026 annual shareholder meeting;
- > the ratification of the appointment of Ernst & Young LLP as Arrow's independent registered public accounting firm for the fiscal year ending December 31, 2025;
- > the holding of an advisory vote to approve named executive officer compensation; and
- > a shareholder proposal, if properly presented at the Annual Meeting.

These matters are discussed more fully in the Proxy Statement.

Arrow's Board suggests following its recommended vote on each proposal as being in the best interests of Arrow and its shareholders and urges you to read the Proxy Statement carefully before you vote.

Under the rules adopted by the U.S. Securities and Exchange Commission ("SEC"), we are furnishing proxy materials to our shareholders online rather than mailing printed copies to each shareholder. Accordingly, you will not receive a printed copy of the proxy materials unless you request one. The Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting ("Notice") includes instructions on how to access and review the proxy materials, and how to access your proxy card and vote online. If you would like to receive a printed copy of the proxy materials, please follow the instructions included in the Notice.

Please make sure you vote whether or not you plan to attend the Annual Meeting. You can cast your vote in person at the Annual Meeting, online by following the instructions on either the proxy card or the Notice, by telephone, or, if you received paper copies of the proxy materials, by mailing your proxy card in the postage-paid return envelope.

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WHEN:

Tuesday, May 6, 2025
8:00 a.m. MT

WHERE:

The Inverness Denver, a
Hilton Golf & Spa Resort
200 Inverness Drive West
Englewood, Colorado 80112

AGENDA:

1. Elect the directors named in the Proxy Statement to serve as members of Arrow's Board of Directors for a one-year term expiring at Arrow's 2026 annual shareholder meeting.
2. Ratify the appointment of Ernst & Young LLP as Arrow's independent registered public accounting firm for the fiscal year ending December 31, 2025.
3. Hold an advisory vote to approve named executive officer compensation.
4. Hold an advisory vote on a shareholder proposal, if properly presented at the Annual Meeting.
5. Transact such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

March 25, 2025

You are invited to Arrow's Annual Meeting on Tuesday, May 6, 2025. Only shareholders of record at the close of business on March 10, 2025, are entitled to notice of and to vote at the Annual Meeting.

Shareholders can vote online, by telephone, by completing and returning the proxy card, or by attending the Annual Meeting. The Notice and the proxy card have detailed instructions for voting, including voting deadlines.

			
Internet Visit the website noted on your proxy card to vote online.	Telephone Use the toll-free number on your proxy card to vote by telephone.	Mail Sign, date, and return your proxy card in the enclosed envelope to vote by mail.	In Person Cast your vote in person at the Annual Meeting.

Shareholders may revoke a proxy (change or withdraw their votes) at any time prior to the Annual Meeting by following the instructions in the Proxy Statement.

You may request a printed copy of the proxy materials and Arrow's 2024 Annual Report on Form 10-K by calling 1-800-579-1639 or sending an e-mail to investor@arrow.com.

The proxy materials and Arrow's 2024 Annual Report on Form 10-K (which is not a part of the proxy soliciting material) will be available through www.proxyvote.com on or about March 25, 2025, or at investor.arrow.com/financials/financial-results.

By Order of the Board of Directors,

Carine L. Jean-Claude
Corporate Secretary

**Important Notice Regarding the Availability of Proxy Materials
for the Shareholder Meeting to be Held on May 6, 2025**

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LETTER FROM THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

First and foremost, thank you for your continued investment and confidence in Arrow Electronics.

At Arrow, our global team has the vision to bridge the gap between what's possible and the practical technologies to make it happen. We are sharply focused on driving demand and expanding addressable markets for our suppliers and customers via our technology-centric position, go-to-market expertise, and supply chain services capabilities. We enable our suppliers to distribute their technologies and help our customers to source, build upon, and leverage these technologies to grow their businesses and enhance their overall competitiveness. We are a trusted partner in a complex value chain and are uniquely positioned through our electronics components and IT content portfolios to deliver long-term shareholder value.

Through our Five Years Out mindset, we are motivated by our purpose: We enable technology solutions that make a positive difference in people's lives; and we guide the power of innovation to make the world better. Further, we understand the vital role we each play for the good of our business and stakeholders, including our talented global workforce that powers our performance.

Last year presented unique conditions, challenges, and opportunities. Despite unfavorable external factors, our Global Components segment made strong progress with our value-added offerings to drive structural margin improvements for the business. In our Enterprise Computing Solutions ("ECS") segment, we re-aligned our regional strategies and redoubled our focus on the capabilities that differentiate Arrow, giving us confidence that this business segment is poised to contribute even more as we more closely align our offerings to meet the demands of faster growing markets. We were able to accomplish these results while maintaining an unwavering commitment to our core Arrow values: ethical in how we conduct business; open-minded and courageous as we engage stakeholders; results-oriented and accountable for the quality and outcome of our work; innovative to grow value for stakeholders; and customer-centric to earn trust, loyalty, and repeat business.

Throughout the past year, I have greatly appreciated the opportunity to partner with Arrow's insightful and independent Board members. Our Board is composed of individuals who have a wide range of backgrounds, experiences, and skillsets that enable them to evaluate and provide valuable perspective on our unique business, and their expertise is vital as we navigate a rapidly evolving market. The Board maintains a robust self-evaluation process that facilitates thoughtful refreshment and succession on an ongoing basis.

As we move through an ongoing cyclical correction, we are optimistic regarding the overall industry backdrop. We believe longer term technology trends will benefit Arrow especially since we are at the center of large and growing markets.

The Board and management team remain focused on enhancing more accretive growth initiatives and prudently managing our cost structure and working capital portfolio. This will enable us to emerge from this period to continue generating long-term value for our shareholders, suppliers, and customers.

I invite you to read about Arrow's corporate governance and executive compensation practices in the following pages. As always, we welcome your input and value your support.



Sincerely,

A handwritten signature in black ink that reads "Sean J. Kerins".

Sean J. Kerins
President and Chief Executive Officer

ARROW ELECTRONICS, INC.

ANNUAL MEETING OF SHAREHOLDERS TO BE HELD MAY 6, 2025

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PROXY STATEMENT

ANNUAL MEETING INFORMATION

THE PURPOSE OF THIS PROXY STATEMENT

The Board of Arrow, a New York corporation, is providing this Proxy Statement to shareholders of record to solicit proxies to be voted at the Annual Meeting. By returning a completed proxy card, or voting by telephone or internet, you are giving instructions on how your shares are to be voted at the Annual Meeting. This Proxy Statement and the form of proxy are first being made available to shareholders of record on or about March 25, 2025.

VOTING INSTRUCTIONS

Please vote your shares by telephone or online, or if you receive printed copies of the proxy materials, complete, sign, and date your proxy card and return it promptly in the postage-paid return envelope provided. You are urged to vote at your earliest convenience whether or not you plan to attend the Annual Meeting.

If your shares are held in “street name” (that is, in the name of a bank, broker, or other holder of record), you should receive instructions from the record shareholder that must be followed in order for such shares to be voted (including in person at the Annual Meeting). Internet and/or telephone voting is offered to shareholders owning shares in “street name” through most banks and brokers.

Unless you indicate otherwise, the persons named as proxies on the proxy card will vote your shares represented in a properly executed proxy card:

- > “FOR” all of the nominees for director named in this Proxy Statement
- > “FOR” the ratification of the appointment of Ernst & Young LLP as Arrow’s independent registered public accounting firm for the fiscal year ending December 31, 2025
- > “FOR” approval of the named executive officer compensation as described in the Compensation Discussion and Analysis (“CD&A”) section contained herein
- > “AGAINST” the shareholder proposal, if properly presented at the Annual Meeting.

INVITATION TO THE ANNUAL MEETING

Shareholders of record at the close of business on March 10, 2025, are invited to attend the Annual Meeting on Tuesday, May 6, 2025, beginning at 8:00 a.m. MT.

The Annual Meeting will be held at:

The Inverness Denver, a
Hilton Golf & Spa Resort
200 Inverness Drive West
Englewood, Colorado
80112



SHAREHOLDERS ENTITLED TO VOTE

Only shareholders of record of Arrow's common stock at the close of business on March 10, 2025 ("Record Date") are entitled to notice of and to vote at the Annual Meeting. As of the Record Date, there were 51,867,253 shares of Arrow common stock outstanding. Each share of common stock is entitled to one vote on each matter properly brought before the Annual Meeting. The presence in person or by proxy of a majority of the shares entitled to vote at the Annual Meeting will constitute a quorum.

A complete list of shareholders entitled to vote at the Annual Meeting will be open to the examination of any shareholder during the Annual Meeting.

REVOCATION OF PROXIES

The person giving a proxy may revoke it at any time prior to the time it is voted at the Annual Meeting by giving written notice to Arrow's Corporate Secretary, Carine L. Jean-Claude, at Arrow Electronics, Inc., 9151 East Panorama Circle, Centennial, Colorado 80112. If the proxy was given by telephone or internet, it may be revoked by voting again via telephone or internet. You may also withdraw your proxy by attending the Annual Meeting and voting in person. If your shares are held in "street name," you must contact the record holder of the shares regarding how to revoke your proxy.

COST OF PROXY SOLICITATION

Arrow pays the cost of soliciting proxies. Arrow has retained D.F. King & Co., Inc. ("DF King") to assist in soliciting proxies at an anticipated cost of approximately \$20,000, plus additional amounts for fees, costs, and expenses incurred by third party vendors engaged by DF King and out-of-pocket expenses. Arrow will supply soliciting materials to the brokers, fiduciaries, and custodians holding Arrow common stock in a timely manner so that they may send the materials to each beneficial owner. Arrow will reimburse the brokers, fiduciaries, and custodians for their expenses in so doing. In addition to this solicitation by mail, the Board, employees, and agents of the Company may solicit proxies in person, by electronic transmission, or by telephone.



VOTING MATTERS AND VOTE RECOMMENDATIONS

	PROPOSAL	BOARD'S VOTING RECOMMENDATION	RATIONALE
1	Election of Ten Directors (page 11)	FOR Each Nominee	<ul style="list-style-type: none"> Slate of highly qualified nominees with a wide range of backgrounds, experiences, and skillsets aligned to guide and oversee Arrow's unique and evolving business
2	Ratification of the appointment of Ernst & Young LLP as Arrow's independent registered public accounting firm for the fiscal year ending December 31, 2025 (page 38)	FOR	<ul style="list-style-type: none"> Ernst & Young LLP is an independent accounting firm with the required knowledge and experience to effectively audit Arrow's financial statements Audit and non-audit services are pre-approved by the Board's Audit Committee
3	Advisory vote to approve named executive officer compensation (page 40)	FOR	<ul style="list-style-type: none"> Our executive compensation program is designed to align pay with performance and takes into account shareholder feedback and interests
4	Simple Majority Vote (page 87)	AGAINST	<ul style="list-style-type: none"> Arrow's supermajority provisions are narrow in scope. They require broad shareholder consensus in the event of a sale or change in control of the Company Arrow already amended its Certificate of Incorporation in December 2024 to remove preferred stock provisions with supermajority voting standards

VOTING YOUR SHARES

Shareholders can vote online, by telephone, by completing and returning the proxy card, or by attending the Annual Meeting. The Notice and the proxy card have detailed instructions for voting, including voting deadlines.

Internet	Telephone	Mail	In Person
Visit the website noted on your proxy card to vote online.	Use the toll-free number on your proxy card to vote by telephone.	Sign, date, and return your proxy card in the enclosed envelope to vote by mail.	Cast your vote in person at the Annual Meeting.

Arrow’s Board suggests following its recommended vote on each proposal as being in the best interests of Arrow and its shareholders and urges you to read this Proxy Statement carefully before you vote. Your vote is important regardless of the number of shares you own.



CERTAIN SHAREHOLDERS

HOLDERS OF MORE THAN 5% OF COMMON STOCK

The following table sets forth certain information with respect to the only shareholders known to the Company to own beneficially more than 5% of the outstanding common stock of Arrow as of March 10, 2025, unless otherwise noted.

Name and Address	Shares of Common Stock Beneficially Owned	% of Outstanding Common Stock
The Vanguard Group ⁽¹⁾ 100 Vanguard Boulevard Malvern, Pennsylvania 19355	6,211,177	11.98 %
BlackRock, Inc. ⁽²⁾ 50 Hudson Yards New York, New York 10001	5,469,589	10.55 %
Dimensional Fund Advisors LP ⁽³⁾ 6300 Bee Cave Road, Building 1 Austin, Texas 78746	2,839,149	5.47 %

(1) Based upon a Schedule 13G/A filed with the SEC on February 13, 2024, reporting that as of December 29, 2023, The Vanguard Group, a registered investment adviser, has sole voting power with respect to 0 shares, shared voting power with respect to 33,829 shares, shared dispositive power with respect to 135,235 shares, and sole dispositive power with respect to 6,075,942 shares.

(2) Based upon a Schedule 13G/A filed with the SEC on March 7, 2024, reporting that as of February 29, 2024, BlackRock, Inc., a parent holding company, has sole voting power with respect to 5,092,238 shares, shared voting power with respect to 0 shares, sole dispositive power with respect to all shares, and shared dispositive power with respect to 0 shares.

(3) Based upon a Schedule 13G filed with the SEC on October 31, 2024, reporting that as of September 30, 2024, Dimensional Fund Advisors LP, a registered investment advisor, has sole voting power with respect to 2,768,494 shares, shared voting power with respect to 0 shares, shared dispositive power with respect to 0 shares, and sole dispositive power with respect to all shares.

SHAREHOLDINGS OF DIRECTORS AND EXECUTIVE OFFICERS

The following table shows the beneficial ownership of the Company's common stock, as of March 10, 2025, for each director and director nominee, each of the "Named Executive Officers" identified in the CD&A and all directors, director nominees, and executive officers as a group.

Name	Shares of Common Stock Beneficially Owned				
	Currently Owned (1)	Common Stock Units (2)	Acquirable within 60 Days	Total Ownership	% of Outstanding Common Stock
Sean J. Kerins	147,937	—	—	147,937	*
Steven H. Gunby	—	21,492	2,637	24,129	*
William F. Austen	5,958	—	1,456	7,414	*
Lawrence (Liren) Chen	—	—	626	626	*
Gail E. Hamilton	102	20,650	1,456	22,208	*
Michael D. Hayford	—	915	1,456	2,371	*
Andrew C. Kerin	—	25,361	1,456	26,817	*
Carol P. Lowe	—	7,207	1,456	8,663	*
Mary T. McDowell	1,520	—	1,456	2,976	*
Gerry P. Smith	—	5,416	1,456	6,872	*
Rajesh K. Agrawal ⁽³⁾	15,129	—	—	15,129	*
Eric C. Nowak	45,199	—	296	45,495	*
Gretchen K. Zech	71,221	—	—	71,221	*
Richard J. Marano	9,325	—	—	9,325	*
Kristin D. Russell	—	—	—	—	*
Total Directors', Director Nominees', and Current Executive Officers' Beneficial Ownership as a Group (16 individuals)	314,636	81,041	13,751	409,428	0.8 %

* Represents holdings of less than 1%.

(1) Includes shares directly owned, including those owned independently, and stock options granted under the Arrow Electronics, Inc. 2004 Omnibus Incentive Plan, as amended ("Omnibus Incentive Plan").

(2) Includes common stock units deferred by independent directors and restricted stock units granted under the Omnibus Incentive Plan.

(3) The number of shares reported includes 12,569 shares held jointly with Mr. Agrawal's spouse.

PROXY STATEMENT HIGHLIGHTS

COMPANY OVERVIEW

Arrow sources and engineers technology for thousands of leading manufacturers and service providers. Arrow has one of the world’s broadest portfolios of product offerings available from leading electronic components and enterprise computing solutions suppliers. These product offerings, coupled with a range of services, solutions, and software, help industrial and commercial customers introduce innovative products, reduce time to market, and enhance overall competitiveness.

Arrow believes that economic success comes from more than just financial growth. As technology’s benefits reach more people, Arrow’s addressable market continues to expand, promoting a healthy economy.

EXECUTIVE COMPENSATION HIGHLIGHTS

Components of 2024 Compensation Program

	CEO	Other Named Executive Officers (“NEOs”)	Description
CASH	Annual Base Salary		
			<ul style="list-style-type: none"> Base salary is set at market-competitive levels relative to comparable jobs at similar companies and also reflects the performance and experience of executives
CASH	Annual Cash Incentive Compensation		
			<ul style="list-style-type: none"> Annual cash incentives are performance-based rewards that are subject to forfeiture (“at-risk”) Payouts are based on the achievement of pre-established financial and quantitative strategic metrics – Absolute EPS (70%) and Strategic Goals (30%)
EQUITY	Long-Term Incentive Compensation		
			<ul style="list-style-type: none"> Long-term incentives are designed to promote a balanced focus on driving performance, retaining talent, and aligning the interests of the Company’s executives with those of its shareholders Long-term incentives in the form of equity awards are at-risk as their value fluctuates based on our stock price performance and, in the case of Performance Stock Units, based on the achievement of pre-established performance goals 50% Performance Stock Units and 50% Restricted Stock Units

CORPORATE GOVERNANCE HIGHLIGHTS

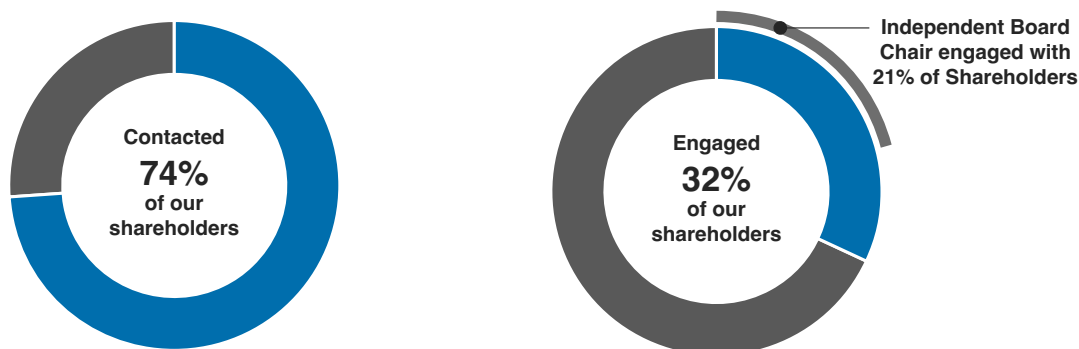
Arrow believes that strong corporate governance is critical to achieving long-term shareholder value. The Board regularly assesses Arrow’s corporate governance policies and profile to ensure that the Company is positioned to achieve its business objectives. As a result, the Board has adopted thoughtful practices and processes and implemented several enhancements to improve independent oversight and increase its effectiveness. The following table highlights some of Arrow’s corporate governance practices and policies:

- Annual election of directors
- Annual advisory say-on-pay vote
- All director nominees other than our CEO are independent
- Independent Board Chair
- Independent Board committees
- The Board’s Corporate Governance Committee annually reviews director time commitments before nominating directors for election
- Overboarding limitations and adoption of additional limits on outside directorships for our Board Chair, Lead Independent Director (if applicable), and directors who also serve as public-company executive officers
- Rigorous stock ownership guidelines for certain key executives and increased stock ownership guidelines for directors from 3x to 5x annual retainer fees in 2024
- Anti-hedging and anti-pledging policy
- Ongoing succession planning for executive leadership team and directors
- Added six new independent directors in the last five years
- Proxy access rights for shareholders
- Board committee oversight of corporate stewardship and impact
- Annual Board and committee self-assessments and individual director peer evaluations
- Resignation policy for directors not receiving a majority vote (see description below under subheading “Director Resignation Policy”)
- Active shareholder engagement (see description below under subheading “Shareholder Engagement and Feedback”)
- Dodd-Frank compensation clawback policy applicable to executive officers and incentive compensation clawback policy applicable to executive officers and other senior management
- Worldwide Code of Business Conduct and Ethics, applicable to all directors, officers, and employees
- No shareholder rights plan (“poison pill”)
- Continuing education opportunities for directors on topics relevant to the evolving needs of the Company

SHAREHOLDER ENGAGEMENT AND FEEDBACK

We regularly and proactively engage with our shareholders to better understand their views on our corporate governance practices, executive compensation program, and corporate stewardship and impact matters. Our Board and management team consider their input, along with emerging best practices, as we monitor and evaluate our corporate governance practices and executive compensation program structure. Our management proposals at our 2024 annual shareholder meeting received strong support, which we believe reflects shareholder confidence in the overall philosophy and design of our corporate governance structure and executive compensation program.

In the fall of 2024, we conducted off-season engagement with a cross-section of investors to solicit perspectives on our 2024 annual shareholder meeting, the 2024 proxy season, and any areas of potential concern. Arrow reached out to 29 shareholders representing approximately 74% of shares then outstanding. Shareholders representing approximately 32% of shares then outstanding accepted the offer to engage, and our independent Board Chair, Steven Gunby, participated in meetings with shareholders representing approximately 21% of shares then outstanding. Shareholders representing an additional ~12% of shares then outstanding declined to engage or noted that they were satisfied with Arrow's profile.



BOARD REFRESHMENT

The Board believes the fresh perspectives brought by newer directors are critical to a forward-looking and strategic-minded Board when appropriately balanced with the deep understanding of Arrow's business and the independent institutional knowledge provided by longer-serving directors. Accordingly, Arrow has maintained a deliberate mix of new and longer-tenured directors on the Board, and the Corporate Governance Committee is focused on ensuring the optimal mix of tenures, backgrounds, skills, and perspectives for Arrow. Since 2020, Arrow has added seven new directors – Messrs. Austen, Chen, Hayford, Kerins, and Smith and Ms. Lowe and McDowell – each of whom has a unique skillset and background experience to support the Board's oversight of Arrow's strategic goals and initiatives. In 2024, the Board's comprehensive refreshment efforts resulted in the appointment of Mr. Hayford, who was elected by shareholders at our 2024 annual shareholder meeting, as well as Mr. Chen, who was most recently added to the Board in December 2024. Both Mr. Hayford and Mr. Chen bring deep public company and technology industry experience to the Company's Board, as well as other relevant skills and experience that align with the evolving needs of the business.

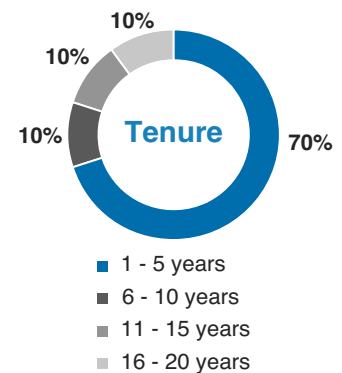
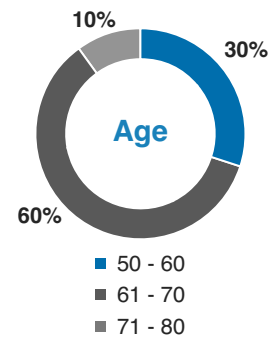
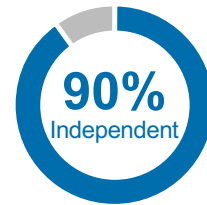
Snapshot of Director Nominees

Below is a snapshot of the expected composition of Arrow's Board immediately following the Annual Meeting, assuming the election of the ten nominees named in this Proxy Statement.

Skill/Experience

Nominees

	Leadership Experience	10
	Risk Management Experience	7
	Global Business and Operations Experience	10
	Financial Experience	8
	Legal and Regulatory Oversight Experience	4
	Technology and Cybersecurity Experience	9
	Supply Chain Management Experience	5
	Crisis Management Experience	6
	Strategy and M&A Experience	10
	Brand and Marketing Experience	6
	Corporate Governance Experience	8
	Human Capital Experience	9
	Environmental and Climate Strategy Experience	4





PROPOSAL 1: ELECTION OF DIRECTORS

THE BOARD RECOMMENDS A VOTE “FOR” ALL OF THE NOMINEES NAMED BELOW.

If elected by our shareholders at the Annual Meeting, each nominee will serve for a one-year term expiring at our 2026 annual shareholder meeting. Each director will hold office until his or her successor has been elected and qualified or until the director’s earlier resignation or removal.

All nominees identified below are current members of the Board. They have been recommended for re-election to the Board by the Corporate Governance Committee and approved and nominated for re-election by the Board. In accordance with the Company’s By-Laws (the “By-laws”), the ten (10) nominees receiving a plurality of votes cast at the Annual Meeting will be elected directors, subject to the Director Resignation Policy described below.

If you are a beneficial owner of shares held in “street name” through a broker, fiduciary, or custodian and do not provide the organization that holds your shares with specific voting instructions, then the organization may generally vote your shares in their discretion on “routine” matters but cannot vote on “non-routine” matters. An uncontested election of directors is *not* considered “routine” under the New York Stock Exchange (“NYSE”) rules. As a result, if a shareholder holds shares in street name, the applicable broker, fiduciary, or custodian is not permitted to exercise voting discretion with respect to this proposal. For this reason, if a “street name” holder does not give the broker, fiduciary, or custodian specific instructions, the shares will not be voted on this proposal, which is referred to as a “broker non-vote.” Broker non-votes and withholding authority to vote for a director nominee will have no effect on the outcome of this proposal (though a director nominee that receives a greater number of “WITHHELD” votes than “FOR” votes in an uncontested election is required by the Board’s Director Resignation Policy to tender his or her resignation to the Board, as discussed in greater detail below under the heading “Director Resignation Policy”).

BOARD MEMBERSHIP REQUIREMENTS

In accordance with the Company’s Corporate Governance Guidelines, members of the Board should have the following skills, abilities, and qualifications:

- > the education, business experience, and current insight necessary to understand the Company’s business;
- > the ability to evaluate and oversee direction, performance, and guidance for the success of the Company;
- > the ability to primarily represent the interests of the Company’s shareholders while being attuned to the needs of the Company’s employees, the communities in which it operates, and other stakeholders;
- > the ability to devote the necessary interest and time to fulfill all director responsibilities over a period of years, including committing to prepare for, attend, and meaningfully participate in substantially all scheduled Board and Board committee meetings and the annual shareholder meeting;
- > independence and strength of conviction coupled with the ability to leave behind personal prejudice so as to be open to different points of view;
- > the willingness and ability to appraise the performance of executive management objectively and constructively and, when necessary, recommend appropriate changes;
- > the ability to adhere to the Company’s limits on outside board service, including a maximum of three public company boards for the Board Chair, a maximum of two public company boards for a director who is also

an executive officer, and a maximum of four public company boards for all other directors (in all cases including Arrow's Board);

- > the avoidance of any activity or interest that might, or might appear to, conflict with his or her fiduciary responsibilities to the Company, except in unusual circumstances and then only with the formal approval of disinterested directors; and
- > the ability to satisfy all other criteria established by the Board from time to time, including functional skills, corporate leadership, international experience, or other attributes that will contribute to the development and expansion of the Board's knowledge and capabilities.

BOARD NOMINATIONS AND SUCCESSION

During the course of the year, the Corporate Governance Committee discusses Board succession and evaluates potential Board candidates. The Corporate Governance Committee has retained a third-party recruitment firm to assist in identifying and evaluating potential Board nominees.

The Corporate Governance Committee oversees the Company's annual director nomination process and, as part of that process, considers each potential nominee's qualifications, skills, attributes, capacity, time commitments, and adherence to the Company's outside board limitations in its evaluation of whether each such nominee would successfully contribute to the Board and its committees if elected. Based on this evaluation process, the Corporate Governance Committee makes recommendations to the Board that assist the Board in determining who it should nominate to stand for election. In addition, the Corporate Governance Committee continually evaluates potential new candidates for Board membership, which is taken into account when it recommends nominees for election.

The Company uses the following process for assessing needs, identifying candidates, and nominating new director candidates for election.

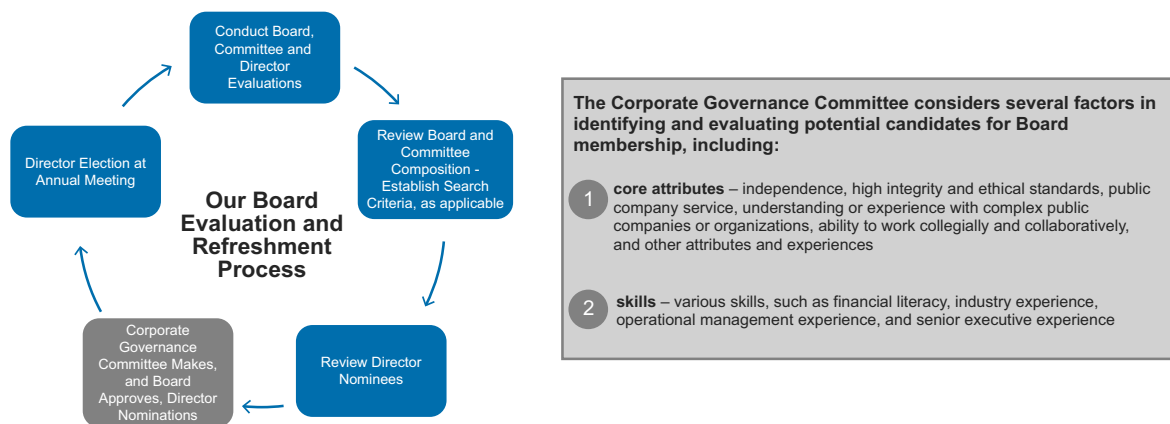
- > **Conduct Board and Committee Evaluations.** As required by the Company's Corporate Governance Guidelines and the charters of the Audit Committee, the Compensation Committee, and the Corporate Governance Committee, the Board and each Board committee conduct annual self-evaluations of their effectiveness.
- > **Review Board and Committee Composition and Establish Search Priorities.** Utilizing the results of the Board and Board committee self-evaluations and taking into account the Company's strategic interests and priorities, its industry and market, the qualifications set forth in the Company's Corporate Governance Guidelines, and other relevant considerations, the Corporate Governance Committee, in consultation with the Board, identifies the desired skills, attributes, expertise, experience, availability, and background that would enable one or more additional directors to add value to the Board and its committees. If the Corporate Governance Committee determines to initiate a director search, it may engage a director search firm and provide the parameters for the search.
- > **Review Director Candidates.** Once a director search identifies potentially suitable candidates, the Corporate Governance Committee, with input from the entire Board, makes a list of final candidates. This list also includes any candidates duly submitted by shareholders. The Board Chair, the Company's President and Chief Executive Officer (the "CEO"), and selected members of the Corporate Governance Committee then meet with each candidate to evaluate his or her suitability for Board membership in relation to the time commitments, skills, attributes, expertise, experience, and background desired of a new director.
- > **Recommendation and Nomination of Candidates for Board.** If, based on the above review process, the Corporate Governance Committee identifies one or more suitable potential Board candidates, the Corporate Governance Committee will recommend the candidate(s) to the Board, and the Board will determine whether to nominate such candidate(s) for election by the shareholders at the next annual shareholder meeting; provided that any Board vacancy may be filled by a majority vote of the current Board, and any director elected by the Board to fill a vacancy will serve until the next annual shareholder meeting.

> **Director Election at Annual Meeting and Committee Assignments.** All director nominees obtaining a plurality of the votes cast at the annual shareholder meeting will be elected to serve on the Board (subject to the Company’s Director Resignation Policy, as discussed below under the heading “Director Resignation Policy”). At the Board meeting immediately following the annual shareholder meeting, the Corporate Governance Committee will make recommendations regarding, and the Board will ultimately approve, the committee assignments for the elected directors, including the committee chairs.

The graphic below summarizes the factors the Corporate Governance Committee considers in evaluating potential candidates for Board membership.

Approach to Board Refreshment & Evaluation

The Board believes fresh perspectives balanced with deep insight into Arrow’s business are critical to a forward-looking and strategic-minded Board



Since 2020, Arrow has added six new independent directors committed to effective oversight

As a result of our comprehensive refreshment and recruitment efforts, in 2024, the Company welcomed two new directors to the Board: Mr. Hayford, who was elected to the Board at the 2024 annual shareholder meeting, and Mr. Chen, who was appointed to the Board in December 2024. Both Mr. Hayford and Mr. Chen bring deep public-company and technology industry experience to the Company’s Board, as well as other relevant skills and experience that align with the evolving needs of the business as further described below under the heading “Biographies of Director Nominees.”

The Corporate Governance Committee considers shareholder recommendations of Board nominees as well as those recommended by current directors, officers, employees, and others. Such recommendations may be submitted to Arrow’s Chief Governance, Sustainability, and Human Resources Officer, Gretchen Zech, at Arrow Electronics, Inc., 9151 East Panorama Circle, Centennial, Colorado 80112, who will forward them to the Corporate Governance Committee. Potential candidates suggested by shareholders are evaluated by the Corporate Governance Committee in the same manner as other candidates.

BOARD COMPOSITION

Whenever the Corporate Governance Committee evaluates a potential candidate for Board membership, it considers that individual in the context of the composition of the Board as a whole. The Corporate Governance Committee is committed to maintaining a Board with a variety of perspectives and experiences that enhance the quality of decision making. Accordingly, the Board believes that its membership should include, among other factors, directors with a variety of backgrounds, attributes, and experiences. The Board demonstrates a varied and qualified composition in the following ways:

- > All but one of the Company's director nominees (i.e., Mr. Kerins) are independent and have a broad range of experience in varying fields, including, among others, software development and sales, business strategy consulting, hospitality services, intellectual property, electronics and computer hardware manufacturing and distribution, business services, telecommunication products, cloud services, artificial intelligence, and research and development.
- > A majority of the Company's director nominees hold or have held directorships at other U.S. public companies.
- > Eight of the director nominees, including the CEO, have served as chief executive officers, and all have demonstrated exceptional leadership, management, and strategic thinking capabilities gained from deep experience leading global companies.
- > The Board has retained a recruitment firm to assist the Corporate Governance Committee in actively identifying and evaluating qualified Board candidates.
- > In 2024, the Corporate Governance Committee, with the assistance of a recruitment firm, identified Liren Chen as a potential Board candidate, and the Board appointed Mr. Chen as a director on December 11, 2024. Mr. Chen brings to the Board extensive experience in various technology sectors and related business strategy.



Director Nominee Experience, Skills, and Background Matrix*

10 Director Nominees:	William Austen	Lawrence (Liren) Chen	Steven Gunby	Gail Hamilton	Michael Hayford	Andrew Kerin	Sean Kerins	Carol Lowe	Mary McDowell	Gerry Smith
Experience and Skills										
Leadership	Leadership experience facilitates effective oversight of management, informs development of Company strategy, and enhances the Board's succession planning process.									
	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Risk Management	Experience assessing and managing risk enables directors to effectively oversee and mitigate the most significant risks facing Arrow.									
	✓	✓	✓			✓	✓	✓		✓
Global Business and Operations	Background and experience managing global relationships and engaging with international stakeholders supports the Board's oversight of key risks involving our global customer and supplier bases and of strategic decision-making relating to our complex worldwide business.									
	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial	Demonstrated financial experience enables in-depth analysis of our financial statements and informed decision-making regarding our capital structure, financial transactions, and financial reporting processes.									
	✓	✓	✓	✓	✓		✓	✓		✓
Legal and Regulatory	Experience with legal and regulatory oversight enables directors to effectively oversee compliance with legal and regulatory requirements and the related policies, procedures, and controls for ensuring such compliance.									
		✓	✓		✓					✓
Technology and Cybersecurity	Experience navigating the ever-changing technology landscape enables sharpened oversight of the innovative products, services, and systems central to our business and supports the Company's long-term strategic planning. Experience with privacy and information security and cybersecurity oversight is critical to helping Arrow manage and plan to defend against significant cybersecurity risks.									
	✓	✓		✓	✓	✓	✓	✓	✓	✓
Supply Chain Management	Substantial knowledge of supply chain management enables enhanced oversight of our product and service offerings and sharpens focus on our business strategy to be the premier, technology-centric, go-to-market, and supply chain services company on the planet.									
					✓	✓	✓		✓	✓
Crisis Management	In conjunction with the Board's oversight of Arrow's overall enterprise risk management, crisis management experience allows the Board to assist the Company in mapping out a crisis response plan and navigating a crisis in the rare event one should occur.									
	✓	✓	✓		✓	✓				✓
Strategy and M&A	Experience in strategic planning and mergers and acquisitions is critical in formulating and implementing Arrow's continued growth strategy.									
	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Brand and Marketing	Brand and marketing experience enables the Board to provide valuable insight into the alignment of brand definition with Arrow's long-term strategy as a driver of value.									
		✓	✓	✓	✓	✓			✓	
Corporate Governance	Directors with experience in corporate governance assist the Company in implementing effective and compliant corporate governance practices for the benefit of our various stakeholders in the continually evolving corporate governance landscape.									
	✓	✓	✓	✓		✓		✓	✓	✓
Human Capital	Human capital management experience supports the Board's oversight of the development, implementation, and effectiveness of practices, policies, and strategies relating to Arrow's workforce, including talent attraction and development, corporate culture, and belonging and inclusion.									
	✓	✓	✓	✓	✓	✓	✓		✓	✓
Environmental and Climate Strategy	Experience in climate change risk management strategies and other climate-related issues enables enhanced Board oversight of environmental and climate related policies, strategies, compliance, and priorities.									
	✓		✓			✓				✓

BIOGRAPHIES OF DIRECTOR NOMINEES

Based on each nominee's experience, attributes, and skills, which exemplify the sought-after characteristics described above, the Corporate Governance Committee has concluded that each nominee possesses the appropriate qualifications to serve as a director of the Company.



Independent Board Chair

Steven H. Gunby

Age: 67
Director Since: 2017

CAREER HIGHLIGHTS

FTI Consulting, Inc., a business advisory firm

- President, Chief Executive Officer, and a director (a public company) since 2014.

The Boston Consulting Group

- Senior Partner and Global Leader of Transformation from 2010 to 2014.
- Senior Partner and Chairman, North and South America from 2003 to 2009.
- Held other significant managerial roles in his capacity as a Senior Partner and Managing Director, such as serving as a member of BCG's Executive Committee.

Breakthru Beverage Group LLC

- A director (a private company) from 2016 to 2018.

REASONS FOR NOMINATION

At FTI, a business consultancy firm specializing in corporate finance and restructuring, economic consulting, forensic and litigation consulting, strategic communications, and technology and strategy consulting, Mr. Gunby's focus as President and Chief Executive Officer has been turning FTI into a vibrant, profitable growth engine through significant operational, strategy, cultural, and leadership changes. At BCG, Mr. Gunby also focused on transformative growth, helping move the Americas operation from a period of flat headcount growth and diminished profitability to double-digit headcount and revenue growth, and substantially higher profit growth. The Board believes that Mr. Gunby's experience as a President and Chief Executive Officer of a public company, which has given him extensive experience in corporate transformations, human capital management, and corporate governance (among other things), and his proven record of accomplishments, make him a valuable member of the Board and suited to serve as our Independent Board Chair. As Board Chair, Mr. Gunby has demonstrated strong leadership and effective functioning and governance of the Board.

CURRENT PUBLIC COMPANY DIRECTORSHIPS (OTHER THAN ARROW)

- FTI Consulting, Inc.



Independent Director

Committees:
Compensation & Corporate Governance (Chair)

William F. Austen

Age: 66
Director Since: 2020

CAREER HIGHLIGHTS

Bemis Company, Inc., a global manufacturer of flexible packaging products and pressure-sensitive materials

- President, Chief Executive Officer, and director from 2014 until Bemis was acquired by Amcor Limited in 2019.
- Executive Vice President and Chief Operating Officer from 2013 to 2014.
- Group President of Global Operations from 2012 to 2013.
- Vice President of Operations from 2004 to 2012.

Morgan Adhesives Company

- President and Chief Executive Officer from 2000 to 2004.

General Electric Company

- Various positions from 1980 to 2000.

Tennant Company

- A director (a public company) from 2007 to 2022.

Arconic Corporation

- A director (a public company) from 2020 to 2023.

REASONS FOR NOMINATION

As former President and Chief Executive Officer of Bemis, a complex global material science and manufacturing company acquired by Amcor, Mr. Austen gained expertise in global manufacturing and operations, together with experience in international mergers and acquisitions, business integration, and public company corporate governance. The Board believes that Mr. Austen's experience with building high-performance, cross-functional teams, coupled with his engineering background, make him particularly valuable in guiding strategy for the Company's engineering services.

CURRENT PUBLIC COMPANY DIRECTORSHIPS (OTHER THAN ARROW)

- None



Lawrence (Liren) Chen

Age: 54
Director Since: 2024

Independent Director

Committees:
Audit

CAREER HIGHLIGHTS

InterDigital, Inc., a wireless, video, and AI technology firm

- President, Chief Executive Officer, and a director (a public company) since 2021.

U.S. Chamber of Commerce China Advisory Committee

- Member since 2022.

Qualcomm Inc.

- Senior Vice President, Global Head of IP, Legal Counsel from 2019 to 2021.
- From 1996 to 2019, other positions of increasing seniority, including Senior Vice President of Engineering, Legal Counsel.

Council for Inclusive Innovation of the United States Patent and Trademark Office.

- Member since 2024.

REASONS FOR NOMINATION

Mr. Chen has deep technology-sector experience, currently serving as President and Chief Executive Officer, and a member of the board of directors, of InterDigital, a global research and development company focused on wireless, video, artificial intelligence, and related technologies. Prior to joining InterDigital, Mr. Chen spent 25 years at Qualcomm Inc., rising to the position of Senior Vice President, Global Head of IP, Legal Counsel, in which he oversaw Qualcomm's world-wide intellectual property portfolio and led technology, business strategy, product management, and global eco-system development for Qualcomm Technology Licensing. Mr. Chen also holds 28 granted patents in the United States and over 120 granted patents worldwide. The Board believes that Mr. Chen's experience leading a global technology company and his deep technical expertise will assist the Board in overseeing the Company's growth and innovation goals.

CURRENT PUBLIC COMPANY DIRECTORSHIPS (OTHER THAN ARROW)

- InterDigital, Inc.



Gail E. Hamilton

Age: 75
Director Since: 2008

Independent Director

Committees:
Audit &
Corporate
Governance

CAREER HIGHLIGHTS

Gen Digital Inc. (f/k/a as Symantec Corporation)

- Executive Vice President from 2000 until her retirement in 2005.

Compaq Computer Corporation

- Vice President and General Manager of the Communications Division from 1997 to 2000.

Hewlett-Packard Company

- General Manager of the Telecom Platform Division from 1996 to 1997.

OpenText Corporation

- A director (a public company) from 2006 to 2024.

Ixia (acquired by Keysight Technologies in 2017)

- A director (a public company) from 2005 to 2017.

Westmoreland Coal Company

- A director (a public company) from 2011 to 2019.

REASONS FOR NOMINATION

Ms. Hamilton was responsible for designing, manufacturing, and selling electronic systems for more than 20 years at various companies. While at Symantec, a leading software company, Ms. Hamilton oversaw the profit and loss and operations of the enterprise and consumer business. In that role, she was responsible for business planning and helped steer the company through an aggressive acquisition strategy. She also oversaw Symantec's cybersecurity function and services. The Board believes that Ms. Hamilton's experience both as a senior leader of several global technology companies as well as her extensive background serving on public company boards makes her invaluable in helping to guide the direction of Arrow's growth and innovation strategies as well as exercising oversight of cybersecurity matters.

CURRENT PUBLIC COMPANY DIRECTORSHIPS (OTHER THAN ARROW)

- None



Michael D. Hayford

Age: 65
Director Since: 2024

Independent Director

Committees:
Audit

CAREER HIGHLIGHTS

NCR Corporation, a public global payments and technology platform company

- Chief Executive Officer from 2018 to 2023.
- A director (public company) from 2018 to 2023.

Motive Partners

- Founder and Senior Advisor from 2015 to 2018.

Fidelity National Information Services, Inc.

- Executive Vice President and Chief Financial Officer from 2009 to 2013.

National Infrastructure Advisory Council, an executive-branch council focused on critical infrastructure security and resilience

- Member since 2022 (appointed by the President of the United States).

Metavante Technologies, Inc.

- A director (public company) from 2007 to 2009.
- President and Chief Operating Officer from 2007 to 2009.
- Chief Financial Officer from 2001 to 2006.
- Other senior positions of increasing seniority from 1992 to 2001.

Endurance International Group Holdings

- A director (public company) from 2013 to 2018.

West Bend Mutual Insurance Company

- A director (private company) from 2006 to 2018.

REASONS FOR NOMINATION

Mr. Hayford has strong strategic and operational leadership experience developed over an extensive career in technology, payments, and financial services. Mr. Hayford previously served as a public-company Chief Executive Officer and Chief Financial Officer and on multiple public-company boards of directors. Mr. Hayford also currently serves on a federal advisory council to which he was appointed by the President of the United States. The Board believes that Mr. Hayford's experience in leading strategy, operational execution, and finance at large organizations positions him to bring valuable insight to the Board, particularly in its focus on the Company's operational efficiency, strategic execution, and transformation. Mr. Hayford is considered an "audit committee financial expert" as the term is defined in Item 407(d) of Regulation S-K.

CURRENT PUBLIC COMPANY DIRECTORSHIPS (OTHER THAN ARROW)

- None



Andrew C. Kerin

Age: 61
Director Since: 2010

Independent Director

Committees:
Compensation &
Corporate
Governance

CAREER HIGHLIGHTS

Towne Park, a hospitality and healthcare parking solutions provider

- Chief Executive Officer since 2017.

The Brickman Group, Ltd.

- Chief Executive Officer and a director (a private company) from 2012 until 2016.

Aramark Corporation

- Executive Vice President and Group President, Global Food, Hospitality and Facility Services from 2009 to 2012.
- Executive Vice President and Group President, North America Food from 2006 to 2009.
- Appointed as Senior Vice President in 2004.
- President, Aramark Healthcare and Education from 1995 to 2004.
- A number of other management roles within Aramark Corporation. Oversaw all of Aramark's food, hospitality, and facilities businesses, including the management of professional services in healthcare institutions, universities, schools, business locations, entertainment and sports venues, correctional facilities, and hospitality venues.

REASONS FOR NOMINATION

Mr. Kerin brings over 30 years of experience leading business service companies and building service teams across the globe. The Board believes that Mr. Kerin's deep operational and strategic expertise in the service industry as the Chief Executive Officer of Towne Park and formerly at the Brickman Group, along with his more than 17-year career with Aramark, makes him uniquely qualified in assisting the Board's oversight of, and guiding management in growing, the Company's various services offerings.

CURRENT PUBLIC COMPANY DIRECTORSHIPS (OTHER THAN ARROW)

- None



President and Chief Executive Officer

Sean J. Kerins

Age: 63
Director Since: 2022

CAREER HIGHLIGHTS

Arrow Electronics, Inc.

- President, Chief Executive Officer, and director since 2022.
- Chief Operating Officer from 2020 to 2022.
- President, Global Enterprise Computing Solutions from 2014 to 2020.
- President, North American Enterprise Computing Solutions from 2010 to 2014.
- Vice President, Storage and Networking from 2007 to 2010.

EMC Corporation

- Several sales, marketing, and professional services roles around the world from 1997 to 2007.

Other Experience

- Various roles with Coopers & Brand Consulting and General Motors.

REASONS FOR NOMINATION

Mr. Kerins has served for 17 years at the Company in various senior leadership and executive roles, culminating in his appointment as President and Chief Executive Officer in 2022 after serving as Chief Operating Officer and President, Global Enterprise Computing Solutions and other senior roles within the Company. The Board believes Mr. Kerins brings value to the Board from his comprehensive understanding of the Company's business and deep institutional knowledge of the Company. The Board believes that in Mr. Kerins' role as Chief Executive Officer of the Company, he can effectively communicate Board priorities to Company management and provide insight and feedback to the Board on behalf of Company management.

CURRENT PUBLIC COMPANY DIRECTORSHIPS (OTHER THAN ARROW)

- None



Independent Director

Committees:
Audit (Chair) &
Corporate
Governance

Carol P. Lowe

Age: 59
Director Since: 2021

CAREER HIGHLIGHTS

FLIR Systems, Inc., a thermal imaging company

- Executive Vice President and Chief Financial Officer from 2017 to 2021.

Sealed Air Corporation

- Senior Vice President and Chief Financial Officer from 2012 to 2017.

Carlisle Companies Incorporated

- President, Carlisle Food Service Products in 2012.
- President, Trail King Industries from 2008 to 2011.
- Vice President and Chief Financial Officer from 2004 to 2008.

TCW Special Purpose Acquisition Corp.

- A director (a public company) from 2021 to 2022.

EMCOR Group, Inc.

- A director (a public company) since 2017.

Other Experience

- A director of Duravant (a private company) since 2023.
- A director of Novolex (a private company) since 2021.
- Member of the Board of Visitors and Finance Committee, Fuqua School of Business since 2017.

REASONS FOR NOMINATION

Ms. Lowe has valuable experience and a depth of knowledge in many aspects of finance, as well as business services, strategic planning, business development, and information technology. The Board believes that her record of instilling knowledge-based, performance-driven cultures throughout her career enables her to provide insightful contributions to the Company. Ms. Lowe is considered an "audit committee financial expert," as the term is defined in Item 407(d) of Regulation S-K.

CURRENT PUBLIC COMPANY DIRECTORSHIPS (OTHER THAN ARROW)

- EMCOR Group, Inc.



Mary T. McDowell

Age: 60
Director Since: 2023

Independent Director

Committees:

Audit &
Compensation

CAREER HIGHLIGHTS

Mitel Networks Corporation, a global provider of telecommunication products and cloud services

- President and Chief Executive Officer from 2019 to 2021.
- A director (private company) from 2019 to 2022, and Board Chair from 2021 to 2022.

Polycom, Inc., a communications and collaboration technology company

- Chief Executive Officer and a director (private company) from 2016 to 2018.

Informa Tech Target, Inc.

- A director (public company) and Board Chair since 2024.

The Informa Group plc

- A director (UK public company) from 2018 to 2024.
- Senior Independent Director from 2021 to 2024.

Bazaarvoice, Inc.

- A director (public company) from 2014 to 2016, and Compensation Committee Chair from 2015 to 2016.

UBM plc.

- A director (UK public company) from 2014 to 2018.

Autodesk, Inc.

- A director (public company) since 2010.
- Compensation Committee Chair since 2012.

Other Experience:

- Served as Executive Vice President at Nokia from 2004 to 2012.
- Served in various executive, managerial, and other positions with Compaq Computer Corporation and Hewlett-Packard Company.

REASONS FOR NOMINATION

Ms. McDowell has strong strategic and operational leadership experience developed over an extensive career in the technology industry, owing to her previous roles as Chief Executive Officer of two global technology-focused organizations and the chair of a corporate board of directors. The Board believes that this background allows Ms. McDowell to effectively contribute to the Board's overall leadership structure and provide valuable insights into the Company's core businesses and the markets in which they operate. Ms. McDowell also has a proven track record leading strategic transformations and implementing cutting-edge innovation in the fast-moving technology space, including global businesses with diverse product lines and extensive distribution networks, which the Board believes will help the Company develop, refine, and implement the Company's growth strategy.

CURRENT PUBLIC COMPANY DIRECTORSHIPS (OTHER THAN ARROW)

- Autodesk, Inc.
- Informa Tech Target, Inc.



Gerry P. Smith

Age: 61
Director Since: 2020

Independent Director

Committees:

Compensation (Chair)

CAREER HIGHLIGHTS

The ODP Corporation, an American office supply holding company

- Chief Executive Officer and director (a public company) since 2017.

Zero100, a global coalition accelerating progress to zero-percent carbon and 100% digital supply chains

- Founding member of advisory board in 2022, and member of advisory board since 2022

Lenovo Group Limited

- Executive Vice President and Chief Operating Officer from 2016 to 2017.
- Executive Vice President and President of Data Center Group in 2016.
- Chief Operating Officer of the Personal Computing Group and Enterprise Business Group from 2015 to 2016.
- President of the Americas from 2013 to 2015.

Lenovo Group Limited (continued)

- President, North America and Senior Vice President, Global Operations from 2012 to 2013.
- Senior Vice President of Global Supply Chain from 2006 to 2012.

Dell Inc.

- Served in a number of roles from 1994 to 2006.

REASONS FOR NOMINATION

Mr. Smith has extensive leadership experience owing to his role as Chief Executive Officer of the ODP Corporation and former senior executive experience. He also brings to the Board technology-industry specific strategic, operational, and managerial expertise gained through a more than 25-year career with Lenovo and Dell. Additionally, the Board believes that Mr. Smith's expertise in positioning companies for future growth and success, global business management experience, and strong track record in increasing operating profit and managing complex integrations for corporations are uniquely valuable.

CURRENT PUBLIC COMPANY DIRECTORSHIPS (OTHER THAN ARROW)

- The ODP Corporation



DIRECTOR RESIGNATION POLICY

The Board has adopted a Director Resignation Policy that requires any director nominee receiving a greater number of votes “WITHHELD” than votes “FOR” in an uncontested election to, within five (5) days of the certification of the shareholder vote, tender a letter of resignation to the Board Chair for consideration by the Corporate Governance Committee. The Corporate Governance Committee will then promptly make a recommendation to the Board to accept or reject the director’s resignation. The Board must then take action with respect to the resignation within 90 days following the date of the shareholders’ meeting at which the election occurred and then publicly disclose its decision in a Form 8-K filed with the SEC, together with a description of the process by which the decision was made and, if applicable, the factors considered by the Board in determining to reject the tendered resignation. A director whose resignation is under consideration may not participate in the deliberations of the Corporate Governance Committee or Board regarding his or her resignation. The Director Resignation Policy can be found under “Governance Documents” at the “Leadership and Governance” sub-link of Arrow’s Investor Relations page at investor.arrow.com.

CORPORATE GOVERNANCE

BOARD LEADERSHIP STRUCTURE

The Board annually elects a Chair after taking into account the recommendation of the Corporate Governance Committee following its annual review of the Board’s leadership structure, which typically takes place immediately after the annual shareholder meeting.

Among other responsibilities, the Board Chair:

- acts as the key liaison between the Board and management;
- sets timing, location, and agendas for meetings of the Board (in consultation with senior management of the Company and committee chairs);
- sets the agenda and chairs all executive sessions of the independent directors;
- presides over Board and shareholder meetings;
- works closely with the Corporate Governance Committee to recommend committee chairs and committee assignments;
- assists the Corporate Governance Committee in conducting searches for director candidates and evaluating whether to nominate additional directors for Board membership; and
- may call special meetings of the Board.

The Company does not require the separation of its Chair and CEO positions, but they are currently separate. The Board believes that separating the Chair and CEO positions effectively allocates authority, responsibility, and oversight between management and the independent members of our Board and supports independent oversight of management. For these reasons, the Board believes the separation of the Chair and CEO positions continues to be the appropriate leadership structure and best serves the interests of our shareholders at this time.

When the Board Chair is not independent, the Company’s Corporate Governance Guidelines state that the Board should appoint a Lead Independent Director. In recent years when the President and CEO also served as Board Chair, the Board appointed a Lead Independent Director.



COMMITTEES

Committee membership and chair assignments are reviewed no less than annually by the Corporate Governance Committee, which makes committee appointments and chair recommendations to the Board.

The table below shows current committee membership as of the date of this Proxy Statement.

Name	Independent	Committee		
		Audit	Compensation	Corporate Governance
William F. Austen	✓		M	C
Lawrence (Liren) Chen	✓	M		
Steven H. Gunby	✓			
Gail E. Hamilton	✓	M		M
Michael D. Hayford	✓	M		
Andrew C. Kerin	✓		M	M
Sean J. Kerins				
Carol P. Lowe	✓	C		M
Mary T. McDowell	✓	M	M	
Gerry P. Smith	✓		C	

C= Chair M= Member

Each of the committees of the Board operates under a charter, copies of which are available under “Governance Documents” at the “Leadership and Governance” sub-link of Arrow’s Investor Relations page at investor.arrow.com.

Audit Committee

Current Members	Key Responsibilities
<p>Carol P. Lowe, Chair *</p> <p>Lawrence (Liren) Chen</p> <p>Gail E. Hamilton</p> <p>Michael D. Hayford *</p> <p>Mary T. McDowell</p>	<ul style="list-style-type: none"> > reviews with management and the Company’s independent auditor, the Company’s annual and quarterly financial statements included in the Company’s periodic reports filed with the SEC > reviews and evaluates Arrow’s financial reporting process and other matters, including its accounting policies, reporting practices, and internal accounting and disclosure controls > oversees Arrow’s data privacy and cybersecurity programs > reviews the independent auditor’s qualifications and independence and monitors the scope and reviews the results of the audit conducted by Arrow’s independent auditor > exercises oversight of related-person transactions > oversees Arrow’s ethics and compliance program and reporting > reviews ongoing assessments of the Company’s risk management processes and reviews material risks and contingent liabilities > oversees and monitors compliance with legal and regulatory requirements > reviews the Company’s disclosures containing corporate stewardship and impact metrics and monitors the appropriateness of internal control procedures and methodologies used to prepare or develop corporate stewardship and impact metrics > reviews the following with the Corporate Audit Department (which reports to the Audit Committee) and management: <ul style="list-style-type: none"> • the scope of the annual corporate audit plan; • the results of the audits carried out by the Corporate Audit Department; and • the sufficiency of the Corporate Audit Department’s resources

Key Activities in 2024

- Supervised Arrow’s ethics and compliance program, including regular review of whistleblower hotline complaints
- Received regular cybersecurity updates from management and discussed cybersecurity risk
- Received updates from management on enterprise risks and mitigation plans, and made enhancements to the Company’s enterprise risk management program
- Reviewed its committee charter
- Received regular updates from management on legal and regulatory developments
- Reviewed and refreshed the Company’s policies on (i) pre-approval of audit and non-audit services provided by the Company’s independent auditor and (ii) hiring of employees previously employed by the Company’s independent auditor
- Recommended to the Board renewal of the Company’s Form S-3 shelf registration statement

* The Board has determined that Ms. Lowe and Mr. Hayford are each qualified as an “audit committee financial expert,” as the term is defined in Item 407(d) of Regulation S-K.



Compensation Committee

Current Members	Key Responsibilities
Gerry P. Smith, Chair	<ul style="list-style-type: none"> > develops and reviews Arrow’s executive compensation philosophy
William F. Austen	<ul style="list-style-type: none"> > implements compensation philosophy through compensation programs and plans designed to further Arrow’s strategy, support long-term profit growth, and increase shareholder value
Andrew C. Kerin	
Mary T. McDowell	<ul style="list-style-type: none"> > reviews and approves the corporate goals and objectives relevant to executive compensation > reviews and approves the base salary, annual cash incentives, equity-based awards, retirement, and other benefits for the Company’s executives, subject to review and ratification by all independent Board members with respect to the CEO > reviews Arrow’s broad-based annual and long-term incentive plans to oversee alignment to Company strategy and monitor associated risks > reviews the performance of each of the Company’s executive officers and the Company as a whole > oversees the development, implementation, effectiveness, and review of Arrow’s programs, practices, risks and opportunities, measures, objectives, and performance relating to human capital management and related disclosure

Key Activities in 2024

- Oversaw compensation-related decisions to facilitate successful leadership transitions
- Reviewed the Company’s compensation programs
- Reviewed Arrow’s broad-based incentive plans to oversee alignment to Company strategy and monitor associated risks
- Received and reviewed updates on regulatory and compensation trends and compliance
- Received regular updates from management on the Company’s human capital strategy and oversaw the development of the human-capital related disclosures in Arrow’s 2024 Corporate Stewardship and Impact Report

The Compensation Committee may delegate authority from time to time to a subcommittee of one or more members of the Compensation Committee or to the CEO, if and when the Committee deems appropriate and in accordance with its charter and applicable rules and regulations. In 2024, the Compensation Committee directly engaged Pearl Meyer & Partners (“Pearl Meyer”) as a consultant to examine and report to the Compensation Committee on best practices in the alignment of compensation programs for the CEO and other members of senior management by providing competitive benchmarking data, analyses, and recommendations with regard to plan design and target compensation. In addition, Pearl Meyer provides guidance to the Corporate Governance Committee regarding independent director compensation. Pearl Meyer does not provide any other services to the Company. The Company has determined that the services rendered by Pearl Meyer have not and do not raise any conflicts of interest.

Corporate Governance Committee

Current Members	Key Responsibilities
<p>William F. Austen, Chair</p> <p>Gail E. Hamilton</p> <p>Andrew C. Kerin</p> <p>Carol P. Lowe</p>	<ul style="list-style-type: none"> > develops, implements, and monitors Arrow's Corporate Governance Guidelines > makes recommendations with respect to committee assignments, officer appointments, and other governance matters > identifies and evaluates director nominees and candidates before recommending nominees for election to the Board or to fill director vacancies > reviews directors' and director candidates' outside commitments > oversees onboarding and continuing education for directors > reviews and makes recommendations to the Board regarding the compensation of independent directors > engages in succession planning for the Company's CEO > reviews and assesses the adequacy of Arrow's code of business conduct and ethics > oversees the self-evaluation processes of the Board and its committees > reviews shareholder proposals and oversees significant shareholder engagement matters > oversees Arrow's programs, policies, practices, risks and opportunities, measures, objectives, and performance relating to corporate stewardship and impact matters and related disclosures to the extent not specifically delegated to other committees



Key Activities in 2024

- Identified, reviewed, and recommended for the Board's nomination two new independent directors in 2024 - Michael D. Hayford and Lawrence (Liren) Chen
- Established additional procedures for reviewing outside public-company board memberships of Board members and potential Board nominees
- Imposed additional limits on outside public-company board memberships, including a maximum of three public company boards for the Board Chair, a maximum of two public company boards for a director who is also an executive officer, and a maximum of four public company boards for all other directors (in all cases including Arrow's Board)
- Reviewed and recommended to the Board approval of an increase to director stock ownership requirements from 3x to 5x the annual retainer
- Recommended that the Board remove from the Company's Restated Certificate of Incorporation supermajority voting provisions relating to a series of preferred stock no longer outstanding
- Reviewed the Company's corporate stewardship and impact developments and oversaw the preparation and publication of the Company's 2024 Corporate Stewardship and Impact Report
- Reviewed and recommended to the Board approval of updates to the Company's Worldwide Code of Business Conduct and Ethics, Corporate Governance Guidelines, its committee charter, and various other internal policies and procedures
- Oversaw certain management changes during 2024 by recommending such changes to the Board
- Reviewed and recommended to the Board modifications to the compensation of the Company's independent Board Chair to ensure such compensation remains competitive (effective in 2025)

BOARD AND COMMITTEE ASSESSMENTS

The Board maintains a regular and robust evaluation process designed to assess its effectiveness, and the Board believes that regularly monitoring the effectiveness of its directors and committees is critical to ensuring effective Board oversight. Every year, the Board conducts a formal evaluation of each committee, individual directors, and the Board as a whole. The assessment process is designed to evaluate the performance and effectiveness of the Board and its committees and identify areas for improvement, including, in particular, director roles and Board and committee composition, the Board's interaction with Company management, meeting structure and materials, strategic planning and oversight, identification of risks and opportunities, and other relevant topics.

The Corporate Governance Committee oversees the annual Board self-assessment and assists with Board committee self-assessments, each of which includes three components: (1) completion by all directors of a Board self-assessment survey, and by all committee members of committee self-assessment surveys, (2) individual Board Chair interviews with directors, and (3) Board and committee group discussions at a subsequent meeting to review and discuss the self-assessment survey and interview results. If desired by any director, the independent directors will meet in executive session to discuss Board processes and performance with only independent directors in attendance.

SUCCESSION PLANNING

The Board takes a proactive approach toward succession planning and talent management. Arrow's succession planning approach prioritizes attracting, developing, and retaining top talent critical to driving Arrow's strategy. In conjunction with the Corporate Governance Committee, the independent directors meet multiple times a year in executive sessions to evaluate succession planning for the CEO and executive management. The CEO discusses the performance of each member of the executive management team with the Board at least once per year. As part of the succession planning process, the CEO also provides the Board with recommendations on, and evaluations of, potential internal and external CEO and executive management successors.

The Board has engaged an external consultant to document the skills, experiences, and attributes that the Board believes are critical for enterprise leaders now and in the future to support the Company's long-term business strategy. The Board's external consultant helps the Board evaluate potential internal candidate successor strengths, readiness, and areas for development as part of the succession planning process, as well as identifies external candidate slates as appropriate. Additionally, the CEO provides meaningful opportunities for the Board to interact with key members of management beyond the Company's executives on a regular basis to provide firsthand exposure to the leadership capabilities of potential successors. The Board also has a confidential emergency plan to address any unexpected short-term absence of the CEO, and the CEO, with oversight from the Board, has a confidential emergency plan to address any unexpected short-term absence of other executives.

The Board, in conjunction with the Corporate Governance Committee, also performs ongoing succession planning for directors and has engaged external consultants for Board recruitment. The Corporate Governance Committee meets routinely to discuss board composition, including Board recruitment efforts and identifies and evaluates potential director nominees. If the Board's director nominees included in this Proxy Statement are elected at the Annual Meeting, 70% of the Company's directors will be new since 2020. The Corporate Governance Committee also actively considers the rotation of independent directors through the Board's committees to introduce fresh perspectives and broaden and diversify the views and experiences represented on the Board's committees.

ENTERPRISE RISK MANAGEMENT

Board Oversight of Risk Management

The Board, as a whole and through its committees, is responsible for oversight of risk management, as provided in the Company's Corporate Governance Guidelines. The oversight responsibility of our Board and its committees is enabled by management reporting processes, including an annual Company-wide risk assessment, which are designed to provide visibility to the Board and its committees about the identification, assessment, and management of critical risks and management's risk mitigation strategies. In order to most effectively evaluate the various categories of risks facing the Company, the Board has delegated to its committees oversight of risks associated with each committee's respective area of responsibility, as summarized below.

Each committee meets with key management personnel and representatives of outside advisors, as needed, to discuss identified risks and evaluate anticipated future risks. For example, each year the Compensation Committee engages Pearl Meyer to conduct a risk assessment on the Company's executive compensation programs.



Board/Committee	Primary Areas of Risk Oversight
Board	On an ongoing basis, the full Board oversees enterprise-level risks, including strategic, operational, compliance, artificial intelligence, financial, and other matters that may present material risk to Arrow’s financial performance, operations, plans, prospects, or reputation. The Board also reviews executive succession planning on an ongoing basis.
Audit Committee	<ul style="list-style-type: none"> > internal control over financial reporting > legal and regulatory compliance > data privacy and cybersecurity > financial management, tax, and treasury
Compensation Committee	<ul style="list-style-type: none"> > executive compensation programs > recoupment > human capital management > fair pay
Corporate Governance Committee	<ul style="list-style-type: none"> > CEO succession planning > Board recruitment, composition, and succession planning > governance policies > corporate stewardship and impact
Management’s Role	
Members of the Executive Committee and other senior management regularly report to the Board regarding the Company’s risks and opportunities (see additional detail immediately below).	

Arrow’s Approach to Enterprise Risk Management

Our enterprise risk management (“ERM”) framework is designed to identify risks that may impact the enterprise and manage those risks and opportunities to ensure we are able to execute our short- and long-term strategy. Management is responsible for the design and execution of the Company’s ERM framework, implementing risk management strategies, and developing policies, controls, processes, and procedures to identify and manage risks.

The Board has delegated to the Audit Committee the primary responsibility for overseeing the ERM framework designed by management. The Audit Committee, in accordance with its charter, annually reviews and discusses with management the Company’s ERM function, including related policies, processes, and systems of internal control, as well as material risks and management’s mitigation plans.

An important element of our Board’s oversight involves regular interaction among our Board, its committees, and senior management regarding the Company’s risk exposures and mitigation efforts. Our CEO has the ultimate management authority for ERM, including responsibility for capability development, risk identification and assessment, and policies and governance, as well as strategies and actions to address enterprise risk. The CEO communicates regularly with the Board on such matters.

In addition, our internal audit department regularly reports to the Audit Committee on its evaluation of management’s effectiveness in addressing key risks. The internal audit department also conducts an annual survey of employees and of the Executive Committee to assist in identifying and evaluating risks. The results of these surveys are reviewed by the Board and assist the Board in its conduct of an annual review of strategic and enterprise risks, which covers risks experienced over both the short- and long-term as well as anticipated future risks.

Our Chief Compliance Officer, who reports to our Chief Legal Officer, also regularly updates the Audit Committee on legal and compliance matters and risks.

More information about specific risks facing the Company is set forth in the Company's other SEC filings, including under the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

COMPENSATION RISK ANALYSIS

The Company believes that its executive compensation program reflects an appropriate mix of compensation elements and balances annual and long-term performance objectives, cash and equity compensation, and risks and rewards associated with executive roles. The following features of the Company's executive incentive compensation program illustrate this point:

- > performance goals and objectives reflect a balanced mix of performance measures to avoid excessive weight on any specific goal or performance measure;
- > annual and long-term incentives provide a defined range of payout opportunities (ranging from 0% to 170% of target for annual cash incentives for the NEOs and 0% to 185% for long-term incentives);
- > total direct compensation levels are heavily weighted on long-term, equity-based incentive awards that vest over a number of years;
- > equity incentive awards that vest over a number of years are granted annually, so executives always have unvested awards that could decrease significantly in value if the business is not managed for the long-term;
- > the Company has executive stock ownership guidelines so that a component of an executive's personal wealth that is derived from compensation from the Company is tied to the long-term success of the Company;
- > the Compensation Committee retains negative discretion to adjust certain compensation based on the quality of Company and individual performance and adherence to the Company's ethics and compliance programs, among other things; and
- > the Company maintains a clawback policy structured to comply with the NYSE listing standards and a clawback policy applicable to executive officers and other members of senior management not otherwise subject to the Dodd-Frank Compensation Clawback Policy, which includes a "misconduct" trigger.

Based on the above combination of program features, the Company believes that (i) its executives are encouraged to manage the Company prudently and (ii) its incentive programs are not designed in a manner that encourages executives to take risks that are inconsistent with the Company's or its shareholders' best interests.

Further, at the Compensation Committee's request, Pearl Meyer annually assesses the risks associated with the Company's broad-based annual and long-term incentive plans, the results of which are discussed by the Compensation Committee. In 2024, Pearl Meyer did not recommend any plan design changes to mitigate risk exposure further. The Compensation Committee concluded that the overall design of the Company's compensation programs maintained an appropriate level of risk.

The Company also believes its compensation policies and practices for all employees do not create risks that could have a material adverse effect on the Company. The Company delivers to its entire employee base, in aggregate, most of its compensation in the form of base salary, with smaller portions delivered in the form of cash incentives and long-term incentives. The Company's cash incentive compensation plans, which represent the primary variable component of compensation, have been designed to drive the performance of employees working in management, sales, and sales-related roles. These plans are typically tied to the achievement of sales/financial and strategic goals that include maximums designed to prevent "windfall" payouts.



INFORMATION SECURITY, PRIVACY, AND COMPLIANCE OVERSIGHT

The Audit Committee oversees Arrow's management of privacy, security, and cybersecurity risks. The Audit Committee receives and reviews cybersecurity reports from Corporate Audit, Legal and Compliance, Information Technology, and Enterprise Security on a regular basis. These reports include updates on cybersecurity risks, technical developments in addressing cybersecurity risks, regulatory updates, and the results of recent audits and reviews.

The Company's Chief Information Officer and Chief Security Officer regularly report to the Audit Committee on the current state of the Company's cybersecurity program. The Company has established written policies and procedures to ensure that significant cybersecurity incidents are immediately investigated, addressed through the coordination of various internal departments, and publicly reported (to the extent required by applicable law). If management determines a material cybersecurity incident has occurred, the Company's policies require management to promptly inform the Board.

For more information regarding the Company's cybersecurity program, see Item 1C of the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

DIRECTOR ORIENTATION AND EDUCATION

All new directors participate in a director orientation program, which involves individual meetings with each of the CEO, Chief Financial Officer, presidents of Global Components and ECS, Chief Governance, Sustainability, and Human Resources Officer, and the Company's Board Chair and each Committee Chair. During this onboarding, each new director receives from management an overview of the Company's business and financial strategy and its governance, human capital, and executive compensation practices, and from the existing Board, information on the Board's oversight of these and other areas.

The Board believes ongoing director education is important to the directors' ability to perform their duties. The Company maintains several continuing education memberships for directors, including the National Association of Corporate Directors, which provides access to timely and relevant director education and training programs. The Board and its committees also periodically invite subject-matter experts to provide education sessions for directors at meetings on topics relevant to the Company and the Board's oversight responsibilities.

DIRECTORS' ADDITIONAL BOARD SERVICE

The Company believes that directors may broaden their experience by serving on other boards, which may be of benefit to the Company, provided that service on additional boards does not detract from a director's ability to fulfill their obligations to the Company and its Board.

In identifying individuals for potential nomination to the Board, the Corporate Governance Committee considers an array of factors outlined in the Corporate Governance Guidelines, including whether such person would have the interest and time available to fulfill his or her responsibilities as a director over a period of years and be able to prepare for and attend substantially all scheduled Board and committee meetings and the annual shareholder meeting.

Under the Corporate Governance Guidelines, which the Corporate Governance Committee reviews annually, the Corporate Governance Committee will not nominate a director candidate who serves, or would serve, on more than four public company boards (including the Company's Board).

Additionally, no director of the Company who serves as (i) the Board Chair or Lead Independent Director (if any) may serve on more than three public company boards (including the Company's Board) and (ii) a public company executive officer may serve on more than two public company boards (including the Company's Board).

The Corporate Governance Guidelines also require the CEO to inform the Board in advance of a desire to accept a position on another company's board of directors, and the Corporate Governance Committee will determine if such board service is appropriate under the circumstances. In any event, the CEO may not serve on more than two public company boards of directors (including the Company's Board).

Additionally, under the Audit Committee Charter, no member of the Audit Committee may serve on more than three public company audit committees (including the Company's Audit Committee).

All of our 2025 director nominees are compliant with the Company's limitations on other public company board service, as described above.

INDEPENDENCE

The Company's Corporate Governance Guidelines state that the Board should consist primarily of independent directors. For a director to be considered independent under the guidelines, the Board must determine that the director does not have any direct or indirect material relationship with the Company. Further, the Board determines whether any director is involved in any activity or interest that conflicts with or might appear to conflict with their fiduciary duties. In addition, an independent director must also meet the independence standards in the NYSE listing standards, which the Board has adopted as its standard, as set forth in Arrow's Corporate Governance Guidelines.

The Board evaluated the independence of each current director and each director nominee and has determined that all such persons, other than Mr. Kerins, are independent under the NYSE's independence requirements and the Company's guidelines. Mr. Kerins was determined not to be independent by virtue of his employment by the Company.

As required by the Company's Corporate Governance Guidelines and the NYSE's listing rules, all members of the Audit, Compensation, and Corporate Governance Committees are independent.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

No member of the Compensation Committee is a present or former employee of the Company. Additionally, no member of the Compensation Committee has a relationship that requires disclosure of a Compensation Committee interlock.

MEETINGS AND ATTENDANCE

In 2024, the Board met in: (i) general sessions presided over by the independent Board Chair, (ii) meetings limited to non-management directors, and (iii) its three committees. Committee meetings are open to all members of the Board other than independent directors' sessions, which are attended by only the independent directors. Consistent with the Company's Corporate Governance Guidelines, it is the general practice of the Board for all its independent directors to meet separately (without Company management present) either prior to or after regularly scheduled Board meetings. In 2024, these independent director meetings totaled four in number.

During 2024, there were four meetings of the Board, eight meetings of the Audit Committee, four meetings of the Compensation Committee, and four meetings of the Corporate Governance Committee. All the directors attended 75% or more of all the meetings of the Board and the committees on which they served. The Company encourages its directors to be present at the Company's annual meetings of shareholders. In 2024, all directors standing for reelection attended the annual shareholder meeting telephonically or in person.



DIRECTOR COMPENSATION

For 2024, the independent members of the Board (that is, all members except Mr. Kerins, who did not receive any compensation for his Board service) received cash fees at the below annualized rates.

2024 Independent Director Compensation	
Annual fee	\$ 110,000
Annual fee for service as Corporate Governance Committee Chair	\$ 15,000
Annual fee for service as Compensation Committee Chair	\$ 25,000
Annual fee for service as Audit Committee Chair	\$ 30,000

In addition to the cash fees for 2024, our independent directors received restricted stock unit (“RSU”) awards during 2024.

On (i) May 7, 2024, each independent director serving on such date received a standard annual grant of RSUs valued at \$185,000, and (ii) December 11, 2024, Mr. Chen received a prorated standard annual grant of RSUs valued at \$77,100, in each case based on the fair market value of Arrow common stock on the date of the respective grant. Further, as the independent Board Chair, on May 7, 2024, Mr. Gunby received an additional annual award of RSUs valued at \$150,000 with such grant made in recognition of the additional responsibilities associated with such position.

The annual grant of RSUs, as well as the additional grant to Mr. Gunby, are scheduled to vest and become non-forfeitable on the day before the annual shareholder meeting occurring during the year following the grant, provided that the director grantee continuously serves on the Board from the grant date through the vesting date. If the grantee’s service with the Board is terminated for any or no reason prior to the vesting date (other than death, disability, or involuntary termination without cause following a change of control), the RSUs will be forfeited.

The awards will be settled based on an annual irrevocable election made by each independent director that is either (i) the first anniversary of the grant date or (ii) the second business day after the Company next files its quarterly or annual financial statements with the SEC following the grantee’s separation from service; provided that such distribution shall not be later than the last day of the calendar year of separation from service. Messrs. Austen and Kerin and Mses. Hamilton and McDowell elected to have their 2024 RSU awards converted to shares one year after the grant.

Under the terms of the Non-Employee Director Deferred Compensation Plan, independent directors may also defer the payment of all or a portion of their annual retainers until the end of their service on the Board. Unless the director chooses a different amount, 50% of the director’s annual retainer fee is automatically deferred and converted into units of Arrow common stock.

The following table shows the total dollar value of compensation granted or earned by all independent directors in or with respect to 2024. Mr. Kerins did not receive any compensation for his Board service during 2024 and has been excluded from the table. Please see the “2024 Summary Compensation Table” for the compensation received by Mr. Kerins with respect to 2024.



2024 Independent Director Compensation			
Name	Fees Earned or Paid in Cash (\$)(1)	Stock Awards (\$)(5)	Total (\$)
William F. Austen	125,000	185,000	310,000
Lawrence (Liren) Chen ⁽²⁾	9,163	77,100	86,263
Fabian T. Garcia ⁽³⁾	27,500	—	27,500
Steven H. Gunby	110,000	335,000	445,000
Gail E. Hamilton	110,000	185,000	295,000
Michael D. Hayford ⁽⁴⁾	82,500	185,000	267,500
Andrew C. Kerin	110,000	185,000	295,000
Carol P. Lowe	140,000	185,000	325,000
Mary T. McDowell	110,000	185,000	295,000
Gerry P. Smith	135,000	185,000	320,000

- (1) The amounts deferred by each director for 2024, to the extent there were any amounts deferred, are included under the column “Fees Earned or Paid in Cash.” All deferrals under the plan will be paid upon separation of service from the Board. Messrs. Gunby, Hayford, and Kerin and Ms. Lowe deferred 100% of their retainer fees in deferred stock units.
- (2) Mr. Chen joined the Board on December 11, 2024, and his retainer fee and stock award reflect proration for partial-year service.
- (3) Mr. Garcia stepped down from the Board at the 2024 Annual Meeting of Shareholders, and his retainer fee reflects proration for partial-year service.
- (4) Mr. Hayford joined the Board following his election at the 2024 Annual Meeting of Shareholders, and his retainer fee reflects proration for partial-year service.
- (5) Amounts reflect the aggregate grant date fair value of the RSUs granted in 2024, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation—Stock Compensation (“FASB ASC Topic 718”), based on the closing stock price on the date of grant. The balances of equity-based awards as of December 31, 2024 (including vested and deferred RSUs) for each independent director serving during 2024 are set forth in the table below:

2024 Independent Directors			
Name	Unvested Restricted Shares or Restricted Stock Units	Deferred Restricted Stock Units	
William F. Austen	1,456	—	
Lawrence (Liren) Chen	626	—	
Fabian T. Garcia	—	—	
Steven H. Gunby	2,637	21,239	
Gail E. Hamilton	1,456	20,650	
Michael D. Hayford	1,456	662	
Andrew C. Kerin	1,456	25,109	
Carol P. Lowe	1,456	6,886	
Mary T. McDowell	1,456	—	
Gerry P. Smith	1,456	5,416	



DIRECTOR STOCK OWNERSHIP GUIDELINES

The Board believes that stock ownership by its directors strengthens their commitment to the Company's long-term future and further aligns their interests with those of the shareholders generally. To align with shareholder feedback, in December 2024, the Corporate Governance Committee recommended, and the Board approved, a modification to the Company's Corporate Governance Guidelines to increase the amount of Company common stock that directors, over time, are required to beneficially own. The Board increased the ownership guidelines from at least three times (3x) each director's annual retainer fee to at least five times (5x) each director's annual retainer fee (including shares owned outright, vested shares of restricted stock or RSUs, and common stock units in a deferred compensation account). As of the Record Date, all directors either own the required number of shares or are accumulating and retaining shares at a pace sufficient to meet the newly heightened requirement.

AUDIT COMMITTEE REPORT

The Audit Committee represents and assists the Board by overseeing (i) the Company's financial statements and internal controls; (ii) the independent registered public accounting firm's qualifications and independence; and (iii) the performance of the Company's corporate audit function and of its independent registered public accounting firm.

On the date of the adoption of this Report, the Audit Committee consisted of five directors, all considered independent in accordance with NYSE listing standards and other applicable regulations. The Board has determined that committee members Ms. Lowe and Mr. Hayford are each an "audit committee financial expert" as defined by the SEC.

Company management has the primary responsibility for the preparation of the financial statements and for the reporting process, including the establishment and maintenance of Arrow's system of internal control over financial reporting. The Company's independent registered public accounting firm is responsible for auditing the financial statements prepared by management, expressing an opinion on the conformity of those audited financial statements with generally accepted accounting principles ("GAAP"), and auditing the Company's internal control over financial reporting.

In fulfilling its oversight responsibilities, the Audit Committee reviewed and discussed with both management and the independent registered public accounting firm the Company's quarterly earnings releases, Quarterly Reports on Form 10-Q, and the 2024 Annual Report on Form 10-K. Such reviews included a discussion of critical or significant accounting policies, the reasonableness of significant judgments, the quality (not just the acceptability) of the accounting principles, the reasonableness and clarity of the financial statement disclosures, and such other matters as the independent registered public accounting firm is required to review with the Audit Committee under the standards promulgated by the Public Company Accounting Oversight Board. The Audit Committee also discussed with both management and the Company's independent registered public accounting firm the design and efficacy of the Company's internal control over financial reporting.

In addition, the Audit Committee received from and discussed with representatives of the Company's independent registered public accounting firm the written disclosure and the letter required by the applicable requirements of the Public Company Accounting Oversight Board (regarding the independent registered public accounting firm's communications with the Audit Committee concerning independence) and considered the compatibility of non-audit services rendered to Arrow with the independence of the Company's independent registered public accounting firm. The Audit Committee also discussed with the independent registered public accounting firm the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board and the SEC.

The Audit Committee also discussed with the independent registered public accounting firm and Arrow's corporate audit group the overall scope and plans for their respective audits. The Audit Committee periodically met with the independent registered public accounting firm, with and without management present, to discuss the results of their work, their evaluations of Arrow's internal controls, and the overall quality of Arrow's financial reporting.

In reliance on these reviews and discussions, the Audit Committee recommended to the Board that the audited financial statements be included in the Annual Report on Form 10-K for the fiscal year ended December 31, 2024, for filing with the SEC.

Carol P. Lowe, Chair
Lawrence (Liren) Chen
Gail E. Hamilton
Michael D. Hayford
Mary T. McDowell



PRINCIPAL ACCOUNTING FIRM FEES

The aggregate fees billed by Arrow’s principal accounting firm, Ernst & Young LLP (“EY”), for auditing the annual financial statements included in the Annual Report on Form 10-K and the Company’s internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act of 2002, as amended, and related regulations, the reviews of the quarterly financial statements included in the Quarterly Reports on Form 10-Q, statutory audits, assistance with and review of documents filed with the SEC, and consultations on certain accounting and reporting matters for each of the last two fiscal years are set forth as “Audit Fees” in the table below.

Also set forth for the last two fiscal years are “Audit-Related Fees.” Such fees are for services rendered in connection with employee benefit plan audits and other accounting consultations. “Tax Fees” relate to assistance with tax return preparation, tax audits, and compliance in various tax jurisdictions around the world. “All Other Fees” refers to advice, planning, and services other than as set forth above. During 2024 and 2023, all other fees primarily included accounting publication and online accounting research subscriptions. EY did not provide any services to the Company related to financial information systems design or implementation.

	2024	2023
Audit Fees	\$ 13,322,644	\$ 12,072,893
Audit-Related Fees	419,049	438,108
Tax Fees	400,856	726,902
All Other Fees	7,200	8,000
Total	\$ 14,149,749	\$ 13,245,903

The amounts in the table above do not include fees charged by EY to Marubun/Arrow, a joint venture between the Company and the Marubun Corporation. Audit fees for Marubun/Arrow totaled \$521,010 in 2024 and \$521,609 in 2023.

The Audit Committee’s policy is to pre-approve all audit, audit-related, and permissible non-audit services to be performed by Arrow’s independent registered public accounting firm. Pre-approval is generally provided for up to one year, and any pre-approval is detailed as to the particular service or category of services and is generally subject to a specific budget by category. In accordance with the Audit Committee charter and Company policy, audit, audit-related, tax, and other services performed by EY during 2024 and 2023 were approved by the Audit Committee or by a designated member thereof. The Audit Committee has determined that the provision of the non-audit services described above is compatible with maintaining EY’s independence.

PROPOSAL 2: RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

THE AUDIT COMMITTEE AND THE BOARD RECOMMENDS A VOTE “FOR” THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP.

Shareholders are asked to ratify the appointment of Ernst & Young LLP (“EY”) as Arrow’s independent registered public accounting firm for the fiscal year ending December 31, 2025. Although the Audit Committee has the sole authority to appoint the independent registered public accounting firm, as a matter of good corporate governance, the Board submits its selection to our shareholders for ratification. If the shareholders do not ratify EY, the Audit Committee will reconsider the appointment. Arrow expects that representatives of EY will be present at the Annual Meeting and available to make a statement if desired, and to answer appropriate inquiries.

Receipt of a majority of votes cast is required to approve this proposal. For purposes of determining the number of votes cast with respect to Proposal 2, only those votes cast “FOR” or “AGAINST” are included. Abstentions are counted only for purposes of determining whether a quorum is present at the Annual Meeting. Because Proposal 2 is considered a “routine” proposal under NYSE rules, no broker non-votes are expected on this proposal.

As required by its charter, the Audit Committee annually reviews the qualifications, performance, and independence of EY in determining whether to retain EY or engage another independent registered public accounting firm as our Company’s independent auditor. As part of that review, the Audit Committee considers, among other things:

- > the quality and efficiency of the current and historical services provided by EY;
- > EY’s capability and expertise in handling the breadth and complexity of our Company’s global operations;
- > the quality and candor of EY’s communications with the Audit Committee;
- > EY’s reputation for integrity and competence in the fields of accounting and auditing;
- > EY’s independence from our Company, including EY’s rigorous process for monitoring and maintaining independence and partner rotations, and Arrow’s own evaluation of EY’s independence and our pre-approval policies and controls;
- > the appropriateness of EY’s fees; and
- > EY’s tenure as our Company’s independent accountants, including the benefits of having a long-tenured auditor.

The Audit Committee’s decision to re-appoint our independent auditor was based on the following considerations:

- > **higher audit quality** – Through more than 48 years of experience with our Company, EY has gained deep institutional knowledge of and expertise regarding Arrow’s global operations and businesses, accounting policies and practices, and internal control over financial reporting.



- > **competitive fee structure** – EY’s aggregate fees are competitive with peer companies, in part because of EY’s efficiencies and familiarity with our Company.
- > **avoids costs associated with a new independent accountant** – Onboarding a new independent accountant is costly and requires a significant time commitment that could distract from management’s focus on financial reporting and controls.
- > **EY’s internal independence process** – EY conducts periodic internal reviews of its audit and other work and assesses the adequacy of partners and other personnel working on the Company’s account. EY also rotates the lead audit partner and other partners on the engagement consistent with independence requirements.

Based on this evaluation, the Audit Committee believes that EY is independent and well-qualified to serve as our Company’s independent registered public accounting firm. The Audit Committee and the Board believe it is in the best interests of Arrow and our Company’s shareholders to retain EY as our Company’s independent registered public accounting firm for fiscal year 2025.

PROPOSAL 3: ADVISORY VOTE TO APPROVE NAMED EXECUTIVE OFFICER COMPENSATION

THE BOARD RECOMMENDS A VOTE “FOR” THE APPROVAL OF THE COMPENSATION OF THE NAMED EXECUTIVE OFFICERS AS DISCLOSED IN THIS PROXY STATEMENT.

In accordance with the requirements of Section 14A of the Securities Exchange Act of 1934, as amended (“Exchange Act”), the Board is asking shareholders to approve the following advisory resolution at the Annual Meeting:

“RESOLVED that the shareholders of the Company approve, on an advisory basis, the compensation of the Company’s Named Executive Officers disclosed in the CD&A, the Summary Compensation Table and the related tables, notes, and narrative in the Proxy Statement for the Company’s Annual Meeting.”

Although the vote is not binding, the Compensation Committee values the opinions expressed by the Company’s shareholders and will carefully consider the outcome of the vote when making future compensation decisions for the Company’s NEOs.

Receipt of a majority of the votes cast is required to approve this proposal. For purposes of determining the number of votes cast with respect to Proposal 3, only those votes cast “FOR” or “AGAINST” are included. Abstentions and broker non-votes are counted only for purposes of determining whether a quorum is present at the Annual Meeting.

The Company asks that you review in detail the disclosures contained in this Proxy Statement regarding compensation of the Company’s NEOs (including the Company’s CD&A), the compensation tables, and the narrative disclosures that accompany such tables) and indicate your support for the compensation of the Company’s NEOs that is described in this Proxy Statement.

In accordance with the advisory vote cast by shareholders at the annual shareholder meeting held in 2023, the Board determined that the Company will hold this advisory vote to approve the compensation paid to the Company’s NEOs every year until the next required frequency vote is held. Accordingly, it is expected that the next say-on-pay vote following the Annual Meeting will occur at the 2026 annual shareholder meeting.



COMPENSATION DISCUSSION AND ANALYSIS

EXECUTIVE COMPENSATION

This Compensation Discussion and Analysis (“CD&A”) explains the executive compensation program for the Company’s Named Executive Officers (“NEOs”), who are listed below. The CD&A also describes how the Compensation Committee determined 2024 executive compensation, the elements of our executive compensation program, and the compensation of each of our NEOs.

2024 Named Executive Officers	
Name	Title
Sean J. Kerins	President and Chief Executive Officer
Rajesh K. Agrawal	Senior Vice President, Chief Financial Officer
Eric C. Nowak	President, Global Enterprise Computing Solutions
Gretchen K. Zech	Senior Vice President, Chief Governance, Sustainability, and Human Resources Officer
Richard J. Marano	President, Global Components
Kristin D. Russell⁽¹⁾	Former President, Global Enterprise Computing Solutions

(1) Ms. Russell ceased being an executive officer and left the Company effective April 2, 2024.

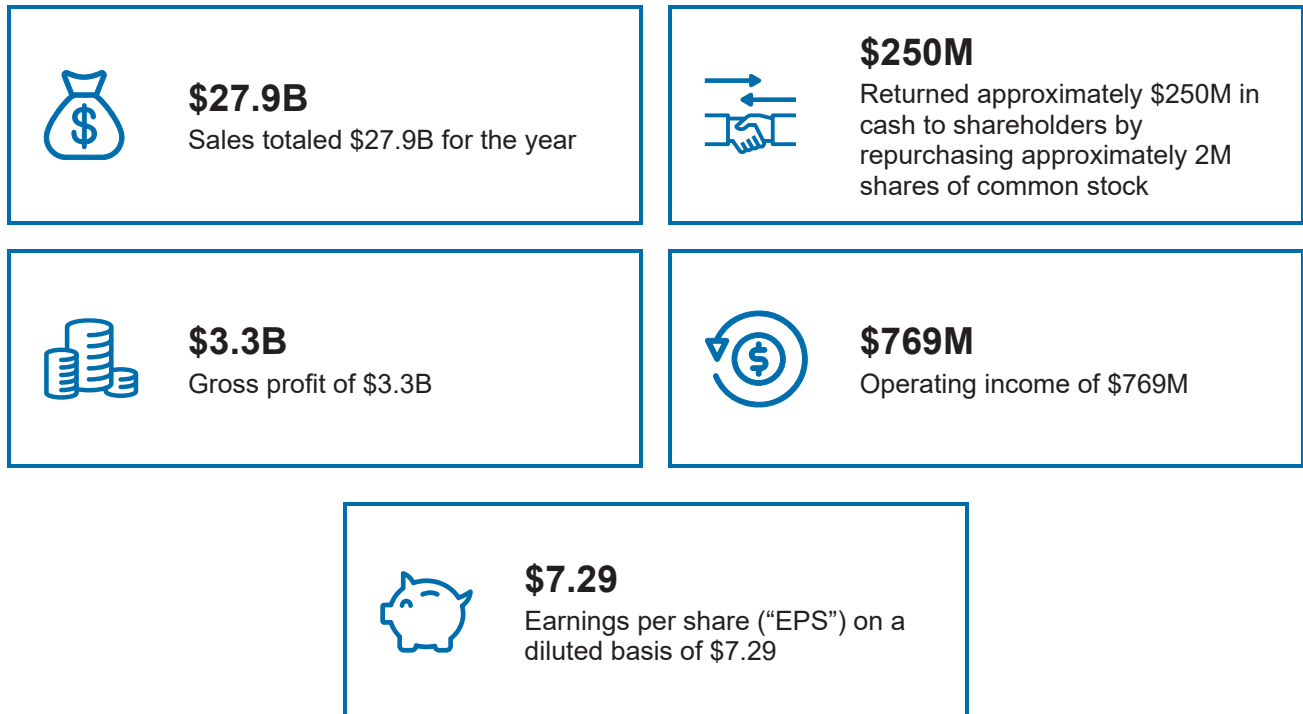
EXECUTIVE SUMMARY

2024 Business Strategy and Performance Highlights

Arrow guides innovation forward by driving demand and expanding addressable markets for our suppliers and customers via our technology-centric focus, go-to-market expertise, and supply chain services capabilities. We enable our suppliers to distribute their technologies and help our customers to source, build upon, and leverage these technologies to grow their businesses and enhance their overall competitiveness. We are a trusted partner in a complex value chain, and we believe that we are uniquely positioned through our electronics components and IT content portfolios to increase value for stakeholders.

Financial Performance Results

The industry dynamics driving excess inventory and softer demand in 2023 continued into 2024 with continuing elevated levels of customer inventory in our Global Components segment. Arrow effectively navigated the challenging market in 2024, and the strong trajectory exiting the year in our ECS segment boosted overall performance. We’ve taken several steps to strengthen and position our Global Components business for an anticipated improvement in future market conditions. This includes extending our supplier linecard, expanding our customer base, continuing our commitment to the offerings and capabilities that differentiate us with suppliers and customers, and taking appropriate actions to enable our business to maintain global consistency and drive scale. Within ECS, we have more sharply focused on the markets and technology trends for which we’re best positioned to win. 2024 financial highlights include:



Strategic Performance Results

We continued to prioritize investments in key long-term growth areas while also driving greater efficiency across our businesses. Key strategic highlights in 2024 include:

- > expanding our value-added offerings, including demand creation, supply chain, and engineering services;
- > enhancing our product portfolio with improved relative performance in categories beyond semiconductors, particularly interconnect, passive, and electro-mechanical devices;
- > within ECS, sharpening our focus on higher growth market segments and technologies, including hybrid-cloud solutions and infrastructure software such as cybersecurity and data center activity related to AI adoption; and
- > across all business lines and corporate activity, implementing changes in how and where we perform our work and delivering working capital efficiencies.



2024 Say-On-Pay

Our say-on-pay proposal at our 2024 annual shareholder meeting received strong support with 97.1% approval, which we believe reflects shareholder confidence in the overall philosophy and design of our corporate governance structure and executive compensation program.

As previously described in “Shareholder Engagement and Feedback” on page 9, we regularly and proactively engage with our shareholders to better understand their views on our corporate governance practices, executive compensation program, and corporate stewardship and impact matters. In connection with this regular engagement, Arrow reached out to 29 shareholders representing approximately 74% of shares then outstanding. Shareholders representing approximately 32% of shares then outstanding accepted the offer to engage, and our independent Board Chair, Steve Gunby, participated in meetings with shareholders representing approximately 21% of shares then outstanding. Our Board, Compensation Committee, Corporate Governance Committee, and management team consider shareholder input received during and following such engagement, along with emerging best practices, as we monitor and evaluate our corporate governance practices and executive compensation program structure.

During these engagements, shareholders expressed their broad support for the Company’s compensation structure. Some investors also sought a better understanding of how corporate stewardship and impact metrics are incorporated into the compensation program. We highlighted that Arrow’s executive compensation program emphasizes quantitative, rigorous performance-based incentives that support the long-term success of the Company’s strategy, directly linking pay to drivers of shareholder value creation.

2024 Executive Compensation Program At-a-Glance

Our executive compensation program emphasizes performance-based compensation and is designed to tie directly to the drivers of value creation for the Company’s shareholders, as summarized below.

		Key Elements	
Pay Element	Form	Performance Metric	
Base Salary	Cash	> Base salary is set at market-competitive levels	
Annual Cash Incentives	Cash	> 70% Absolute EPS ⁽¹⁾	
		> 30% Strategic Goals	
LTIP	50% - PSUs	> 60% three-year Relative EPS Growth ⁽¹⁾	
		> 40% three-year Average Return on Invested Capital (“ROIC”) ⁽¹⁾ minus the Weighted Average Cost of Capital (“WACC”) ⁽¹⁾	
		50% - RSUs	> Stock price performance

(1) Represents a non-GAAP measure; for further detail and reconciliation to the closest GAAP measure, refer to the Appendix to this Proxy Statement.

Incentive Plans: A Closer Look at the Performance Metrics

The Compensation Committee discusses metric selection regularly. The focus of our annual and long-term incentives is achieving profitable growth and driving long-term shareholder value creation by supporting the following key objectives:

- > To generate EPS growth in excess of our competitors’ EPS growth and market expectations;
- > To grow EPS at a rate that provides the capital necessary to support the Company’s business strategy;
- > To focus on strategic goals that will differentiate Company performance over time; and
- > To allocate and deploy capital effectively so that ROIC exceeds the Company’s WACC.

As such, we use a carefully balanced mix of quantifiable absolute and relative financial, strategic, and operational metrics across our incentive plans – with a heavier emphasis on EPS because of its strong alignment with shareholder value. Recognizing that EPS is used as a metric in both the annual and long-term incentives, the Compensation Committee balances EPS with other metrics designed to support the Company’s business strategy and align with shareholder interests. In addition, the way EPS is measured and balanced with other performance metrics to support our goals works differently under each of the incentive plans, as outlined below:



Annual Cash Incentives	Long Term Incentives
<p style="text-align: center;">Absolute EPS <i>Weighted 70%</i></p> <ul style="list-style-type: none"> > Defined as a pre-determined range of Company performance targets for the fiscal year > Driven by specific Company initiatives designed to improve financial performance results > Easily understood by stakeholders <p style="text-align: center;">Strategic Goals <i>Weighted 30%</i></p> <ul style="list-style-type: none"> > Provides balance to Absolute EPS > Places focus on goals that are deemed critical to our strategic growth and financial performance > Are dynamic and may change on an annual basis depending on the relevant business priorities for the performance year <ul style="list-style-type: none"> ○ The Compensation Committee determines specific, measurable targets that are aligned with the Company’s strategy ○ The 2024 goals were tied to strategic growth metrics in Global Components and Enterprise Computing Solutions, along with a metric related to accelerated operating expense savings 	<p style="text-align: center;">Three-Year Relative EPS Growth <i>Weighted 60%</i></p> <ul style="list-style-type: none"> > Defined as Arrow’s three-year EPS growth as compared to the EPS growth of Arrow’s Peer Group > Holds management accountable to outperform peers over the performance period > Supports the creation of long-term shareholder value <p style="text-align: center;">Operational Metrics: Focus on Efficiency <i>Weighted 40%</i></p> <ul style="list-style-type: none"> > Measures performance based on Arrow’s three-year average ROIC in excess of its three-year WACC > Helps mitigate variance from economic cycles, which market-based metrics would introduce > Incentivizes prudent use of capital and rewards value creation <p style="text-align: center;">Threshold Trigger: Net Income <i>Vesting contingent upon a Net Income threshold of greater than zero</i></p>

WHAT GUIDES OUR PROGRAM

As a large global provider of technology solutions operating in a highly competitive market, we view our people as critical assets and key drivers of our success. The executive compensation program is designed to attract, retain, and motivate talented executives capable of successfully leading the Company’s complex global operations and creating shareholder value.

The program is structured to support Arrow’s strategic growth goals and reinforce high performance with a clear emphasis on accountability and performance-based pay for achieving established targets. As such, a significant portion of total direct compensation (“TDC”) is directly linked to the Company’s short- and long-term performance in the form of cash and equity-based incentive awards. This allows executives an opportunity to earn above-median compensation if the Company delivers results in excess of performance targets and below-median compensation when performance targets are not achieved. The portion of pay tied to performance is consistent with Arrow’s executive compensation philosophy and market practices.

The Principal Elements of Pay

The following principal elements of pay support the Company’s pay-for-performance compensation philosophy:

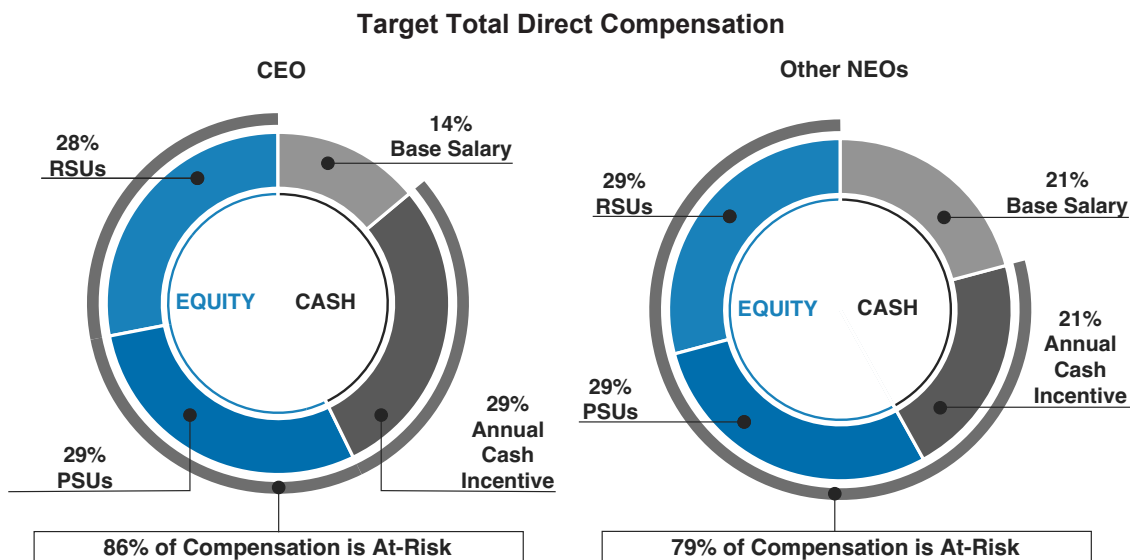
Pay Element	Form	What It Does
Base Salary	Cash (Fixed)	Provides a competitive rate relative to comparable jobs at similar companies and enables the Company to attract and retain critical executive talent.
Annual Cash Incentive Award	Cash (Variable)	Rewards individuals for performance if they attain pre-established financial and strategic targets set by the Compensation Committee at the beginning of the year.
Long-Term Incentive Award	Equity (Variable)	Promotes a balanced focus on driving performance, retaining talent, and aligning the interests of the Company’s executives with long-term interests of its shareholders.

Target Total Direct Compensation Pay Mix

The charts below show the target TDC of the CEO and the other NEOs active at the end of fiscal 2024. Annual and long-term incentives play a significant role in the NEOs’ overall compensation at Arrow. We believe that annual and long-term incentives are essential to linking pay to performance, aligning compensation with organizational strategies and financial goals, and rewarding executives for the creation of shareholder value.

For fiscal 2024, in the aggregate, 82% of the NEOs’ target TDC was at risk and tied to corporate performance (86% for the Company’s CEO and an average of 79% for the other continuing NEOs).

The following charts reflect the distribution of the elements of the CEO’s and other NEOs’ target TDC based on grant date values.



Note: The “Other NEOs” chart excludes Ms. Russell as she was not an executive officer of the Company at year-end.



Best Compensation Practices and Policies

What We Do	What We Do Not Do
✓ Heavy emphasis on variable compensation	✗ No guaranteed salary increases or incentive guarantees
✓ Balance of annual and long-term compensation to discourage short-term risk-taking at the expense of long-term results	✗ No employment contracts containing multi-year guarantees for salary increases, non-performance-based bonuses, or equity compensation
✓ All long-term stock unit incentives vest based on performance	✗ No “single trigger” change in control cash payments or equity vesting
✓ Annual market comparison of executive compensation against a relevant peer group	✗ No incentive plan payouts without justifiable performance linkage
✓ Meaningful quantitative goals for performance-based annual and long-term compensation	✗ No option backdating, repricing, or cash-out of underwater options
✓ Quantitative strategic goals in annual cash incentive plan	✗ No dividends or dividend equivalents paid on unvested PSUs or RSUs
✓ Annual say-on-pay advisory vote	✗ No golden parachute tax gross-ups
✓ Rigorous stock ownership guidelines	✗ No speculative trading, hedging on derivative transactions, or pledging of Company stock
✓ Clawback policies covering cash and equity incentive compensation	✗ No tax reimbursements on executive perquisites
✓ Limited perquisites	✗ No stock options granted with an exercise price at less than fair market value

THE 2024 EXECUTIVE COMPENSATION PROGRAM IN DETAIL

This part of the CD&A details the three principal elements of pay — base salary, annual cash incentive awards, and long-term incentive awards. Arrow’s pay-for-performance culture is demonstrated by the greater weight given to incentive-based compensation compared to fixed compensation.

Base Salary

Pay Element	Form	Performance Metric
Base Salary	Cash	> Base salary is set at market-competitive levels and considers individual and Company performance, among other factors

In making base salary decisions for the NEOs other than the CEO, the Compensation Committee considers its independent compensation consultant’s guidance, the CEO’s recommendations, each NEO’s position and its importance to the success of the Company, the NEO’s level of responsibility within the Company, as well as a number of other factors, including:

- > individual performance;
- > Company or business unit performance;
- > job responsibilities;
- > time in role; and
- > relevant benchmarking data, which includes Peer Group and third-party general industry survey data.

Subject to ratification by the independent members of the Board, the CEO’s base salary is determined by the Compensation Committee in independent directors’ session based on its evaluation of the CEO’s individual performance, the Company’s performance, and relevant benchmarking data.

In consultation with its independent compensation consultant, the Compensation Committee met in December 2023 to conduct its annual review of base salaries and determine the 2024 base salary for each NEO. Mr. Nowak’s base salary was increased in June 2024 to reflect his promotion to President, Global Enterprise Computing Solutions, consistent with an internal equity review and market and peer practices, with the adjustment reflective of his transition from a non-executive role to an executive officer role. None of the other NEOs received base salary adjustments with respect to 2024.

The table below provides an overview of the base salaries of the NEOs as of the fiscal year end:

Name	2023	2024	% Change
Sean J. Kerins	\$ 1,000,000	\$ 1,000,000	0%
Rajesh K. Agrawal	\$ 700,000	\$ 700,000	0%
Eric C. Nowak^{(1) (2)}	\$ 424,992	\$ 591,708	39%
Gretchen K. Zech	\$ 675,000	\$ 675,000	0%
Richard J. Marano⁽³⁾	\$ 462,500	\$ 500,000	8%
Kristin D. Russell	\$ 550,000	\$ 550,000	0%

(1) Mr. Nowak’s cash compensation is paid in Euros because Mr. Nowak is employed in France. For purposes of this CD&A, when discussing his cash compensation, the Company assumed an exchange rate of \$1.1039 to €1.00 for 2023 and \$1.0404 to €1.00 for 2024.

(2) Mr. Nowak’s base salary increase was based on his promotion, as described in greater detail above.

(3) Mr. Marano’s base salary increase was based on his promotion in October 2023.



Annual Cash Incentives

Pay Element	Form	Performance Metric
Annual Cash Incentives	Cash	<ul style="list-style-type: none"> > 70% Absolute EPS > 30% Strategic Goals

The Company's annual cash incentives are designed to reward individuals for performance against pre-established metrics set by the Compensation Committee at the beginning of the year. Each NEO is assigned an annual cash incentive target based on the NEO's level of responsibility, ability to impact overall results, and relevant benchmarking data. Actual annual cash incentive awards may be higher or lower than the market since awards are based on results against pre-established performance metrics and can range from 0% to 170% of the annual cash incentive target.

In consultation with its independent compensation consultant, the Compensation Committee met in December 2023 to conduct its annual review of annual cash incentives and determine the 2024 annual cash incentives for each NEO. Mr. Nowak's annual cash incentive target was increased in June 2024 to reflect his promotion to President, Global Enterprise Computing Solutions, consistent with an internal equity review and market and peer practices, with the adjustment reflective of his transition from a non-executive role to an executive officer role. There were no other changes to annual cash incentive targets with respect to 2024.

The table below provides a summary of the annual cash incentive targets for each NEO for fiscal 2023 and 2024:

Name	2023	2024	% Change
Sean J. Kerins	\$ 2,000,000	\$ 2,000,000	0%
Rajesh K. Agrawal	\$ 700,000	\$ 700,000	0%
Eric C. Nowak ^{(1) (2)}	\$ 331,162	\$ 554,862	68%
Gretchen K. Zech	\$ 675,000	\$ 675,000	0%
Richard J. Marano ⁽³⁾	\$ 386,538	\$ 500,000	29%
Kristin D. Russell ⁽⁴⁾	\$ 550,000	\$ 550,000	0%

(1) Mr. Nowak's cash compensation is paid in Euros because Mr. Nowak is employed in France. For purposes of this CD&A, when discussing his cash compensation, the Company assumed an exchange rate of \$1.1039 to €1.00 for 2023 and \$1.0404 to €1.00 for 2024.

(2) Mr. Nowak's annual cash incentive target increase was based on his promotion, as described in greater detail above.

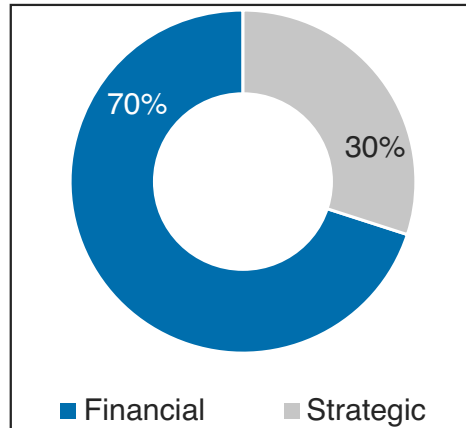
(3) Mr. Marano's annual cash incentive increase was based on his promotion in October 2023.

(4) Ms. Russell's annual cash incentive target above represents her opportunity at the beginning of 2024. Her actual payout was prorated for her period of service from January 1, 2024 to April 2, 2024 and determined based on the Company's achievement of the relevant performance goals.

2024 Annual Cash Incentive Performance Goals and Results

For fiscal 2024, the annual cash incentive for each of the NEOs was based on a combination of financial and strategic goals weighted at 70% and 30%, respectively.

The 2024 annual cash incentive metrics and results against the targets of those metrics are summarized below.



Financial Goals. Each NEO can earn between 0% and 200% of the target award linked to our financial goals based on actual performance against annual financial targets. The Compensation Committee selected Absolute EPS to reinforce the Company’s overall profit objectives based on the rationale that Absolute EPS is a primary driver of shareholder value creation.

The 2024 Absolute EPS target setting process was informed by several macroeconomic indicators as well as supplier and market forecasts impacting Arrow’s business at the time the goals were set in February 2024, including:

- continued industry concerns about supply chain normalization and elevated customer inventory levels;
- Arrow’s serviceable market uncertainty across the world;
- rising geo-political tensions; and
- inflationary pressure and expected elevated interest rates.

The Compensation Committee had knowledge of the potential disruption such factors could have on the Company based on similar historical cyclical downturns and the projected continuation of market conditions from the prior year. With these considerations in mind, the Compensation Committee set the 2024 Absolute EPS target approximately 30% below prior-year Absolute EPS results. This reduction was similar in relative size to the profit decline that was experienced in 2023 and aligned with the then-expected profit decline for 2024. While the target was set below prior-year actuals, it was aligned with the annual business plan and set ahead of market expectations at that time, reflecting the Compensation Committee’s commitment to setting challenging performance goals. The Compensation Committee believed that the targets were rigorous and would appropriately incentivize our executives.

At the end of the performance period, the actual Absolute EPS result declined 37% relative to the prior year, confirming the difficult market environment anticipated by the Compensation Committee when setting 2024 targets. The Compensation Committee evaluated the resulting achievement outcomes, which were below target, and determined that the financial goals had appropriately aligned incentives with the actual performance



of the Company and the leadership team in a challenging market environment and concluded that pay and performance were reasonably aligned.

Metric	Weighting	Performance Range (% of Target Payout)			Actual Result	Payout as a % of Target
		Threshold (25%)	Target (100%)	Maximum (200%)		
Absolute EPS	70.0%	\$9.08	\$12.10	\$15.13	\$10.83	68.54%

Note: Payouts are linearly interpolated for performance between threshold and maximum. For performance below threshold, there is no payout earned.

Strategic Goals. Each NEO can earn between 0% and 100% of the target award for these metrics based on actual performance against the annual strategic goals. Strategic metrics and goals are intended to be dynamic and expected to change annually depending on the relevant business priorities for the performance year. Each year, the Compensation Committee determines specific performance objectives that are designed to be rigorous and support the long-term success of the Company's strategy.

For 2024, the Compensation Committee established performance objectives related to strategic growth metrics for our Global Components and ECS business units, along with a savings metric related to accelerated operating expense savings ("Opex Savings"). We believe these strategic goals are closely tied to the long-term financial performance of the Company.

Metric (1)	Weighting	Performance Range (% of Target Payout)		Actual Result	Payout as a % of Target
		Threshold (75%)	Target/Maximum (100%)		
Global Components Strategic % Growth	7.5%	0.75 percentage point	1.0 percentage point	Below Threshold	0%
Enterprise Computing Solutions Strategic % Growth	7.5%	0.75 percentage point	1.0 percentage point	Above Target	100%
Opex Savings	15.0%	\$86.25M	\$115.00M	\$115.00M	100%
Total Strategic Goals Payout					75%

(1) Payouts are linearly interpolated for performance between threshold and target, with no payout for performance below the threshold and no additional award for achieving above-target performance.

The performance with respect to the Global Components strategic growth metric was below the threshold level while the performance with respect to the ECS strategic growth metric exceeded the target/maximum. The performance on the Opex Savings metric achieved the target/maximum. The Compensation Committee evaluated the resulting formulaic outcomes and determined that the goals had appropriately aligned leadership team incentives with the actual performance of the Company and concluded that pay and performance were reasonably aligned.

Mr. Nowak’s annual cash incentive payout reflects changes due to his promotion in 2024. Prior to Mr. Nowak’s promotion, his annual cash incentive target was tied to ECS EMEA metrics and performance goals, which were designed to be challenging but achievable with strong performance. Mr. Nowak’s annual cash incentive target was prorated for the time in his prior role, and the ECS EMEA achievements resulted in an overall payout of 117.60% for that portion of his annual cash incentive.

Award Payouts. The Absolute EPS and strategic goal achievements resulted in an overall award payout of 70.48% for our executive leadership, which, under its negative discretion review and determination authority, the Compensation Committee approved. The table below sets forth the 2024 annual cash incentive awards paid to each NEO.

Name	Target Annual Cash Incentive (\$)	Absolute EPS Payout (70% Weighting)	Strategic Goals Payout (30% Weighting)	Total Payout (as % of Target)	Total Payout (\$)
Sean J. Kerins	\$ 2,000,000	68.54%	75.00%	70.48%	\$ 1,409,600
Rajesh K. Agrawal	\$ 700,000	68.54%	75.00%	70.48%	\$ 493,360
Eric C. Nowak ⁽¹⁾	\$ 424,816	68.54%	75.00%	70.48%	\$ 299,410
Gretchen K. Zech	\$ 675,000	68.54%	75.00%	70.48%	\$ 475,740
Richard J. Marano	\$ 500,000	68.54%	75.00%	70.48%	\$ 352,400
Kristin D. Russell ⁽²⁾	\$ 550,000	-	-	-	\$ -

- (1) Mr. Nowak’s annual cash incentive payout related to EMEA ECS achievement was based on multiple standard financial metrics related to profitability. Based on the results outlined above, Mr. Nowak received a prorated payout of \$152,934 based on a target of \$130,046 for EMEA ECS performance on these measures for a total annual cash incentive payout of \$452,344.
- (2) Pursuant to the Severance Policy, Ms. Russell received a severance pro-rata bonus and a severance period bonus totaling \$295,335. The severance pro-rata bonus was calculated based on the Company’s achievement of the financial and strategic performance goals and prorated for the period she was actively employed. The severance period bonus was calculated based on the Company’s achievement of the financial goals and prorated for the first nine months of her severance period, April 3 through December 31, 2024. Please see “Kristin D. Russell – Separation Benefits” under the heading “2024 Potential Payouts Upon Termination” for a discussion of the compensation payable to Ms. Russell in connection with her separation.

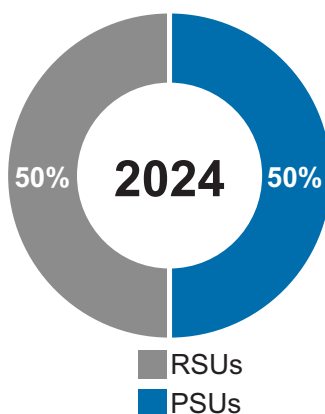


Long-Term Incentive Awards

Long-term incentive awards (also referred to as “LTIP”) are designed to promote a balanced focus on driving performance, retaining talent, and aligning the interests of the NEOs with the long-term interests of the Company’s shareholders. Under the LTIP, awards are expressed in dollars and are customarily granted annually. For 2024, the annual LTIP awards for NEOs included a mix of PSUs and RSUs.

LTIP Equity Mix			
Form	Performance Metric	Rationale	Detail
50% - PSUs	<ul style="list-style-type: none"> > 60% three-year Relative EPS Growth > 40% three-year average ROIC minus three-year WACC > Vesting contingent on positive net income in the fiscal year of the initial grant 	<ul style="list-style-type: none"> > Incentivizes and rewards long-term performance > Supports retention 	<ul style="list-style-type: none"> > The number of PSUs earned (from 0% to 185% of target number of PSUs granted) is based on the Company’s performance over a three-year period > Realized value tied to stock price performance > PSUs are settled in shares of Arrow stock at the end of the three-year vesting term if the performance metrics are achieved
50% - RSUs	<ul style="list-style-type: none"> > Vesting contingent on positive net income in the fiscal year of the initial grant 	<ul style="list-style-type: none"> > Supports retention 	<ul style="list-style-type: none"> > RSUs generally vest in four equal annual installments beginning on the first anniversary of the grant > Realized value tied to stock price performance > RSUs are settled in shares of Arrow stock when vested

LTIP Structure





2024 Target LTIP Award Opportunities

The Company's annual long-term incentives are designed to incentivize and reward individuals for strong performance by the Company based on pre-established metrics set by the Compensation Committee.

To determine the annual long-term incentive award of the Company's CEO (which is then ratified by the Board's independent directors), the Compensation Committee evaluates the CEO's performance and also considers prior grant history, the Compensation Committee's assessment of his contribution, potential contribution, Peer Group compensation benchmarking analysis, and the long-term incentive award practices of the Peer Group.

The Compensation Committee also makes LTIP award decisions for other executives based on the abovementioned factors and input from the CEO, and each NEO is assigned an annual long-term incentive target based on the NEO's level of responsibility, ability to impact overall results, and relevant benchmarking data. These awards are set forth below. For more detail, including the expense to the Company associated with each grant, see the table labeled "2024 Grants of Plan-Based Awards" below.

We believe that the Company's three-year average burn rate of 0.68% of the weighted average basic common shares outstanding reflects its prudent management of equity shares used under its LTIP.

In consultation with its independent compensation consultant, the Compensation Committee met in February 2024 to conduct its annual review of LTIP awards and to determine the 2024 annual LTIP award for each NEO. As a result of its review, the Compensation Committee approved an increase in Mr. Marano's annual long-term incentive award, based on his promotion to President, Global Components, individual performance, internal pay equity, and relevant benchmarking data. In May 2024, Mr. Nowak's award was increased in recognition of his promotion to President, Global Enterprise Computing Solutions and reflecting his shift from a non-executive to an executive officer. In September 2024, he received an additional market adjustment to further align his total LTIP award with the market and peer practices for his role as President, Global Enterprise Computing Solutions.

The table below provides a summary of the target grant-date values of the annual long-term incentive awards for each NEO. The award values for the annual grants are based on the closing price of the Company's common stock on the grant date, which was \$115.09. Mr. Nowak's award values were also based on the closing price of the Company's common stock on grant dates of May 7, 2024 and September 17, 2024, which were \$127.02 and \$129.61, respectively.

Name	2023	2024	% Change
Sean J. Kerins	\$ 4,000,000	\$ 4,000,000	0%
Rajesh K. Agrawal	\$ 2,200,000	\$ 2,200,000	0%
Eric C. Nowak ⁽¹⁾	\$ 700,000	\$ 2,000,000	186%
Gretchen K. Zech	\$ 1,500,000	\$ 1,500,000	0%
Richard J. Marano ⁽²⁾	\$ 600,000	\$ 1,200,000	100%
Kristin D. Russell	\$ 1,300,000	\$ 1,300,000	0%

(1) Mr. Nowak's annual long-term incentive award increase was based on his promotion, as described in greater detail above.

(2) Mr. Marano's annual long-term incentive award increase was based on his promotion in October 2023.



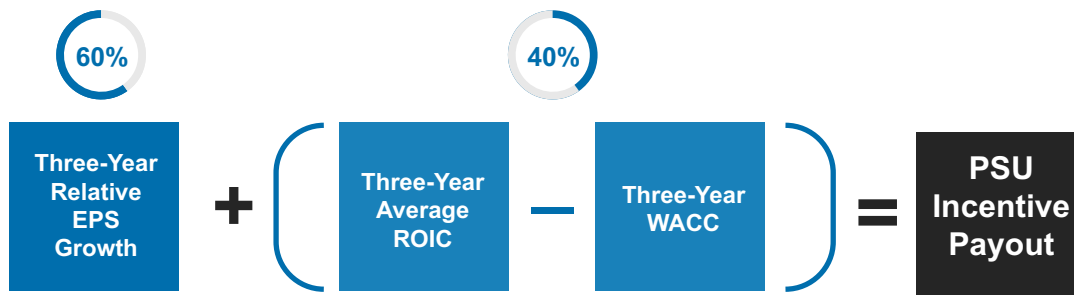
The 2024 LTIP awards were granted as follows:

Name	PSUs	RSUs
Sean J. Kerins	17,378	17,378
Rajesh K. Agrawal	9,558	9,558
Eric C. Nowak	8,080	8,081
Gretchen K. Zech	6,517	6,517
Richard J. Marano	5,213	5,214
Kristin D. Russell	5,648	5,648

A Closer Look at PSUs: 2024 Grants

The 2024 PSU awards are tied to Arrow’s three-year (2024-2026) EPS growth as compared to the EPS growth of Arrow’s Peer Group (see the “The Role of Peer Companies” section below in this CD&A) and Arrow’s three-year average ROIC in excess of its three-year WACC. The calculation of WACC is defined as the sum of the after-tax cost of each capital component times its weight. The Compensation Committee chose these performance metrics and the range of payouts in order to reward participants for successfully balancing profit maximization and the efficient use of capital, both key drivers in creating shareholder value.

The Compensation Committee established the PSU performance goals to encourage strong, focused performance. Given the economic and market conditions at the time the targets were set, the target payout levels were designed to be challenging but achievable, while payouts at the maximum levels were designed to be stretch goals.



The three-year Relative EPS Growth metric is weighted at 60%, and the three-year average ROIC minus three-year WACC metric is weighted at 40%. At the end of the performance period, the Compensation Committee reviews the outcome of the payout within the context of the Company’s overall performance during the period, including an evaluation of the underlying metrics, and may implement a downward adjustment to the payout if the Compensation Committee concludes that an adjustment would be appropriate to align pay outcomes with performance.

Performance Stock Unit Payout Matrix (January 1, 2024 - December 31, 2026)

ROIC - WACC ⁽¹⁾ (40%)		PAYOUT AS A PERCENT OF TARGET									
Maximum (200%)	≥ 3.0%	80%	95%	107%	119%	134%	143%	149%	158%	170%	185%
Target (100%)	1.5%	40%	55%	67%	79%	94%	103%	109%	118%	130%	145%
Threshold (50%)	≥ 0.0%	20%	35%	47%	59%	74%	83%	89%	98%	110%	125%
	< 0.0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
		10	9	8	7	6	5	4	3	2	1
		0%	25%	45%	65%	90%	105%	115%	130%	150%	175%
		EPS RANKING VS. PEER GROUP ⁽²⁾ (60%)									
Payout interpolated between levels											

- (1) There will be no payout if ROIC minus WACC is less than zero, except when determined otherwise in the Compensation Committee's discretion.
- (2) The nine companies comprising the Peer Group are Avnet, Inc., CDW Corporation, Celestica Inc., Flex Ltd., Hewlett Packard Enterprise Company, HP Inc., Jabil Inc., TD SYNEX Corporation, and Wesco International, Inc.

Provided the Company achieves a non-GAAP net income of greater than zero during the grant year, participants may earn up to 185% of their targeted PSUs based on performance against the pre-established performance goals, subject to the individual's continued employment through the applicable vesting date and any rights provided under the applicable award agreement, Severance Policy (as defined below), and, in the case of Ms. Zech, her Participation Agreement (as defined below).

Performance Payout for 2022 PSU Grants (January 1, 2022 – December 31, 2024)

Three-year average ROIC in excess of three-year WACC (40%). Results are measured at the end of the three-year performance period against Arrow's internal target, which was set to exceed Arrow's three-year WACC by 1.5% (as shown in the table below) and is based on an enduring value creation standard.

Three-year Relative EPS Growth (60%). Results are measured by the change in Arrow's EPS during the performance cycle as compared to the companies in the Peer Group and the relative ranking determines the payout as a percentage of target as shown in the table below. The performance period for the PSUs granted in 2022 was January 1, 2022, to December 31, 2024. The payout level was approved by the Compensation Committee in February 2025. The Company determined its EPS growth and ranked tenth among the reporting companies (a weighted result of 0%). The Company's average ROIC exceeded its WACC by 4.73% during the same period (a weighted result of 80%). As a result, in February 2025, the PSUs granted in 2022 vested at 80% of the target number of PSUs.



Performance Stock Unit Payout Matrix (January 1, 2022 - December 31, 2024)

ROIC - WACC ⁽¹⁾ (40%)										
Maximum (200%)	3.0%+	80%	95%	116%	134%	140%	146%	155%	170%	185%
Target (100%)	1.5%	40%	55%	76%	94%	100%	106%	115%	130%	145%
Threshold (50%)	≥ 0.0%	20%	35%	56%	74%	80%	86%	95%	110%	125%
	< 0.0%	0%	0%	0%	0%	60%	66%	75%	90%	105%
		9	8	7	6	5	4	3	2	1
		0%	25%	60%	90%	100%	110%	125%	150%	175%
		EPS RANKING VS. PEER GROUP ⁽²⁾ (60%)								
Payout interpolated between levels										

ROIC minus WACC: 4.730%

EPS RANKING: 10

- (1) There will be no payout if ROIC minus WACC is less than zero, except when determined otherwise in the Compensation Committee’s discretion.
- (2) The nine companies comprising the Peer Group are Avnet, Inc., CDW Corporation, Celestica Inc., Flex Ltd., Hewlett Packard Enterprise Company, HP Inc., Jabil Inc., TD SYNEX Corporation, and Wesco International, Inc.

Restricted Stock Units

Grants of RSUs represent 50% of the LTIP value for the participating NEOs and vest in 25% increments on each of the first four anniversaries of the grant date, contingent upon the Company achieving positive net income in the fiscal year of the initial grant and subject to the individual’s continued employment through the applicable vesting date and any rights provided under the applicable award agreement, Severance Policy, and, in the case of Ms. Zech, her Participation Agreement. RSUs are intended to provide the NEOs with the economic equivalent of a direct ownership interest in the Company during the vesting period and provide the Company with significant retention security.

THE COMPANY’S DECISION-MAKING PROCESS

The Role of the Compensation Committee

The Compensation Committee is comprised of independent, non-employee directors. The Compensation Committee works very closely with its independent consultant and management to examine the effectiveness of the Company’s executive compensation program throughout the year. Details of the Compensation Committee’s authority and responsibilities are specified in its charter, a copy of which is available under “Governance Documents” at the “Leadership and Governance” sub-link of Arrow’s Investor Relations page at investor.arrow.com.

The Compensation Committee is responsible for developing and reviewing Arrow’s executive compensation philosophy. It implements that philosophy through compensation programs and plans designed to further Arrow’s strategy, drive long-term profitable growth, and increase shareholder value. The Compensation Committee reviews and approves the corporate goals and objectives relevant to executive compensation and, subject to review and ratification by the other independent directors, reviews and approves the compensation and benefits for the CEO. In making its decisions, the Compensation Committee reviews the performance of each of the NEOs and the Company as a whole. It considers the compensation of other Company executives, levels of responsibility, prior experience, breadth of knowledge, job performance, and benchmarking data in reviewing target total compensation levels.

The Compensation Committee considers performance reviews prepared by the CEO for his direct reports and conducts its own performance review of the CEO. The Compensation Committee reviews the Company's performance on the metrics relevant to the execution of its strategy and evaluates the performance of the CEO in light of that execution. The Compensation Committee evaluates the compensation of the CEO in the independent directors' session, and then the Compensation Committee recommends the CEO's compensation to the Board for ratification. For NEOs other than the CEO, the Compensation Committee's review includes input provided by the CEO; however, all decisions regarding NEO compensation are ultimately made by the Compensation Committee (subject to ratification by the Board in the case of the CEO's compensation).

The Role of Management

Compensation Committee meetings are regularly attended by the CEO, the Chief Governance, Sustainability, and Human Resources Officer, the Chief Financial Officer, and the Chief Legal Officer. Each of the management attendees provides the Compensation Committee with his or her specific expertise and the business and financial context deemed necessary to understand and properly target financial and performance metrics. None of the members of management are present during the Compensation Committee's deliberations regarding their own compensation, but the Company's independent compensation consultant, Pearl Meyer, may participate in those discussions. For NEOs other than the CEO, the Compensation Committee considers, among other things, the input provided by the CEO.

The Role of the Independent Compensation Consultant

The Compensation Committee has selected and engaged Pearl Meyer as its independent compensation consultant to provide the Compensation Committee with expertise on various compensation matters, including competitive practices, market trends, and specific program design. Additionally, Pearl Meyer provides the Compensation Committee with competitive data regarding market compensation levels at the 25th, 50th, and 75th percentiles for total compensation and each major compensation element.

Pearl Meyer reports to the Compensation Committee and, other than advising the Corporate Governance Committee on independent director compensation, does not provide any other services to the Company or its management. The Compensation Committee annually assesses compensation advisors' independence and potential conflicts of interest in accordance with applicable law and NYSE listing standards. Based on its assessment, the Compensation Committee determined that Pearl Meyer is independent, and Pearl Meyer's services have not raised any conflicts of interest.

The Role of Peer Companies

While the Compensation Committee believes targeting TDC around the market median is appropriate, target TDC levels can range from below-market to above-market based on factors such as experience and performance of the individual and the Company or applicable business unit over time. For Arrow's annual competitive benchmarking study, Pearl Meyer reviews compensation data of the Peer Group, as well as general industry survey data published by third parties.

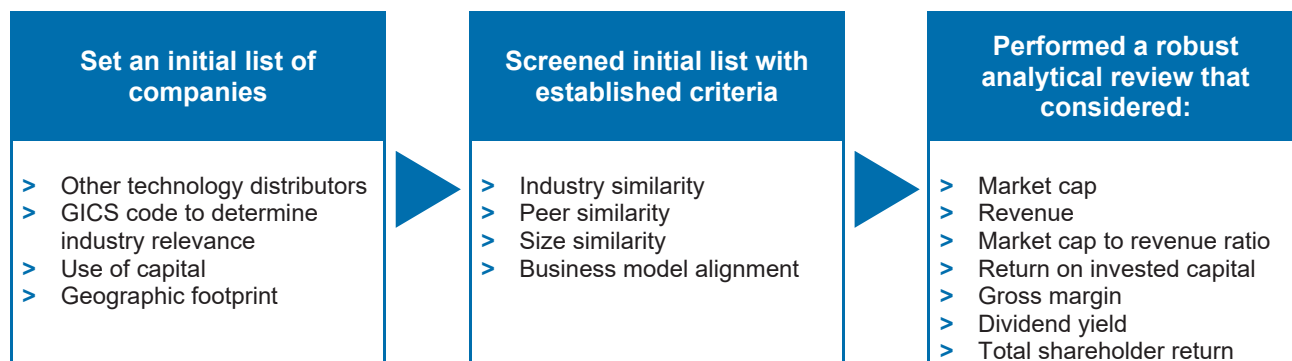
The Compensation Committee evaluates the appropriateness of each NEO's compensation based on factors such as Company and business unit performance, job scope, individual performance, time in position, and alignment with comparable positions at companies in the Peer Group. To the extent the Compensation Committee deems that the compensation level associated with a NEO's position versus the market (one measure of which is the Peer Group) is not aligned with the relevant factors, the Compensation Committee may choose to modify one or more of the NEO's compensation components.


With input from its independent compensation consultant, the Compensation Committee annually reviews and approves the compensation Peer Group to evaluate whether it continues to meet the Company's objectives, based on the process set forth below under "Peer Group Selection Process." Based on the Compensation



Committee’s review during 2023, no changes were made to the Peer Group for 2024 as the peer group continues to be viewed as appropriately aligned with Arrow’s business and the factors set forth below.

Peer Group Selection Process




2024 PEER GROUP
(the “Peer Group”)

- > Avnet, Inc.
- > Flex, Ltd.
- > Jabil Inc.
- > CDW Corp.
- > HP Enterprise Co.
- > TD SYNEX Corp.
- > Celestica Inc.
- > HP Inc.
- > WESCO International Inc.

2024 Peer Group Data (Millions)		
Percentile	Revenue ⁽¹⁾	Market Cap
25 th	21,985	9,145
Median	26,537	12,808
75 th	29,576	21,454
Arrow	27,923	5,901
Percentile Rank	67%	11%

(1) Trailing Twelve Months. Source: Company reports and S&P Capital IQ market data.

The Compensation Committee also reviews other benchmarking data of companies outside of the Peer Group when deemed necessary and appropriate. This data can cover a variety of areas, such as equity vesting practices, the prevalence of performance metrics among peer companies, types of equity vehicles used by peer companies, severance practices, equity burn rates, and any other market data the Compensation Committee believes it needs to consider when evaluating the Company’s executive compensation program.

OTHER PRACTICES, POLICIES, AND GUIDELINES

Stock Ownership Requirements

The Compensation Committee recognizes the importance of equity ownership by delivering a majority of the NEOs' total compensation in the form of equity. To further align the interests of the Company's executives with those of shareholders, the Company requires its NEOs to hold specified amounts of Arrow equity as summarized below:

Position	Ownership Requirement
CEO	5x base salary
Other NEOs	3x base salary

If the ownership requirement has not been met by the fifth anniversary of the date the NEO became subject to the ownership requirement multiple, then 100% of net shares acquired annually from employee equity awards must be retained until the requirements are met. Shares that count towards the ownership requirement include shares owned and vested and unvested RSUs. Non-Qualified Stock Options, whether vested or unvested, and unvested PSUs do not count towards the ownership requirement. As of the Record Date, all NEOs currently meet the stock ownership requirements.

Clawback Policies

The Board believes that it is in the Company's and its shareholders' best interests to create and maintain a culture that emphasizes integrity and accountability and reinforces the Company's pay-for-performance compensation philosophy.

The Company has two separate compensation clawback policies: (i) a clawback policy structured to comply with the NYSE listing standards (the "Dodd-Frank Compensation Clawback Policy") and (ii) a clawback policy applicable to executive officers and other members of senior management not otherwise subject to the Dodd-Frank Compensation Clawback Policy (the "Incentive Compensation Clawback Policy"). These clawback policies are summarized in detail immediately below.

The Company monitors its clawback policies to evaluate whether they remain consistent with applicable laws and update them as deemed necessary.



Dodd-Frank Compensation Clawback Policy

The Dodd-Frank Compensation Clawback Policy applies to the CEO; Chief Financial Officer; Chief Accounting Officer; President, Global Enterprise Computing Solutions; President, Global Components; Chief Governance, Sustainability, and Human Resources Officer; and Chief Legal Officer and Secretary (for purposes of this section, “executive officers”).

The Dodd-Frank Compensation Clawback Policy provides that in the event of an accounting restatement that either (a) results from material noncompliance with financial reporting requirements under federal securities laws (commonly referred to as a “Big R” restatement) or (b) would result in a material misstatement if the error was corrected or left uncorrected in the current period (commonly referred to as a “little r” restatement, and together with a “Big R” restatement, a “Restatement”), the Company must recoup all incentive-based compensation (on a pre-tax basis) received by executive officers at any time employed in the applicable performance period in excess of the amount that would have otherwise been received if the calculation were based on those results in the Restatement. The recoupment period covers the three completed fiscal years immediately preceding the date on which the Company is required to prepare the Restatement.

Additionally, the Dodd-Frank Compensation Clawback Policy prohibits the Company from indemnifying or reimbursing the covered employee for any loss under the Dodd-Frank Compensation Clawback Policy.

Incentive Compensation Clawback Policy

The Incentive Compensation Clawback Policy operates separately from, and in addition to the Dodd-Frank Compensation Clawback Policy. The Incentive Compensation Clawback Policy permits the Company, acting through its Compensation Committee, to recoup specific executive compensation from its executive officers (without duplication of any recoupment under the Dodd-Frank Compensation Clawback Policy), vice presidents, and other members of senior management, in the event of (i) a Restatement or (ii) an executive’s involvement in specified misconduct under the Incentive Compensation Clawback Policy (“Misconduct”).

In the event of a Restatement, the Compensation Committee may require an employee to reimburse the Company or to forfeit any excess incentive compensation (which could include PSUs and RSUs, whether or not vesting is tied to performance measures, under the LTIP) received by the employee during the three completed fiscal years immediately preceding the date on which the Company is required to prepare a Restatement. In the event of Misconduct, the Compensation Committee may require an employee to reimburse the Company or to forfeit any and all incentive compensation, including time-based awards, if the Misconduct occurred during any of the three fiscal years preceding the grant, payment, vesting, or settlement of the incentive compensation.

Consistent with the Dodd-Frank Compensation Clawback Policy, the Incentive Compensation Clawback Policy prohibits the Company from indemnifying or reimbursing the covered employee for any loss under the Incentive Compensation Clawback Policy.

Insider Trading Policy

The Company believes that it is essential to (i) prevent insider trading, (ii) prevent the appearance of insider trading, (iii) prevent the misuse of insider information, and (iv) protect the Company’s reputation for integrity and ethical conduct.

The Company’s insider trading policy prohibits directors and all other employees from transacting in the Company securities while aware of material nonpublic information (“MNPI”). Specific individuals who are at a greater risk of possessing MNPI, including directors and executive leadership, are restricted to transacting in Company securities only during open trading windows, with certain exceptions for, among other things, scheduled trades under a contract, instruction, or plan intended to satisfy the conditions of Exchange Act Rule 10b5-1(c) (a “10b5-1 plan”), vesting of stock, transactions resulting from domestic-relations orders, and surrender or withholding of shares to satisfy taxes.

The Company's open trading windows commence on the opening of the market on the first day after the filing with the SEC of the Company's Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as applicable, until the close of the market on the fifteenth calendar day prior to the last day of the then-current quarter. The Chief Legal Officer may also impose special trading blackout periods due to the occurrence of material developments known to the Company but not yet publicly disclosed.

Under the insider-trading policy, directors and executive leadership must also preclear their trades (unless done under an existing 10b5-1 plan) or the adoption or modifications of any 10b5-1 plans with the Company's Chief Legal Officer.

Policies Regarding Awarding of Equity Awards in Relation to Disclosure of Material Nonpublic Information

The Compensation Committee and senior management monitor the Company's equity grant practices to evaluate whether such policies comply with governing regulations and are consistent with good corporate practices. The Company's equity grants under its executive compensation program consist of RSUs and PSUs and the Company does not currently utilize options, stock-appreciation rights, or similar equity instruments as a component of its executive-officer compensation.

When making regular annual equity grants, the Compensation Committee's practice is to approve them at the first regularly scheduled meeting of the calendar year as part of the annual compensation review and after results for the preceding fiscal year become available. Because the Compensation Committee's regular meeting schedule is determined in the prior fiscal year, the proximity of any awards to other significant corporate events is coincidental. In addition, the Board or Compensation Committee may make grants at any time during the year it deems appropriate, including with respect to new hires or transitions. The Company does not schedule its equity grants in anticipation of the release of MNPI nor does the Company time the release of MNPI based on equity grant dates.

Anti-Hedging and Anti-Pledging Policy

The Company's anti-hedging and anti-pledging policy provides that directors, executive officers, and other corporate officers and senior executives may not directly or indirectly engage in transactions that would have the effect of reducing the economic risk of holding the Company's securities. The Company's policy prohibits covered individuals from engaging in certain derivatives transactions in the Company's securities, such as options, puts, calls, or similar instruments; prepared variable forward contracts; equity swaps or other equity derivatives; zero cost dollars; exchange funds or "swap funds," "spread betting" transactions (i.e., transactions speculating on share price movement) or other speculative transactions; and participation in certain pooled investment partnerships. The policy also prohibits the pledging of Company securities or the holding of Company securities in margin accounts since securities held in a margin account may be sold by the broker without the customer's consent if the customer fails to meet a margin call, and any such margin sale may occur at a time when the pledgor is aware of MNPI or otherwise is not permitted to trade in Company securities. The policy is reviewed annually and, if needed, updated by the Compensation Committee. A copy of the policy is available under "Governance Documents" at the "Leadership and Governance" sub-link of Arrow's Investor Relations page at investor.arrow.com.

Severance Policy and Change in Control Agreements

The Company has a policy for severance ("Severance Policy") and a change in control retention agreement ("Change in Control Retention Agreement") for its executives. In connection with her departure, Ms. Russell became eligible for separation benefits under the Severance Policy based on her termination without cause. The Severance Policy and Change in Control Retention Agreements, including a quantification of the benefits that Ms. Russell received in connection with her termination, are described in detail in the heading "Agreements and Potential Payouts upon Termination or Change in Control."



Retirement Programs and Other Benefits

In keeping with its total compensation philosophy and in light of the need to provide a comprehensive compensation and benefits package that is competitive within the industry, the Compensation Committee believes that the retirement and other benefit programs discussed below are critical elements of the compensation package made available to the NEOs with the exception of Mr. Nowak. As Mr. Nowak is employed in France, he participates in the broad-based retirement and benefit programs provided to employees in France.

Qualified Plans

The U.S.-based NEOs (all NEOs except for Mr. Nowak), participate in the Arrow Electronics, Inc. 401(k) Savings Plan, which is available to all Arrow's U.S. employees. Company contributions to the Arrow Electronics, Inc. 401(k) Savings Plan on behalf of the NEOs are included under "All Other Compensation" in the table labeled "2024 Summary Compensation Table," and specified under the column "401(k) Plan Company Contribution" in the table labeled "All Other Compensation — Detail."

Supplemental Executive Retirement Plan ("SERP")

The Company maintains the SERP, a non-qualified, unfunded retirement plan in which all U.S.-based NEOs employed by the Company as of December 31, 2024 participated, the details of which are discussed under the heading "Supplemental Executive Retirement Plan."

Management Insurance Program

Executives, including the U.S.-based NEOs, participate in Arrow's Management Insurance Program ("MIP"). The Board determines participant eligibility, and each U.S.-based NEO employed by the Company as of December 31, 2024, participates in the MIP. In the event of the death of a participating executive, the Company provides an after-tax death benefit to the executive's named beneficiary equal to four times the executive's annual target cash compensation (after giving effect to a tax assistance benefit included in the program). The benefit generally ends upon separation from service. However, the MIP benefit is extended until the first day of the seventh month following separation from service in the event the participating executive's actual commencement of benefit payments under the SERP is delayed pursuant to Section 409A of the Internal Revenue Code since no SERP benefit is payable if a participant dies prior to commencement of benefit payments.



COMPENSATION COMMITTEE REPORT

The substantive discussion of the material elements of all of the Company's executive compensation programs and the determinations by the Compensation Committee with respect to compensation and executive performance for 2024 are contained in the CD&A above. The Compensation Committee has reviewed and discussed the CD&A with the Company's management. In reliance on these reviews and discussions, the Compensation Committee recommended to the Board that the CD&A be included in the definitive Proxy Statement on Schedule 14A for Arrow's 2025 Annual Meeting for filing with the SEC and be incorporated by reference in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Gerry P. Smith, Chair
William F. Austen
Andrew C. Kerin
Mary T. McDowell

COMPENSATION OF THE NAMED EXECUTIVE OFFICERS

2024 SUMMARY COMPENSATION TABLE

The following table provides certain summary information concerning the compensation of the NEOs.

Name	Year	Salary (\$)	Bonus (\$)	Stock Awards \$(1)	Non-Equity Incentive Compensation \$(2)	Change in Pension Value & NQDC Earnings \$(3)	All Other Compensation \$(4)	Total (\$)	Total Without Change in Pension Value \$(5)
Sean J. Kerins	2024	1,000,000	—	4,000,068	1,409,600	1,800,904	18,722	8,229,294	6,428,390
<i>President and Chief Executive Officer</i>	2023	1,000,000	—	4,000,040	1,360,200	2,517,506	14,068	8,891,814	6,374,308
	2022	895,833	—	3,500,063	2,514,584	533,030	34,715	7,478,225	6,945,195
Rajesh K. Agrawal	2024	700,000	—	2,200,060	493,360	430,299	15,784	3,839,503	3,409,204
<i>Senior Vice President, Chief Financial Officer</i>	2023	700,000	—	2,200,053	476,070	370,369	13,200	3,759,692	3,389,323
	2022	226,155	—	4,000,087	1,190,000	—	—	5,416,242	5,416,242
Eric C. Nowak⁽⁶⁾	2024	594,091	—	2,000,185	452,344	—	106,272	3,152,892	3,152,892
<i>President, Global Enterprise Computing Solutions</i>									—
Gretchen K. Zech	2024	675,000	—	1,500,084	475,740	509,483	17,300	3,177,607	2,668,124
<i>Senior Vice President, Chief Governance, Sustainability, and Human Resources Officer</i>	2023	675,000	—	1,500,030	459,068	971,404	16,700	3,622,202	2,650,798
	2022	658,333	—	1,500,092	1,133,334	—	14,400	3,306,159	3,306,159
Richard J. Marano	2024	500,000	—	1,200,043	352,400	—	13,924	2,066,367	2,066,367
<i>President, Global Components</i>									—
Kristin D. Russell	2024	141,731	—	1,300,056	—	—	799,507	2,241,294	2,241,294
<i>Former President, Enterprise Computing Solutions</i>	2023	550,000	—	1,300,060	374,055	368,525	17,954	2,610,594	2,242,069

- (1) Amounts shown under the heading "Stock Awards" reflect the aggregate grant date fair values of such awards computed in accordance with FASB ASC Topic 718, excluding estimates of forfeitures. For stock awards subject to performance conditions, such awards are computed based upon the probable outcome of the performance conditions as of the grant date. Assuming the maximum performance is achieved for stock awards that are subject to performance conditions, amounts shown under this heading for the NEOs would be as follows: Mr. Kerins, \$5,700,097; Mr. Agrawal, \$3,135,086; Mr. Nowak, \$2,850,427; Ms. Zech, \$2,137,618; Mr. Marano, \$1,710,013, and Ms. Russell, \$1,852,581. Additional information on methodologies and assumptions made when calculating the grant date fair value of our stock awards is found in Note 12 to the Company's Consolidated Financial Statements in its Annual Report on Form 10-K for the year ended December 31, 2024.
- (2) The amounts shown under "Non-Equity Incentive Compensation" are the actual amounts paid for the achievement of both the financial and strategic goals related to the NEO's annual cash incentive award.
- (3) The amounts shown under the column "Change in Pension Value & NQDC Earnings" reflect the year-to-year change in the present value of each NEO's accumulated pension plan benefit as discussed under the heading "Supplemental Executive Retirement Plan."
- (4) See the All Other Compensation — Detail table below.
- (5) The Total Without Change in Pension Value represents total compensation, as determined under applicable SEC rules, minus the change in pension value reported in the Change in Pension Value and Nonqualified Deferred Compensation Earnings column for the applicable year. The amounts reported in the Total Without Change in Pension Value column may differ substantially from the amounts reported in the Total column required under SEC rules and are not a substitute for total compensation. The change in pension value is subject to many external variables, such as interest rates, assumptions about life expectancy and changes in the discount rate determined at each year end, which are functions of economic factors and actuarial calculations that are not related to the Company's performance and are outside the control of the Compensation Committee.
- (6) Mr. Nowak's cash compensation is paid in Euros because Mr. Nowak is employed in France. For purposes of this Summary Compensation Table, with respect to cash compensation, the Company assumed an exchange rate of \$1.1039 to €1.00 for 2023 and \$1.0404 to €1.00 for 2024.

ALL OTHER COMPENSATION — DETAIL

From the table labeled “2024 Summary Compensation Table,” this table further sets forth the individual elements comprising each NEO’s 2024 “All Other Compensation.” In addition to the benefits noted below, occasionally, a spouse or other guest may accompany NEOs on corporate aircraft when the aircraft is already scheduled for business purposes and can accommodate additional passengers. In those cases, there is no aggregate incremental cost to the Company, and, as a result, no amount is reflected in the “2024 Summary Compensation Table” for such travel.

Name	Other (\$)	401(k) Plan Company Contribution (\$)	Total (\$)
Sean J. Kerins	4,922	13,800	18,722
Rajesh K. Agrawal	1,984	13,800	15,784
Eric C. Nowak ⁽¹⁾	106,272	—	106,272
Gretchen K. Zech	3,500	13,800	17,300
Richard J. Marano	124	13,800	13,924
Kristin D. Russell	789,191	10,316	799,507 ⁽²⁾

(1) This amount represents (i) Arrow’s statutory contributions to Mr. Nowak’s French pension scheme, not maintained by the Company, in the amount of \$52,979; (ii) expenses associated with the Company provided automobile in France in the amount of \$13,808; and (iii) corporate housing in the amount of \$35,836 and a Company provided leased automobile in the amount of \$3,649, values based on amounts actually paid directly to a third-party vendor and based on his frequent travel to the United States in connection with his role as President, Global Enterprise Computing Solutions.

(2) This amount represents (i) cash severance of \$408,269, (ii) a severance annual bonus payment based on achievement of the applicable performance goals of \$295,335, (iii) a severance benefits subsidy of \$34,387, (iv) outplacement services paid directly to a third-party vendor in the amount of \$50,000, (v) ancillary benefits provided at a sales recognition event, and (vi) Arrow’s contributions to Ms. Russell’s account under the Arrow Electronics, Inc. 401(k) Savings Plan when she was actively employed of \$10,316 (where the Company match is subject to a service requirement).



2024 GRANTS OF PLAN-BASED AWARDS

The following table provides information regarding the annual cash incentives, PSUs, and RSUs awarded in 2024. No stock options were granted in 2024.

Grants of Plan-Based Awards											
Name	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards ⁽¹⁾			Estimated Future Payouts Under Equity Incentive Plan Awards ⁽²⁾			All Other Stock Awards: Number of Shares of Stock or Units ⁽³⁾	All Other Option Awards: Number of Securities Underlying Options ^(#)	Exercise or Base Price of Option Awards ^(\$/Sh)	Grant Date Fair Value of Stock and Option Awards ^{(\$)⁽⁴⁾}
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)				
Sean J. Kerins	Corp EC Target	800,000	2,000,000	3,400,000	—	—	—	—	—	—	—
	2/21/2024	—	—	—	3,476	17,378	32,149	—	—	—	2,000,034
	2/21/2024	—	—	—	—	—	—	17,378	—	—	2,000,034
Rajesh K. Agrawal	Corp EC Target	280,000	700,000	1,190,000	—	—	—	—	—	—	—
	2/21/2024	—	—	—	1,912	9,558	17,682	—	—	—	1,100,030
	2/21/2024	—	—	—	—	—	—	9,558	—	—	1,100,030
Eric C. Nowak	Corp EC Target	169,926	424,816	722,187	—	—	—	—	—	—	—
	ECS Target	52,018	130,046	221,078	—	—	—	—	—	—	—
	2/21/2024	—	—	—	608	3,041	5,626	—	—	—	349,989
	2/21/2024	—	—	—	—	—	—	3,042	—	—	350,104
	5/7/2024	—	—	—	236	1,181	2,185	—	—	—	150,011
	5/7/2024	—	—	—	—	—	—	1,181	—	—	150,011
	9/17/2024	—	—	—	772	3,858	7,137	—	—	—	500,035
	9/17/2024	—	—	—	—	—	—	3,858	—	—	500,035
Gretchen K. Zech	Corp EC Target	270,000	675,000	1,147,500	—	—	—	—	—	—	—
	2/21/2024	—	—	—	1,303	6,517	12,056	—	—	—	750,042
	2/21/2024	—	—	—	—	—	—	6,517	—	—	750,042
Richard J. Marano	Corp EC Target	200,000	500,000	850,000	—	—	—	—	—	—	—
	2/21/2024	—	—	—	1,043	5,213	9,644	—	—	—	599,964
	2/21/2024	—	—	—	—	—	—	5,214	—	—	600,079
Kristin D. Russell ⁽⁵⁾	Corp EC Target	220,000	550,000	935,000	—	—	—	—	—	—	—
	2/21/2024	—	—	—	1,130	5,648	10,449	—	—	—	650,028
	2/21/2024	—	—	—	—	—	—	5,648	—	—	650,028

- (1) The amounts reported above assume that the performance standard achieved is at threshold, target, or maximum for the financial performance metric and each strategic performance metric; see the "Annual Cash Incentives" section in the CD&A for more information. In addition, Mr. Nowak's annual cash incentives include his prorated target for EMEA ECS. For more information, please see the "Annual Cash Incentives" section in the CD&A.
- (2) These columns indicate the potential number of units that will be earned based on each of the NEO's PSU awards granted in 2024. Assuming a payout greater than zero units, the threshold unit payout begins at 20% of the target number of units and up to a maximum payout of 185% of the target number of units. The grant amount is equal to the target amount at achievement of 100%. PSUs vest, if at all, depending on whether vesting conditions are met after the end of the three-year performance period and after the Compensation Committee determines the attainment level. For more information, please see the "Long-Term Incentive Awards" section in the CD&A for more information.
- (3) This column reflects the number of RSUs granted in 2024. RSUs vest in 25% annual increments on the first through fourth anniversaries of the grant date. Please see the "Long-Term Incentive Awards" section in the CD&A for more information.
- (4) Grant date fair values for RSUs and PSUs are calculated in accordance with FASB ASC Topic 718, reflecting the number of shares awarded (at target for the PSUs) multiplied by the grant date closing market price of Arrow common stock. Additional information on methodologies and assumptions made when calculating the grant date fair value of our stock awards is found in Note 12 to the Company's Consolidated Financial Statements in its Annual Report on Form 10-K for the year ended December 31, 2024.
- (5) In accordance with the Severance Policy and in exchange for Ms. Russell signing a general release of claims in favor of the Company, Ms. Russell's unvested equity awards will continue to vest in accordance with their respective vesting schedules until her eighteen-month severance period ends on October 2, 2025. Accordingly, 1,412 RSUs granted in 2024 are expected to vest during the Severance Period, with the remainder of her unvested equity awards being forfeited.



2024 OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The table below titled “2024 Outstanding Equity Awards at Fiscal Year-End” shows: (i) the number of outstanding stock option awards that are vested and unvested as of December 31, 2024; (ii) the exercise price and expiration date of those options; (iii) the aggregate number and value of all unvested RSUs as of December 31, 2024; and (iv) the aggregate number and value of all PSUs as of December 31, 2024, granted under a performance plan whose performance period has not yet been completed.

The values ascribed to the awards in the table below may or may not be realized by their recipients, depending on the share prices at the time of vesting or exercise and the achievement of the metrics upon which the PSUs depend. The award values are based on the closing price of the Company’s common stock on December 31, 2024, which was \$113.12. For additional information regarding the impact of a change in control of the Company on equity awards, see under the heading below entitled “Performance Stock Unit, Restricted Stock Unit, and Non-Qualified Stock Option Award Agreements.”

2024 Outstanding Equity Awards at Fiscal Year-End										
Name	Option Awards					Stock Awards				
	Option Grant Date ⁽¹⁾	Number of Securities Underlying Unexercised Options – Exercisable (#) ⁽¹⁾	Number of Securities Underlying Unexercised Options – Unexercisable (#) ⁽¹⁾	Option Exercise Price (\$) ⁽¹⁾	Option Expiration Date ⁽¹⁾	Stock Award Grant Date	Number of Shares or Units of Stock Held That Have Not Vested (#) ⁽²⁾	Market Value of Shares or Units of Stock Held That Have Not Yet Vested (\$) ⁽²⁾	Equity Incentive Plan Awards; Number of Shares, Units or Other Rights That Have Not Yet Vested (#) ⁽³⁾	Equity Incentive Plan Awards; Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Yet Vested (\$) ⁽³⁾
Sean J. Kerins	02/17/2015	11,783	—	62.13	02/16/2025	—	—	—	—	—
	02/23/2016	14,880	—	56.43	02/22/2026	—	—	—	—	—
	02/21/2017	14,370	—	73.86	02/19/2027	—	—	—	—	—
	02/20/2018	14,054	—	81.95	02/18/2028	—	—	—	—	—
	02/19/2019	16,538	—	81.05	02/16/2029	—	—	—	—	—
	02/19/2020	18,211	—	79.22	02/19/2030	—	—	—	—	—
	—	—	—	—	—	02/17/2021	2,699	305,311	—	—
	—	—	—	—	—	02/16/2022	4,502	509,266	—	—
	—	—	—	—	—	06/01/2022	2,502	283,026	—	—
	—	—	—	—	—	02/15/2023	12,061	1,364,340	—	—
	—	—	—	—	—	02/21/2024	17,378	1,965,799	—	—
	—	—	—	—	—	02/16/2022	—	—	9,006 ⁽⁴⁾	1,018,759
	—	—	—	—	—	06/01/2022	—	—	5,007 ⁽⁵⁾	566,392
	—	—	—	—	—	02/15/2023	—	—	16,083 ⁽⁶⁾	1,819,309
Rajesh K. Agrawal	—	—	—	—	—	—	—	—	17,378 ⁽⁷⁾	1,965,799
	—	—	—	—	—	09/14/2022	20,178	2,282,535	—	—
	—	—	—	—	—	02/15/2023	6,634	750,438	—	—
	—	—	—	—	—	02/21/2024	9,558	1,081,201	—	—
	—	—	—	—	—	02/15/2023	—	—	8,845 ⁽⁶⁾	1,000,546
Eric C. Nowak	02/19/2019	7,166	—	81.05	02/16/2029	—	—	—	9,558 ⁽⁷⁾	1,081,201
	02/19/2020	7,891	—	79.22	02/19/2030	—	—	—	—	—
Eric C. Nowak	—	—	—	—	—	02/17/2021	763	86,311	—	—
	—	—	—	—	—	02/16/2022	1,370	154,974	—	—
	—	—	—	—	—	02/16/2022	3,916 ⁽¹⁰⁾	442,978	—	—
	—	—	—	—	—	02/15/2023	2,111	238,796	—	—
	—	—	—	—	—	02/21/2024	3,042	344,111	—	—
	—	—	—	—	—	05/07/2024	1,181	133,595	—	—
	—	—	—	—	—	09/17/2024	3,858	436,417	—	—
	—	—	—	—	—	02/16/2022	—	—	2,741 ⁽⁴⁾	310,062
	—	—	—	—	—	02/15/2023	—	—	2,814 ⁽⁶⁾	318,320
	—	—	—	—	—	02/21/2024	—	—	3,041 ⁽⁷⁾	343,998
	—	—	—	—	—	05/07/2024	—	—	1,181 ⁽⁶⁾	133,595
Gretchen K. Zech	—	—	—	—	—	09/17/2024	—	—	3,858 ⁽⁹⁾	436,417
	02/21/2017	2,936	—	73.86	02/19/2027	—	—	—	—	—
	02/20/2018	10,810	—	81.95	02/18/2028	—	—	—	—	—
	02/19/2019	14,331	—	81.05	02/16/2029	—	—	—	—	—
	02/19/2020	15,785	—	79.22	02/19/2030	—	—	—	—	—
	—	—	—	—	—	02/17/2021	1,525	172,508	—	—
	—	—	—	—	—	02/16/2022	2,936	332,120	—	—
	—	—	—	—	—	02/15/2023	4,523	511,642	—	—
	—	—	—	—	—	02/21/2024	6,517	737,203	—	—
	—	—	—	—	—	02/16/2022	—	—	5,873 ⁽⁴⁾	664,354
	—	—	—	—	—	02/15/2023	—	—	6,031 ⁽⁶⁾	682,227
—	—	—	—	—	02/21/2024	—	—	6,517 ⁽⁷⁾	737,203	



2024 Outstanding Equity Awards at Fiscal Year-End										
Name	Option Awards					Stock Awards				
	Option Grant Date ⁽¹⁾	Number of Securities Underlying Unexercised Options – Exercisable (#) ⁽¹⁾	Number of Securities Underlying Unexercised Options – Unexercisable (#) ⁽¹⁾	Option Exercise Price (\$) ⁽¹⁾	Option Expiration Date ⁽¹⁾	Stock Award Grant Date	Number of Shares or Units of Stock Held That Have Not Vested (#) ⁽²⁾	Market Value of Shares or Units of Stock Held That Have Not Yet Vested (\$) ⁽²⁾	Equity Incentive Plan Awards; Number of Unearned Shares, Units or Other Rights That Have Not Yet Vested (#) ⁽³⁾	Equity Incentive Plan Awards; Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Yet Vested (\$) ⁽³⁾
Richard J. Marano	02/19/2019	551	—	81.05	02/16/2029	—	—	—	—	—
	02/19/2020	2,732	—	79.22	02/19/2030	—	—	—	—	—
	—	—	—	—	—	02/17/2021	587	66,401	—	—
	—	—	—	—	—	02/16/2022	1,076	121,717	—	—
	—	—	—	—	—	02/15/2023	1,809	204,634	—	—
	—	—	—	—	—	02/21/2024	5,214	589,808	—	—
	—	—	—	—	—	02/16/2022	—	—	2,153 ⁽⁴⁾	243,547
	—	—	—	—	—	02/15/2023	—	—	2,412 ⁽⁶⁾	272,845
	—	—	—	—	—	02/21/2024	—	—	5,213 ⁽⁷⁾	589,695
	—	—	—	—	—	02/17/2021	1,173	132,690	—	—
Kristin D. Russell ⁽¹¹⁾	—	—	—	—	—	02/16/2022	2,349	265,719	—	—
	—	—	—	—	—	02/15/2023	3,920	443,430	—	—
	—	—	—	—	—	02/21/2024	5,648	638,902	—	—
	—	—	—	—	—	02/16/2022	—	—	4,699 ⁽⁴⁾	531,551
	—	—	—	—	—	02/15/2023	—	—	5,227 ⁽⁶⁾	591,278
	—	—	—	—	—	02/21/2024	—	—	5,648 ⁽⁷⁾	638,902
	—	—	—	—	—	—	—	—	—	—

- (1) These columns reflect the grant date, number of options exercisable and unexercisable, exercise price, and expiration date for all stock options under each award. All of the awards were issued under the Company's LTIP. Accordingly, all stock options: (a) have an exercise price equal to the closing market price of the Company's common stock on the grant date; (b) vested in four equal amounts on the first, second, third, and fourth anniversaries of the grant date; and (c) expire ten years after the grant date.
- (2) These columns reflect the number of unvested RSUs held by each NEO under each award and the associated value. The dollar value of those units is calculated using the closing market price of the Company's common stock on December 31, 2024. Except as otherwise noted, the RSUs reported in this column vest in four equal amounts on the grant date's first, second, third, and fourth anniversaries.
- (3) These columns show the number of shares of Arrow common stock each NEO would receive under each grant of PSUs, assuming that the performance criteria achievement is 100%. The dollar value of those stock units is calculated using the closing market price of the Company's common stock on December 31, 2024. PSUs vest, if at all, depending on whether vesting conditions are met after the end of the three-year performance period and after the Compensation Committee determines the attainment level.
- (4) These PSUs vest upon the Compensation Committee's certification of our Company's cumulative achievement of specific three-year EPS growth goals compared to the EPS growth of Arrow's Peer Group and Arrow's three-year average ROIC in excess of its three-year WACC over the 2022 to 2024 performance period. Due to the cumulative goals, the amounts reported in this column are based on target achievement of the applicable performance goals.
- (5) These PSUs vest upon the Compensation Committee's certification of our Company's cumulative achievement of specific three-year EPS growth goals compared to the EPS growth of Arrow's Peer Group and Arrow's three-year average ROIC in excess of its three-year WACC over the 2022 to 2024 performance period. Due to the cumulative goals, the amounts reported in this column are based on target achievement of the applicable performance goals.
- (6) These PSUs vest upon the Compensation Committee's certification of our Company's cumulative achievement of specific three-year EPS growth goals compared to the EPS growth of Arrow's Peer Group and Arrow's three-year average ROIC in excess of its three-year WACC over the 2023 to 2025 performance period. Due to the cumulative goals, the amounts reported in this column are based on target achievement of the applicable performance goals.
- (7) These PSUs vest upon the Compensation Committee's certification of our Company's cumulative achievement of specific three-year EPS growth goals compared to the EPS growth of Arrow's Peer Group and Arrow's three-year average ROIC in excess of its three-year WACC over the 2024 to 2026 performance period. Due to the cumulative goals, the amounts reported in this column are based on target achievement of the applicable performance goals.
- (8) These PSUs vest upon the Compensation Committee's certification of our Company's cumulative achievement of specific three-year EPS growth goals compared to the EPS growth of Arrow's Peer Group and Arrow's three-year average ROIC in excess of its three-year WACC over the 2024 to 2026 performance period. Due to the cumulative goals, the amounts reported in this column are based on target achievement of the applicable performance goals.
- (9) These PSUs vest upon the Compensation Committee's certification of our Company's cumulative achievement of specific three-year EPS growth goals compared to the EPS growth of Arrow's Peer Group and Arrow's three-year average ROIC in excess of its three-year WACC over the 2024 to 2026 performance period. Due to the cumulative goals, the amounts reported in this column are based on target achievement of the applicable performance goals.
- (10) These RSUs vest 100% on the third anniversary of the grant date.
- (11) In exchange for Ms. Russell signing a general release of claims in favor of the Company, Ms. Russell's unvested equity awards will continue to vest in accordance with their respective vesting schedules until her eighteen-month severance period ends on October 2, 2025.

The following table sets forth the maximum potential number of PSUs which may be awarded to each of the NEOs for PSU awards granted in 2024, 2023, and 2022. For more information, please see the “Long-Term Incentive Awards” section in the CD&A.

Name	Maximum Performance Stock Units		
	2022	2023	2024
Sean J. Kerins	25,924	29,754	32,149
Rajesh K. Agrawal	—	16,363	17,682
Eric C. Nowak	5,071	5,206	14,948
Gretchen K. Zech	10,865	11,157	12,056
Richard J. Marano	3,983	4,462	9,644
Kristin D. Russell ⁽¹⁾	8,693	—	—

(1) Award amounts for Ms. Russell are reflective of awards that will continue to vest under the Severance Policy in accordance with their respective vesting schedules until her eighteen-month severance period ends on October 2, 2025.

STOCK VESTED AND OPTIONS EXERCISED IN 2024

The following table provides information concerning the value realized by each NEO upon the vesting of RSUs and PSUs and the exercise of stock options during 2024.

The value realized on the vesting of RSUs and PSUs is based on the number of shares vesting and the closing market price of the Company’s common stock on the vesting date. The value realized on the exercise of stock options shown below is based on the difference between the exercise price per share paid by the executive and the closing market price of the Company’s common stock on the exercise date.

Name	Options Exercised and Stock Vested			
	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
Sean J. Kerins	—	—	26,523	3,074,546
Rajesh K. Agrawal	—	—	12,301	1,506,204
Eric C. Nowak	—	—	6,936	799,027
Gretchen K. Zech	—	—	14,072	1,620,814
Richard J. Marano	—	—	5,371	618,688
Kristin D. Russell	1,821	78,813	10,701	1,232,706



2024 NONQUALIFIED DEFERRED COMPENSATION

The Executive Deferred Compensation Plan (“EDCP”) was frozen to new contributions as of December 31, 2019. None of the current NEOs participated in the EDCP. The EDCP allows participants to direct their plan assets among the same investment choices as available under the Arrow Electronics, Inc. 401(k) Savings Plan. Distribution options include in-service withdrawals or lump sum payments made at the time of separation from service.

SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

Arrow maintains a non-qualified Supplemental Executive Retirement Plan under which the Company will pay pension benefits to certain employees upon retirement or as a result of certain other termination events. Ten current executives participate in the SERP as of December 31, 2024. The Board determines participant eligibility, and each U.S.-based NEO employed by the Company as of December 31, 2024, participates in the SERP.

The typical gross SERP benefit is calculated by multiplying 2.5% of final average compensation (salary plus targeted incentive compensation) by the participant’s years of credited service (SERP participation) up to a maximum of eighteen years. Final average compensation is ordinarily the highest average of any three years during the participant’s final five years of service. Both final average compensation and service are frozen as of normal retirement date (generally age 60, unless otherwise specified in written notice to a participant from the Board). The gross benefit is reduced by the value of hypothetical defined contribution plan contributions and 50% of Social Security benefits.

The benefit described above is payable at normal retirement age for participants who remain in service until that time. In addition, participants are eligible for early retirement at age 55 or when combined years of age and service equals at least 72, if later. Benefits are reduced by 7% for each year that retirement precedes normal retirement age. Except as provided below, no benefits are payable for termination prior to retirement eligibility, and no benefits are payable if a retired participant dies before payments commence. The normal form of benefits provided is a single life annuity with sixty monthly payments guaranteed. Other monthly annuity payment forms are also available.

The years of credited service for each of the NEOs and the present value of their respective accumulated benefits as of December 31, 2024, are set out in the following table. None of the NEOs received any payments under the SERP in or with respect to 2024. As of December 31, 2024, Mr. Kerins was the only NEO eligible for normal retirement. The present value calculation assumes each recipient remains employed until normal retirement age (generally at age 60) or December 31, 2024, for those beyond normal retirement age. The remainder of the assumptions underlying the calculation of the present value of the benefits are discussed in Note 13 to the Company’s Consolidated Financial Statements in its Annual Report on Form 10-K for the year ended December 31, 2024.



Pension Benefits			
Name	Number of Years of Credited Service (#)	Present Value of Accumulated Benefit (\$)	Payments During Last Fiscal Year (\$)
Sean J. Kerins	10.58	9,125,236	—
Rajesh K. Agrawal	2.25	800,668	—
Eric C. Nowak ⁽¹⁾	—	—	—
Gretchen K. Zech	13.08	4,489,350	—
Richard J. Marano ⁽²⁾	1.25	—	—
Kristin D. Russell ⁽³⁾	—	—	—

(1) As Mr. Nowak is employed in France, he is not eligible for SERP participation.

(2) As Mr. Marano's SERP participation prior to age 60 was of short duration and he had large defined contribution offsets, his SERP benefits are reduced to zero in accordance with the terms of the plan.

(3) As Ms. Russell was not eligible for retirement at the time of her departure, Ms. Russell forfeited her SERP benefits upon her separation in April 2024.

The SERP provides that if a participant's employment is terminated involuntarily without "cause" or voluntarily for "good reason," in either case within two years after a "change in control" of the Company, the participant will receive an annual benefit under the SERP upon reaching age 60. The payment amount is based on the amount accrued up to the time of the termination. No payments will be made if the participant is not yet age 50 at the time of the "change in control" related termination.

Should a participant become disabled before retiring, their accrued SERP benefits will generally commence at age 60, subject to reduction for Company-paid disability benefits received for the same payment period and termination prior to age 60.

Benefits under the SERP may terminate, with no further obligation to the recipient, if the participant becomes involved with an entity that competes with Arrow (except for limited ownership of stock in a publicly traded company).

The present values of the SERP benefit accrued through year-end by the NEOs in the event of termination, death, disability, or a change in control of the Company are set forth in the table labeled "2024 Potential Payouts Upon Termination" below.



AGREEMENTS AND POTENTIAL PAYOUTS UPON TERMINATION OR CHANGE IN CONTROL

The Company does not enter into employment agreements with senior management. The Company does, however, have a Severance Policy and an Executive Change in Control Retention Agreement for its executives.

SEVERANCE POLICY

Under the current Severance Policy, upon an involuntary termination of employment of any of the NEOs without “cause,” the Company would pay such NEO a pro-rata portion of their annual cash incentive with respect to the year of termination plus their base salary and annual cash incentive (prorated as applicable) for eighteen months (twenty-four months for the CEO) (in each case, “Severance Period”). Salary continuation payments would be made in accordance with the Company’s customary payroll practices. Annual cash incentive awards, if any, would be paid on the date they are normally paid to the Company’s then-current executives. Each NEO also would receive continuation of health care benefit coverage at the same level of coverage through the Severance Period or equivalent benefits, as determined in the sole reasonable discretion of the Compensation Committee. The Company will also reimburse the NEO for the cost of outplacement services up to a maximum of \$50,000 (\$75,000 for the CEO). The Severance Policy imposes an affirmative duty on each NEO to seek substitute employment that is reasonably comparable to such NEO’s employment with the Company to mitigate the severance payments and benefits provided under the Severance Policy. The Company can offset certain of those sums earned elsewhere. The Severance Policy is subject to change at the discretion of the Compensation Committee.

As a condition to receiving these benefits, the Severance Policy requires the NEO to execute a general release of claims and a restrictive covenants agreement in favor of the Company. Generally, under the restrictive covenants agreement, the NEO must agree to covenants providing for (i) the confidentiality of the Company’s information, (ii) non-competition in specified businesses and industries, and (iii) non-solicitation of the Company’s employees and customers for a period equal to the Severance Period.

In the case of termination of the NEO’s employment without “cause,” their outstanding equity-based awards would continue to vest throughout the Severance Period. Equity-based awards that do not vest before the end of the Severance Period would be forfeited. Vested stock options would remain exercisable until the earlier of the expiration of the Severance Period or the expiration date as provided in the applicable award agreement.

Unvested equity-based awards held by NEOs would vest in the event of death or disability. Vested stock options would remain exercisable until the expiration of the Severance Period, or if earlier, the expiration date, as provided in the applicable award agreement. Also, any shares to which an NEO is entitled by reason of a vested PSU would be delivered within thirty days following the date of their death or disability.

PARTICIPATION AGREEMENTS

Each NEO who consented to the early termination of their employment and change in control agreements in 2013 was eligible to enter into a Participation Agreement with the Company (“Participation Agreement”). Under the Participation Agreement, the Company: (i) is prohibited from modifying or amending certain terms of the Severance Policy as they relate to that NEO and (ii) will provide severance benefits upon termination for “good reason” at a benefit level equal to that provided under the Severance Policy and upon an involuntary termination of employment without “cause” of such NEO. “Good reason” terminations include the executive terminating as a result of the Company reducing the executive’s base salary or incentive target; any adverse change in the executive’s position; and any material diminution in the executive’s duties, responsibilities, or authority. Ms. Zech was the only current NEO eligible to enter into a Participation Agreement, which she did. The Company does not expect to enter into any such Participation Agreements in the future.

CHANGE IN CONTROL RETENTION AGREEMENTS

Each of the continuing NEOs is a party to a Change in Control Retention Agreement. The purpose of the Change in Control Retention Agreements is to provide the NEOs with certain compensation and benefits in the event of an involuntary termination of employment without “cause” or resignation for “good reason,” in either case within twenty-four (24) months following a “change in control.” Termination for “cause” is defined in each Change in Control Retention Agreement to include terminations for a felony conviction; willful failure to perform duties; willful misconduct; and willful failure to abide by any lawful policy adopted by the Company. “Good reason” is defined in each Change in Control Retention Agreement to include the executive terminating as a result of the Company reducing the executive’s base salary or incentive target or the Company failing to pay any compensation to the executive when due; any adverse change in the executive’s position; and any material diminution in the executive’s duties, responsibilities, or authority.

Under the Change in Control Retention Agreements, the NEOs are eligible for compensation and benefits if, within twenty-four (24) months following a change in control, the NEO’s employment is terminated without “cause” by the Company or for “good reason” by the executive, each as defined in the Change in Control Retention Agreement. In such event, the terminated NEO is entitled to receive a lump sum cash payment in the aggregate of the following amounts: (i) all unpaid base salary, and earned but unpaid benefits and awards through the date of termination; (ii) three times for the CEO or two times for all other NEOs the sum of (a) the greater of such NEO’s annual base salary in effect immediately prior to the change in control date or the date of termination and (b) the greater of such NEO’s target annual cash incentive in effect immediately prior to the change in control date or the date of termination; (iii) a pro-rata annual cash incentive award for the calendar year of termination (determined based on actual performance); and (iv) continuation of coverage under the Company’s health care plan for a period not to exceed twenty-four months (thirty-six months for the CEO).

The estimated payments the NEOs would receive under their respective Change in Control Retention Agreements are set forth in the table labeled “Potential Payouts Upon Termination” below. However, the severance payments to the NEOs pursuant to Change in Control Retention Agreements may be limited in certain circumstances. Specifically, the Change in Control Retention Agreements provide that if an amount payable to an NEO would be treated as an “excess parachute payment” and would therefore reduce the tax deductibility by the Company and result in an excise tax being imposed on the NEO, then the severance payment will be reduced to a level sufficient to avoid these adverse consequences. However, if the severance payment amounts payable to the NEO, taking into account the effect of all of the applicable taxes, including the excise tax imposed, would be greater than the amount payable if the amount were reduced as described above, the NEO would receive this greater amount, without consideration for the impact this payment may have on the Company’s tax-deductibility of such payment.

The Change in Control Retention Agreement does not affect the rights and benefits to which NEOs are entitled under any of the Company’s equity compensation plans, which such rights and benefits are governed by the terms and conditions of the relevant plans and award agreements.



IMPACT OF SECTION 409A OF THE INTERNAL REVENUE CODE

Each of the Change in Control Retention Agreements between the Company and the U.S.-based NEOs has provisions that are intended to comply with Section 409A of the Internal Revenue Code by deferring any payment due upon termination of employment for up to six months to the extent required by Section 409A of the Internal Revenue Code. The Change in Control Retention Agreements also include an interest component to the amount due for the period of deferral (at the then-current six-month Treasury rate).

2024 POTENTIAL PAYOUTS UPON TERMINATION

The following table sets forth the estimated payments and value of benefits that each of the continuing NEOs would be entitled to receive under their Change in Control Retention Agreement and the Severance Policy, including Ms. Zech's Participation Agreement, in the event of the termination of employment under various scenarios, assuming that the termination occurred on December 31, 2024. The amounts represent the entire value of the estimated liability, even if some or all of that value has been disclosed elsewhere in this Proxy Statement. Actual amounts that the Company may pay out and the assumptions used in arriving at such amounts can only be determined at the time of each such NEO's termination or the change in control and could differ materially from the amounts set forth below.

The NEOs are not entitled to receive any payment at, following, or in connection with the termination of their employment for cause.

In both the table below and the Share-Based Award Agreement Terms Related to Post-Employment Scenarios table which follows it:

- > **Disability** refers to the executive becoming permanently and totally disabled during the term of employment;
- > **Termination Without Cause or Resignation for Good Reason** means that the executive is asked to leave the Company for some reason other than "cause" (as defined in the Severance Policy) or the executive voluntarily leaves the Company for "good reason" (as defined in Ms. Zech's Participation Agreement, which generally includes the Company failing to allow the executive to continue in a then-current or an improved position, or where the executive's reporting relationship is changed so that the executive no longer reports to the CEO, and as further defined in Ms. Zech's Participation Agreement);
- > **Change in Control Termination** means the occurrence of both a change in control of the Company and the termination of the executive's employment without "cause" or resignation for "good reason" within two years following the change in control; and
- > **Retirement** means the executive's voluntary departure at or after retirement age as defined by the Company's SERP (typically, age 60). As of December 31, 2024, Mr. Kerins was the only NEO eligible for normal retirement. Each executive is eligible for early retirement in the event that such executive reaches the age of 55 and the combined years of age and service equals at least seventy-two. Mr. Nowak participates in the broad-based retirement and benefit programs provided to employees in France and meets the retirement eligibility requirements. As a result, should he retire, equity award vesting continues in accordance with their respective vesting schedules and stock options would remain exercisable for the remainder of their original terms.



Kristin D. Russell – Separation Benefits

As noted in the CD&A, effective April 2, 2024, Ms. Russell separated from the Company. Due to her termination without cause and in exchange for Ms. Russell signing a general release of claims in favor of the Company, she became eligible for certain benefits pursuant to the Severance Policy during her eighteen-month severance period, which is expected to end on October 2, 2025. Pursuant to the Severance Policy, Ms. Russell is eligible to receive monthly salary continuation payments during the Severance Period in the amount of \$825,000. Pursuant to the Severance Policy, Ms. Russell received a severance pro-rata bonus and a severance period bonus totaling \$295,335. The severance pro-rata bonus was calculated based on the Company's achievement of the financial and strategic performance goals and prorated for the period she was actively employed. The severance period bonus was calculated based on the Company's achievement of the financial goals and prorated for the first nine months of her severance period, April 3 through December 31, 2024. Ms. Russell may receive additional severance period bonuses based only on the Company's achievement of the financial goals and prorated for the remainder of the severance period. Assuming 100% achievement of the financial goals, Ms. Russell would be eligible to receive \$414,370 of additional severance period bonus payments in the future. The following equity awards are expected to vest during the severance period in accordance with their respective vesting schedules (the estimated values are based on the Company's closing stock price as of December 31, 2024 and assuming target performance in the case of the PSUs): 4,699 PSUs valued at \$531,551 and 5,067 RSUs valued at \$573,179, with the remainder of her unvested equity awards being forfeited. Ms. Russell received a severance benefit subsidy in the amount of \$34,387 and is eligible to receive reimbursement for up to \$50,000 in outplacement services. Further, as Ms. Russell was not eligible for retirement at the time of her departure, she will not receive any SERP benefit payments.



Potential Payouts Upon Termination						
Name	Benefit	Death (\$) ⁽¹⁾	Disability (\$) ⁽²⁾	Termination Without Cause or Resignation for Good Reason (\$) ^{(3) (4)}	Change in Control Termination (\$) ⁽⁵⁾	Retirement (\$) ^{(6) (7)}
Sean J. Kerins	Severance Payment	—	—	2,000,000	9,000,000	—
	Prorated Annual Cash Incentive	2,000,000	2,000,000	2,000,000	2,000,000	—
	Annual Cash Incentive (Severance)	—	—	2,800,000	—	—
	TOTAL Annual Cash Incentives	2,000,000	2,000,000	4,800,000	2,000,000	—
	Performance Stock Unit Awards ⁽⁸⁾	5,370,259	5,370,259	5,370,259	5,370,259	5,370,259
	Restricted Stock Unit Awards ⁽⁸⁾	4,427,743	4,427,743	4,427,743	4,427,743	4,427,743
	TOTAL Long-Term Incentive Awards	9,798,002	9,798,002	9,798,002	9,798,002	9,798,002
	Management Insurance Benefit	12,000,000	—	—	—	—
	Welfare Benefits Continuation	—	3,918	15,890	17,877	—
	Outplacement Services	—	—	75,000	—	—
	Supplemental Executive Retirement Plan	—	9,051,608	9,125,236	9,051,608	9,125,236
TOTAL	23,798,002	20,853,528	25,814,128	29,867,487	18,923,238	
Rajesh K. Agrawal	Severance Payment	—	—	1,050,000	2,800,000	—
	Prorated Annual Cash Incentive	700,000	700,000	700,000	700,000	—
	Annual Cash Incentive (Severance)	—	—	735,000	—	—
	TOTAL Annual Cash Incentives	700,000	700,000	1,435,000	700,000	—
	Performance Stock Unit Awards ⁽⁸⁾	2,081,747	2,081,747	1,000,546	2,081,747	—
	Restricted Stock Unit Awards ⁽⁸⁾	4,114,174	4,114,174	2,182,311	4,114,174	—
	TOTAL Long-Term Incentive Awards	6,195,921	6,195,921	3,182,857	6,195,921	—
	Management Insurance Benefit	5,600,000	—	—	—	—
	Welfare Benefits Continuation	—	7,763	23,613	31,484	—
	Outplacement Services	—	—	50,000	—	—
	Supplemental Executive Retirement Plan	—	751,774	—	793,412	—
TOTAL	12,495,921	7,655,458	5,741,470	10,520,817	—	
Eric C. Nowak	Severance Payment	—	—	1,092,384	2,913,024	—
	Prorated Annual Cash Incentive	728,256	728,256	728,256	728,256	—
	Annual Cash Incentive (Severance)	—	—	764,669	—	—
	TOTAL Annual Cash Incentives	728,256	728,256	1,492,925	728,256	—
	Performance Stock Unit Awards ⁽⁸⁾	1,542,391	1,542,391	1,542,391	1,542,391	1,542,391
	Restricted Stock Unit Awards ⁽⁸⁾	1,837,182	1,837,182	1,837,182	1,837,182	1,837,182
	TOTAL Long-Term Incentive Awards	3,379,573	3,379,573	3,379,573	3,379,573	3,379,573
	Management Insurance Benefit	—	—	—	—	—
	Welfare Benefits Continuation	—	—	—	—	—
	Outplacement Services	—	—	—	—	—
	Supplemental Executive Retirement Plan	—	—	—	—	—
TOTAL	4,107,829	4,107,829	5,964,882	7,020,853	3,379,573	



Potential Payouts Upon Termination						
Name	Benefit	Death (\$) ⁽¹⁾	Disability (\$) ⁽²⁾	Termination Without Cause or Resignation for Good Reason (\$) ^{(3) (4)}	Change in Control Termination (\$) ⁽⁵⁾	Retirement (\$) ^{(6) (7)}
Gretchen K. Zech	Severance Payment	—	—	1,012,500	2,700,000	—
	Prorated Annual Cash Incentive	675,000	675,000	675,000	675,000	—
	Annual Cash Incentive (Severance)	—	—	708,750	—	—
	TOTAL Annual Cash Incentives	675,000	675,000	1,383,750	675,000	—
	Performance Stock Unit Awards ⁽⁸⁾	2,083,784	2,083,784	1,346,580	2,083,784	—
	Restricted Stock Unit Awards ⁽⁸⁾	1,753,473	1,753,473	1,214,456	1,753,473	—
	TOTAL Long-Term Incentive Awards	3,837,257	3,837,257	2,561,036	3,837,257	—
	Management Insurance Benefit	5,400,000	—	—	—	—
	Welfare Benefits Continuation	—	7,426	22,588	30,117	—
	Outplacement Services	—	—	50,000	—	—
	Supplemental Executive Retirement Plan	—	3,163,871	—	4,447,355	—
TOTAL	9,912,257	7,683,554	5,029,874	11,689,729	—	
Richard J. Marano	Severance Payment	—	—	750,000	2,000,000	—
	Prorated Annual Cash Incentive	500,000	500,000	500,000	500,000	—
	Annual Cash Incentive (Severance)	—	—	525,000	—	—
	TOTAL Annual Cash Incentives	500,000	500,000	1,025,000	500,000	—
	Performance Stock Unit Awards ⁽⁸⁾	1,106,087	1,106,087	516,393	1,106,087	—
	Restricted Stock Unit Awards ⁽⁸⁾	982,560	982,560	619,558	982,560	—
	TOTAL Long-Term Incentive Awards	2,088,647	2,088,647	1,135,951	2,088,647	—
	Management Insurance Benefit	4,000,000	—	—	—	—
	Welfare Benefits Continuation	—	8,354	25,409	33,879	—
	Outplacement Services	—	—	50,000	—	—
	Supplemental Executive Retirement Plan	—	—	—	—	—
TOTAL	6,588,647	2,597,001	2,986,360	4,622,526	—	

The benefits listed below are provided in accordance with the Executive Change in Control Retention Agreement, the Severance Policy, applicable equity award agreements, the Management Insurance Program, and the Supplemental Executive Retirement Plan.

(1) Death

- (a) A prorated annual cash incentive award for the calendar year of termination, based upon actual performance, amount displayed is at target
- (b) Immediate vesting of all unvested equity awards
- (c) A lump-sum cash payment equal to four times the executive's target total cash compensation, net of tax and payable under the Management Insurance Program
 - i. As Mr. Nowak is employed in France, he participates in the broad-based retirement and benefit programs provided to employees in France and is not eligible for the Management Insurance Program

(2) Disability

- (a) A prorated annual cash incentive award for the calendar year of termination, based upon actual performance; amount displayed is at target
- (b) Immediate vesting of all unvested equity awards
- (c) Continued medical coverage under Arrow's health plan for one-hundred eighty days
 - i. As Mr. Nowak is employed in France, he participates in the broad-based retirement and benefit programs provided to employees in France and is not eligible for medical coverage under Arrow's health plan
- (d) SERP benefit payments begin at normal retirement date but are reduced by the Early Payment Discount to reflect the date of disability

(3) Termination Without Cause

- (a) A prorated annual cash incentive award for the calendar year of termination, based upon actual performance, amount displayed is at target



- (b) During the eighteen-month severance period (twenty-four-month severance period for the CEO)
 - i. Salary continuation
 - ii. Annual cash incentive award, based upon actual performance, but adjusted for 0% achievement on strategic goal performance
 - iii. Equity award vesting continues
 - iv. Continued medical coverage under Arrow's health plan or equivalent cash value
 - a. As Mr. Nowak is employed in France, he participates in the broad-based retirement and benefit programs provided to employees in France and is not eligible for medical coverage under Arrow's health plan
- (c) SERP benefit payments begin if the termination date is after the earliest retirement date
- (d) Reimbursement for outplacement expenses – up to \$50,000 (\$75,000 for the CEO)
 - i. As Mr. Nowak is employed in France, he participates in the broad-based retirement and benefit programs provided to employees in France and is not eligible for this benefit
- (e) If eligible for normal retirement, equity award vesting continues in accordance with their respective vesting schedules; stock options would remain exercisable for the remainder of their original term
- (4) As of December 31, 2024, of the NEOs, only Ms. Zech was eligible to receive payments upon a resignation for "good reason." The numbers reflected for each of the other NEOs only apply in cases of termination without "cause."
 - i. As Mr. Nowak is employed in France, he participates in the broad-based retirement and benefit programs provided to employees in France and is not eligible medical coverage under Arrow's health plan
- (5) Change in Control Termination
 - (a) A lump-sum cash payment equal to two times the executive's target total cash compensation (three times for the CEO)
 - (b) A prorated annual cash incentive award for the calendar year of termination, based on actual performance, amount displayed is at target
 - (c) Immediate vesting of all unvested equity awards
 - (d) Continued medical coverage under Arrow's health plan for the earlier of (i) twenty-four months (thirty-six months for the CEO) after the termination date and (ii) attaining age 65
 - i. As Mr. Nowak is employed in France, he participates in the broad-based retirement and benefit programs provided to employees in France and is not eligible medical coverage under Arrow's health plan
 - (e) SERP benefit payments begin at age 60 based upon Years of SERP Participation as of the termination date, but with no Early Payment Discount
 - (f) Under the terms of the Change in Control Retention Agreements, if the payments and benefits to a NEO under his or her respective Change in Control Retention Agreement or another plan, arrangement or agreement would subject the NEO to the excise tax imposed by Section 4999 of the Internal Revenue Code, then such payments will be reduced by the minimum amount necessary to avoid such excise tax, if such reduction would result in the NEO receiving a higher net after-tax amount. The amounts reflected in this table do not reflect the application of any reduction in compensation or benefits pursuant to the terms of the Change in Control Retention Agreements.
- (6) Retirement
 - (a) If eligible for normal retirement, equity award vesting continues in accordance with their respective vesting schedules; stock options would remain exercisable for the remainder of their original term
 - (b) SERP benefit payments begin if the termination date is after the earliest retirement date
- (7) Mr. Kerins was eligible for normal retirement as of April 1, 2022 and Mr. Nowak is eligible for retirement under his French pension scheme, a statutory plan not maintained by the Company
- (8) Long-Term Incentive Awards
 - (a) The categories "Performance Stock Unit Awards" and "Restricted Stock Unit Awards" include restricted award grants made to the NEOs that were subject to performance criteria that required the Company to achieve non-GAAP net income greater than zero or they would be canceled
 - (b) PSUs and RSUs are valued as of the closing market price of the Company's common stock on December 31, 2024

PERFORMANCE STOCK UNIT, RESTRICTED STOCK UNIT, AND NON-QUALIFIED STOCK OPTION AWARD AGREEMENTS

The various share and share-based awards made to the NEOs are evidenced by written agreements, each of which contains provisions addressing alternative termination scenarios. The provisions applicable to NEOs are summarized in the following table for grants in 2024.

Share-Based Award Agreement Terms Related to Post-Employment Scenarios						
Award Type	Death or Disability	Termination Without Cause or Resignation for Good Reason (1)	Involuntary Termination Without Cause or for Good Reason Within Two Years Following a Change in Control	Retirement at Normal Retirement Age	Involuntary Termination for Cause	Voluntary Resignation
Performance Stock Units	If the performance period has ended, any remaining unvested awards vest immediately based on performance criteria achievement. If the performance period has not ended, the target number of awards vest immediately.	Awards with vesting dates falling within the Severance Period (as described in the Severance Policy) will vest, contingent upon satisfaction of performance criteria, if applicable, but subject to forfeiture in the event of a non-compete violation.	If the performance period has ended, any remaining unvested awards vest immediately. If the performance period has not ended, the target number of awards vest immediately.	Vesting continues on schedule (based on performance during the performance period), subject to forfeiture in the event of a non-compete violation.	Unvested awards are forfeited.	Unvested awards are forfeited.
Restricted Stock Units	Unvested awards vest immediately.	Awards with vesting dates falling within the Severance Period (as described in the Severance Policy) will vest, contingent upon satisfaction of performance criteria, if applicable, but subject to forfeiture in the event of a non-compete violation.	Unvested awards vest immediately.	Vesting continues on schedule, subject to forfeiture in the event of a non-compete violation.	Unvested awards are forfeited.	Unvested awards are forfeited.
Stock Options	All options vest immediately and remain exercisable until the original expiration date (ten years from the grant date).	Options with vesting dates falling within the Severance Period (as described in the Severance Policy) will vest, contingent upon satisfaction of performance criteria, if applicable, but subject to forfeiture in the event of a non-compete violation. All vested options remain exercisable until the earlier of the expiration of the Severance Period or the applicable stock option award.	All options vest immediately, and the entire award is exercisable until the original expiration date (ten years from the grant date).	Unvested options continue to vest on schedule. Options remain exercisable for the lesser of 7 years from the grant date or the remaining term of the option. All options are subject to forfeiture in the event of a non-compete violation.	Vested and unvested options are forfeited.	Unvested options are forfeited. Vested options remain exercisable for 90 days following termination.

(1) Of the 2024 NEOs, as of December 31, 2024, only Ms. Zech is eligible for the rights described upon a resignation for “good reason.” The rights described in this column apply to the other NEOs only if terminated without “cause.”

CEO PAY RATIO

In compliance with the pay ratio disclosure requirement of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Company is providing the following information about the ratio of the annual total compensation paid to the individual identified as its median paid employee and the annual total compensation of the CEO, Mr. Kerins.

The 2024 annual total compensation of the individual identified as the median-paid employee, other than the Company's CEO, was \$54,613. Mr. Kerins' 2024 annual total compensation was \$8,229,294, as reported in the "2024 Summary Compensation Table." As a result, we estimate that for 2024, the ratio of these amounts was 1-to-151. We believe this pay ratio is a reasonable estimate calculated in a manner consistent with applicable SEC rules and based on payroll and employment records and the methodology described above. The estimates and assumptions that we use may differ from those used by other companies, including those in our Peer Group described in the CD&A.

The following summarizes the methodology, material assumptions, adjustments, and estimates the Company used for calculating the CEO pay ratio:

- > **Employee Measurement Date:** The Company utilized the entire global population of approximately 21,520 eligible employees on December 31, 2024.
- > **Exclusions:** The number of US and non-US employees prior to exemption were approximately 4,270 and 17,250, respectively. Employees from the following non-US jurisdictions that collectively constitute 5% or less of the total global workforce were excluded: Egypt (800), Japan (229), Philippines (28), and Argentina (12). The total number of employees excluded was approximately 1,100. Therefore, the total number of US and non-US employees used in the final analysis was 4,270 and 16,150, respectively.
- > **Compensation Time Period:** The Company measured compensation for the above employees using the 12-month period ending December 31, 2024.
- > **Determining the Median Paid Employee:** While total annual compensation for each of the median employee and the CEO is used to calculate the pay ratio, the SEC allows companies to use a different compensation measure for identifying the median employee. We used target total cash (base + target bonus) as the consistently applied compensation measure to identify the median paid employee.
Base pay for hourly employees was calculated based on a reasonable estimate of hours worked in 2024 and on salary levels for all remaining employees.
Using this methodology, the Company identified its 2024 median paid employee, a full-time, hourly employee, located in the United States.
- > **Determining Median Paid Employee's Pay for CEO Ratio:** The individual identified as the median paid employee had an annual compensation in the amount of \$54,613 for fiscal 2024, calculated in accordance with the requirements of Item 402(c)(2)(x) of Regulation S-K.
- > **Determining the CEO's Pay for CEO Ratio:** With respect to the annual total compensation of the CEO, the Company used the amount reported in the "Total" column of our 2024 Summary Compensation Table included in this Proxy Statement.



Alternative Pay Ratio

As an alternative approach in determining Mr. Kerins' compensation for purposes of calculating the CEO Pay Ratio, we adjusted the compensation reported in the 2024 Summary Compensation Table to exclude the change in pension value reported in the Change in Pension Value and Nonqualified Deferred Compensation Earnings column. The amounts reported in the Total Without Change in Pension Value column may differ substantially from the amounts reported in the Total column required under SEC rules and are not a substitute for total compensation. The change in pension value is subject to many external variables, such as interest rates, assumptions about life expectancy and changes in the discount rate determined at each year end, which are functions of economic factors and actuarial calculations that are not related to the Company's performance and are outside the control of the Compensation Committee.

This adjustment resulted in total annual compensation of \$6,428,390, and an adjusted pay ratio of approximately 1-to-118. We believe excluding the Change in Pension Value from the CEO's total annual compensation for purposes of calculating the pay ratio results in a more meaningful comparison of ongoing CEO compensation to the median of the annual total compensation of all employees, particularly when viewed over a period of time.

PAY VERSUS PERFORMANCE

In accordance with rules adopted by the SEC pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “Rules”), the following table sets forth information regarding the relationship between “compensation actually paid” as calculated per the Rules, and certain financial performance measures of Arrow for the years ended December 31, 2024, 2023, 2022, 2021, and 2020 for each individual who served as our Principal Executive Officer (“PEO”) and our other NEOs during each year. Refer to the “Executive Compensation” section in the CD&A for further information concerning the Company’s variable pay-for-performance philosophy and how the Company aligns executive compensation with Company performance, and how the Compensation Committee makes its decisions.

Year ¹ (a)	Summary Compensation Table Total for First PEO ² (b)	Summary Compensation Table Total for Second PEO ² (c)	Compensation Actually Paid to First PEO ³ (d)	Compensation Actually Paid to Second PEO ³ (e)	Average Summary Compensation Table Total for Non-PEO NEOs ² (f)	Average Compensation Actually Paid to Non-PEO NEOs ³ (g)	Value of Initial Fixed \$100 Investment Based On:		Net Income (in millions) ⁶ (j)	Absolute EPS ⁷ (k)
							Arrow's Total Shareholder Return ⁴ (h)	Peer Group Total Shareholder Return ⁵ (i)		
2024	\$8,229,294	n/a	\$6,233,382	n/a	\$2,895,533	\$2,176,724	\$133	\$213	\$ 392	\$10.83
2023	\$8,891,814	n/a	\$8,801,499	n/a	\$3,224,995	\$3,983,576	\$144	\$181	\$ 904	\$17.06
2022	\$7,478,225	\$11,550,022	\$8,049,694	\$6,516,685	\$2,734,955	\$2,070,990	\$123	\$140	\$1,427	\$23.13
2021	n/a	\$12,880,838	n/a	\$24,843,768	\$3,902,722	\$6,736,978	\$158	\$157	\$1,108	\$15.60
2020	n/a	\$11,703,943	n/a	\$14,433,945	\$3,705,149	\$4,146,853	\$115	\$106	\$584	\$7.92

(1) NEOs included in these columns reflect the following:

Year	PEOs	Non-PEO NEOs
2024	Sean J. Kerins (PEO 1)	Rajesh K. Agrawal, Eric C. Nowak, Gretchen K. Zech, Richard J. Marano, Kristin D. Russell
2023	Sean J. Kerins (PEO 1)	Rajesh K. Agrawal, Gretchen K. Zech, Kristin D. Russell, Carine L. Jean-Claude, Michael J. Long, Kirk D. Schell
2022	Sean J. Kerins (PEO 1) Michael J. Long (PEO 2)	Rajesh K. Agrawal, Kirk D. Schell, Gretchen K. Zech, Vincent P. Melvin, Richard A. Seidlitz, Christopher D. Stansbury
2021	Michael J. Long (PEO 2)	Sean J. Kerins, Christopher D. Stansbury, Gretchen K. Zech, Vincent P. Melvin
2020	Michael J. Long (PEO 2)	Sean J. Kerins, Christopher D. Stansbury, Gretchen K. Zech, Andrew D. King

(2) Amounts reflect the “Summary Compensation Table” for our NEOs as disclosed for the applicable reporting year.

(3) The following table shows the adjustment to the total compensation reported in the “Summary Compensation Table” for the applicable reporting year for our PEOs, as well as the average for our other NEOs, to determine “compensation actually paid,” as computed in accordance with the Rules. Because “compensation actually paid,” as calculated per the Rules, requires the inclusion of equity awards as compensation prior to vesting of the awards, the amounts reported below do not reflect the actual compensation earned by or paid to our NEOs during the applicable year, with a significant portion of the “compensation actually paid” subject to forfeiture if the underlying vesting conditions are not achieved.



	2024		2023		2022		2021		2020		
	PEO 1	Non-PEO NEO Average	PEO 1	Non-PEO NEO Average	PEO 1	PEO 2	Non-PEO NEO Average	PEO 2	Non-PEO NEO Average	PEO 2	Non-PEO NEO Average
Total Compensation from the Summary Compensation Table	\$ 8,229,294	\$ 2,895,533	\$ 8,891,814	\$ 3,224,995	\$ 7,478,225	\$ 11,550,022	\$ 2,734,955	\$ 12,880,838	\$ 3,902,722	\$ 11,703,943	\$ 3,705,149
Adjustments for Pension											
Adjustment Summary Compensation Table Pension ^(a)	\$ (1,800,904)	\$ (187,956)	\$ (2,517,506)	\$ (455,737)	\$ (533,030)	\$ —	\$ —	\$ —	\$ (594,473)	\$ (979,530)	\$ (951,949)
Amount added for Current Year Service Cost ^(b)	\$ 789,487	\$ 246,134	\$ 762,082	\$ 269,720	\$ —	\$ (14,085)	\$ 273,214	\$ (13,682)	\$ 544,659	\$ (12,599)	\$ 528,740
Amount added for Prior Year Service Cost Impacting Current Year ^(b)	\$ —	\$ —	\$ —	\$ —	\$ 3,029,395	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total Adjustments for Pension	\$ (1,011,417)	\$ 58,178	\$ (1,755,424)	\$ (186,017)	\$ 2,496,365	\$ (14,085)	\$ 273,214	\$ (13,682)	\$ (49,814)	\$ (992,129)	\$ (423,209)
Adjustments for Equity Grants											
Adjustment for grant date values in the Summary Compensation Table ^(c)	\$ (4,000,068)	\$ (1,640,086)	\$ (4,000,040)	\$ (1,725,039)	\$ (3,500,063)	\$ (6,000,112)	\$ (1,615,082)	\$ (6,000,028)	\$ (1,625,076)	\$ (6,000,044)	\$ (1,475,005)
Year-end fair value of unvested awards granted in the current year ^(d)	\$ 3,931,599	\$ 1,360,833	\$ 3,932,171	\$ 1,511,458	\$ 2,930,470	\$ 4,913,326	\$ 1,492,162	\$ 7,563,832	\$ 2,048,625	\$ 7,369,405	\$ 1,957,883
Year-over-year difference of year-end fair values for unvested awards granted in prior years ^(d)	\$ (711,254)	\$ (210,710)	\$ 1,305,688	\$ 824,037	\$ (895,968)	\$ (2,095,192)	\$ (255,980)	\$ 10,018,282	\$ 2,368,526	\$ 4,051,168	\$ 776,509
Fair values at vest date for awards granted and vested in the current year ^(d)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Difference in fair values between prior year-end fair values and vest date fair values for awards granted in prior years ^(d)	\$ (204,772)	\$ (66,632)	\$ 427,290	\$ 451,940	\$ (459,335)	\$ (1,837,274)	\$ (225,767)	\$ 394,526	\$ 91,995	\$ (1,698,398)	\$ (394,474)
Forfeitures during the current year equal to the prior year-end fair value ^(d)	\$ —	\$ (220,392)	\$ —	\$ (117,798)	\$ —	\$ —	\$ (332,512)	\$ —	\$ —	\$ —	\$ —
Dividends or dividend equivalents not otherwise included in total compensation	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total Adjustments for Equity Awards	\$ (984,495)	\$ (776,987)	\$ 1,665,109	\$ 944,598	\$ (1,924,896)	\$ (5,019,252)	\$ (937,179)	\$ 11,976,612	\$ 2,884,070	\$ 3,722,131	\$ 864,913
Compensation Actually Paid	\$ 6,233,382	\$ 2,176,724	\$ 8,801,499	\$ 3,983,576	\$ 8,049,694	\$ 6,516,685	\$ 2,070,990	\$ 24,843,768	\$ 6,736,978	\$ 14,433,945	\$ 4,146,853

- The amounts reflect the change in the actuarial present value of the accumulated benefit under all defined benefit and actuarial pension plans reported in the "Change in Pension Value and Nonqualified Deferred Compensation Earnings" column in the "Summary Compensation Table" for the applicable year.
- The amounts represent the sum of the actuarial present value of the benefits under all defined benefit and actuarial pension plans attributable to services rendered during the indicated fiscal year and any plan modifications during the applicable year, calculated using the same methodology as used in the Company's financial statements under generally accepted accounting principles. The compensation actually paid for Sean Kerins (PEO 1) in the table above for fiscal year 2023 has been updated to remove \$2.7 million of prior service cost which was inadvertently included in the calculation. The update decreased the total compensation actually paid, as calculated in accordance with SEC executive compensation disclosure rules, from \$11.5 million to \$8.8 million for 2023.
- The amounts reflect the aggregate grant-date fair value reported in the "Stock Awards" and "Option Awards" columns in the "Summary Compensation Table" for the applicable year.
- In accordance with the Rules, the fair values of unvested and outstanding equity awards to our NEOs were remeasured starting on December 31, 2019, and subsequently as of each vesting date and as of the end of each fiscal year while the award remains unvested, during the years displayed in the table above. Fair values as of each measurement date were determined using valuation assumptions and methodologies (including volatility, dividend yield, risk-free interest rates, and probability of achievement of the underlying performance goals) that are generally consistent with those used to estimate fair value on the grant date under US GAAP.

For options, a Black-Scholes model was used to estimate the fair value as of the various measurement dates. We explain assumptions made in valuing equity awards on the grant date in the "Stock-Based Compensation Plans" section of the Notes to Consolidated Financial Statements contained in the Company's Annual Report on Form 10-K for the corresponding fiscal year.

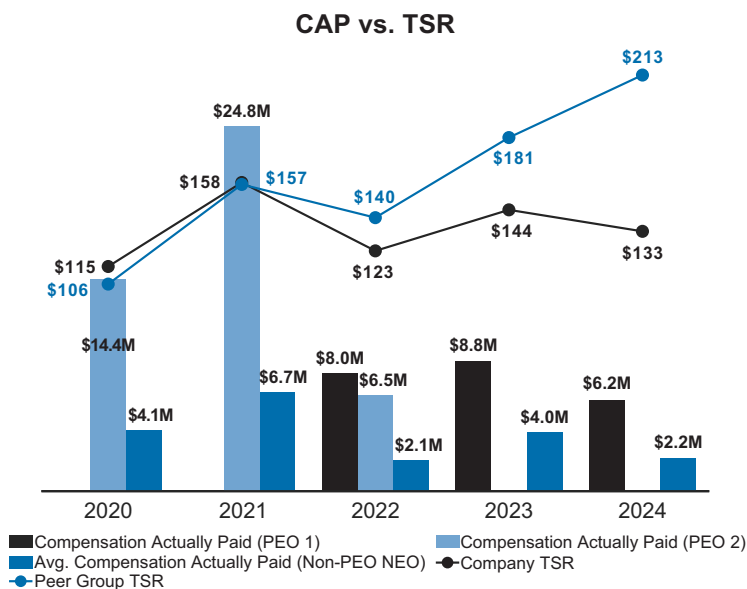
- The amounts in this column show changes over our past five fiscal years in the value of \$100 (assuming reinvestment of dividends) invested in Arrow's common shares traded on the NYSE.
- The amounts in this column show changes over the past five fiscal years in the value of \$100 (assuming reinvestment of dividends), invested in Arrow's peer group, consisting of Avnet, Inc., Celestica Inc., Flex Ltd., Jabil Inc., WESCO International, Inc., CDW Corp., HP Inc., HP Enterprise Co., and TD SYNNEX Corp.
- The dollar amounts reported represent the amount of net income reflected in the Company's audited financial statements in its Annual Report on Form 10-K for the applicable year.
- While we use numerous financial and non-financial performance measures to evaluate performance under our compensation programs, Absolute EPS is the financial performance measure that, in our assessment, represents the most important performance measure used to link "compensation actually paid" to NEOs to Company performance in 2024. Absolute EPS determines the payout with respect to 70% of our 2024 annual cash incentive. See Appendix to this Proxy Statement for a reconciliation of Absolute EPS to the most directly comparable GAAP measure.



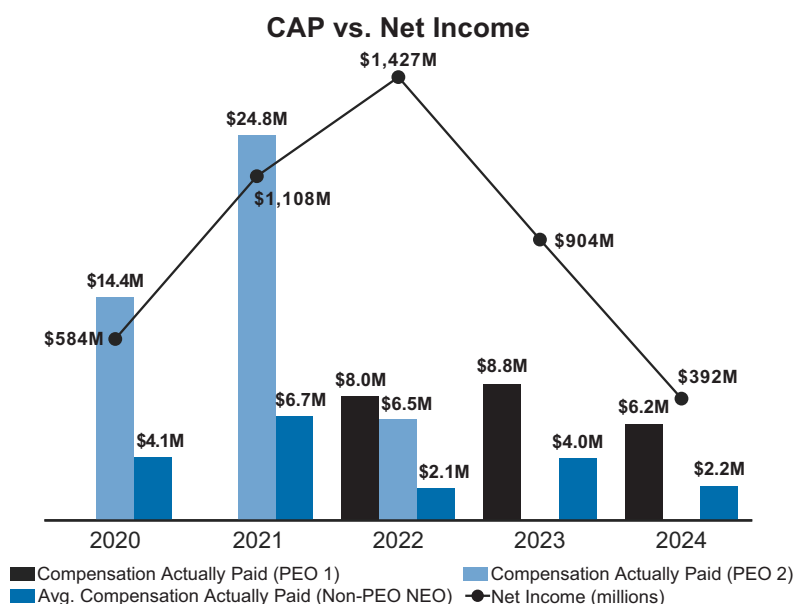
Required Relationship Disclosure

In accordance with the Rules, Arrow is providing the following representation of the relationships between the information presented in the Pay versus Performance table.

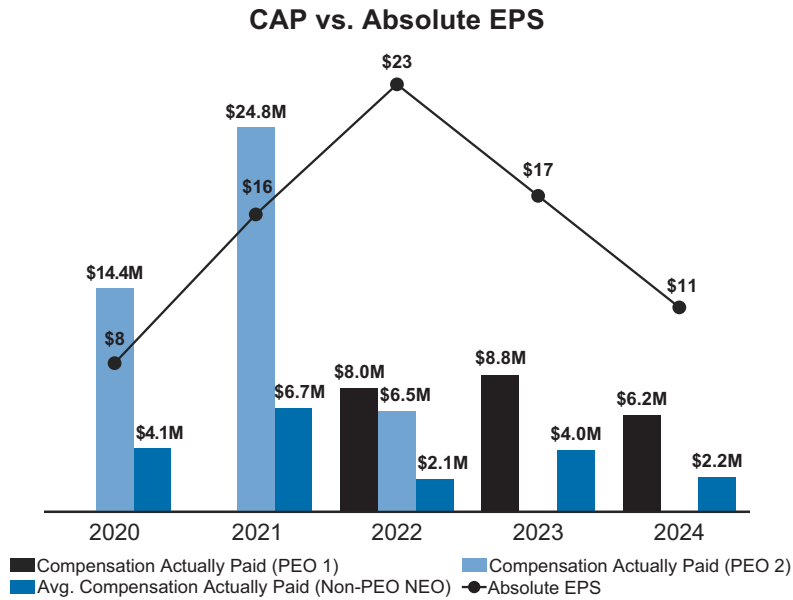
Compensation Actually Paid and Cumulative TSR



Compensation Actually Paid vs. Net Income



Compensation Actually Paid vs. Absolute EPS (Company Selected Measure)



Required Tabular Measures

As required by the Rules, the following is a list of the most important performance measures used to link “compensation actually paid” to Company performance. The role of each of these performance measures in our executive compensation programs is more thoroughly discussed in the “Executive Compensation” section in the CD&A along with a description of how executive compensation relates to Company performance and how the Compensation Committee makes its decisions.

Tabular List
Absolute EPS
Relative EPS Growth
ROIC

PROPOSAL 4: SHAREHOLDER PROPOSAL: SUPPORT SIMPLE MAJORITY VOTE

The Company received a shareholder proposal from John Chevedden for consideration at the Annual Meeting. We have been notified that Mr. Chevedden has continuously owned no fewer than 25 shares of our common stock since September 20, 2021.

If properly presented at the Annual Meeting, the Board unanimously recommends a vote "AGAINST" the following proposal. Receipt of a majority of the votes cast is required to approve this proposal.

Proposal 4 – Support Simple Majority Vote



Shareholders request that our board take each step necessary so that each voting requirement in our charter and bylaws (that is explicit or implicit due to default to state law) that calls for a greater than simple majority vote be replaced by a requirement for a majority of the votes cast for and against applicable proposals, or a simple majority in compliance with applicable laws. If necessary this means the closest standard to a majority of the votes cast for and against such proposals consistent with applicable laws. This includes making the necessary changes in plain English.

Shareholders are willing to pay a premium for shares of companies that have excellent corporate governance. The supermajority voting requirements of Arrow Electronics have been found to be one of 6 entrenching mechanisms that are negatively related to Company performance according to "What Matters in Corporate Governance" by Lucien Bebchuk, Alma Cohen and Allen Ferrell of the Harvard Law School. Supermajority requirements are used to block initiatives supported by most shareowners but opposed by a status quo management.

This proposal topic won from 74% to 88% support at Weyerhaeuser, Alcoa, Waste Management, Goldman Sachs, FirstEnergy and Macy's. These votes would have been higher than 74% to 88% if more shareholders had access to independent proxy voting advice.

This proposal topic, as a shareholder proposal, received 98%-support at the 2023 annual meetings of American Airlines and The Carlyle Group. This proposal topic also received 98% support each at Domino's Pizza, FMC Corporation, ConocoPhillips, Masco Corporation and Power Integrations in 2024.

The overwhelming shareholder support for this proposal topic at hundreds of major companies raises the question of why Arrow Electronics has not initiated this proposal topic on its own. It also raises the question that Arrow Electronics may be overlooking other areas of corporate governance improvement that could easily be adopted to increase shareholder value at virtually no cost.

Please vote yes:

Support Simple Majority Vote – Proposal 4

The Board recommends that shareholders vote “AGAINST” this proposal.

As discussed in greater detail below, the action requested by this proposal is unnecessary on account of the following:

- ✓ Arrow’s supermajority voting requirements are narrow in scope and intended to serve and protect shareholder interests
- ✓ The Board believes Arrow’s provisions are in shareholders’ best interests
- ✓ Arrow’s Board has eliminated supermajority provisions that no longer serve shareholders
- ✓ Arrow has a demonstrated commitment to corporate governance best practices

Arrow Has Limited Supermajority Voting Requirements

Arrow’s supermajority voting provisions are *intentionally narrow in scope*—they apply *only* to a potential sale or other change of control of the Company. This careful design ensures that any decision to transfer ownership reflects both a broad shareholder consensus and the protection of smaller institutional and retail investors. Given the magnitude of a change-of-control transaction and its far-reaching impact on all shareholders, a higher voting threshold provides valuable safeguards and enhances the likelihood that any acquisition will serve the long-term, collective interests of Arrow’s shareholder base.

Arrow’s Supermajority Voting Requirements are Narrow in Scope and Intended to Serve and Protect Shareholder Interests

There are only two supermajority voting requirements applicable to the Company, and both relate to approval of a change of control transaction:

- > **Certificate of Incorporation:** Our Certificate of Incorporation requires 90% shareholder approval for the sale of Arrow to a 30% shareholder. This elevated threshold prevents a large shareholder from exerting disproportionate control at the expense of smaller shareholders. This provision is intended to protect smaller shareholders in the event of an attempted hostile takeover by a shareholder who has already taken a very large position in the stock and where the Board believes the price is unfavorable to the Company and shareholders.

This strikes a balance between shareholder protection and sufficient Board discretion when warranted by the Company’s strategic direction.

- > **Default Provisions:** Under New York State law, Arrow has a default provision requiring 66 $\frac{2}{3}$ % shareholder approval for transformative transactions. Because Arrow was incorporated in New York before 1998, under state law, 66 $\frac{2}{3}$ % shareholder approval is required for transformative transactions such as a merger, consolidation, disposition of substantially all assets, share exchange, or dissolution.

This statutory safeguard further underscores the strong state-level policy of protecting shareholder interests in fundamental changes to corporate structure.

Arrow’s Board Has Eliminated Supermajority Provisions That No Longer Serve Shareholders

Previously existing supermajority requirements tied to certain series of preferred stock (which were no longer outstanding) were removed by a Board-approved amendment to the Company’s Certificate of Incorporation in December 2024 (see Form 8-K filed by the Company with the SEC December 12, 2024). This action demonstrates the Board’s commitment to eliminating supermajority voting standards that no longer serve a bona fide shareholder protection purpose.



Arrow Has a Demonstrated Commitment to Corporate Governance Best Practices

Arrow is committed to strong corporate governance, and Arrow's Board has been and remains fully accountable to our shareholders. Shareholders have a powerful avenue to exercise influence over Arrow's strategic direction through Arrow's robust shareholder engagement program, which includes participation from our independent Board Chair, Steven Gunby. The Board believes that the limited supermajority requirements relating to the approval of a fundamental change in the Company's ownership are appropriate in the context of our overall governance profile.

Arrow's Certificate of Incorporation and By-Laws already provide for simple majority shareholder approval (or lower) of *all* matters on which shareholders vote other than the specific corporate transactions outlined above, including:

- > electing and removing directors;
- > authorizing additional shares;
- > approving shareholder proposals; and
- > approving any other corporate action proposed to be taken at a shareholder meeting.

Moreover, Arrow and its Board have consistently demonstrated a commitment to effective corporate governance, as evidenced by a wide range of practices and procedures that promote effective board oversight and ensure receptiveness to shareholder feedback, including:

- > annual elections for all directors;
- > a director resignation policy for directors receiving less than a majority vote in an uncontested election;
- > a substantially independent Board with fully independent committees;
- > a limit on the number of directorships a Board member can hold;
- > an independent Board Chair;
- > comprehensive and robust governance policies and guidelines;
- > proxy access right;
- > annual say-on-pay vote; and
- > active shareholder engagement program.

These governance practices provide shareholders with multiple channels to shape the Company's strategic direction. The Board believes that Arrow's limited supermajority voting provisions help ensure that any sale of Arrow—or other fundamental transaction—is not structured to unfairly advantage any single large shareholder and aligns with the long-term interests of all shareholders.

The Board Believes Arrow's Provisions are in Shareholders' Best Interests

Our Board of Directors believes that retaining the one supermajority voting requirement in the Certificate of Incorporation and continuing to be subject to the default standard under New York law is in the best interests of Arrow and its shareholders.

These provisions serve the long-term interests of shareholders by ensuring that major corporate decisions—particularly a potential sale or change-of-control—are shaped by a broad consensus rather than dictated by a small group of large shareholders. By requiring a higher approval threshold, the Company empowers smaller institutional and retail investors, guaranteeing that their voices carry meaningful weight. This helps deter opportunistic or undervalued takeover offers that might benefit only a select few shareholders, as any proposed transaction must undergo thorough scrutiny and secure robust shareholder endorsement. At the same time, these provisions do not preclude legitimate takeover opportunities; instead, they merely demand that such proposals genuinely advance overall shareholder value. In this way, the Company preserves its strategic flexibility while protecting the collective interests of the Company and all shareholders.

RELATED PERSON TRANSACTIONS

The Company has a variety of policies and procedures for the identification and review of related person transactions.

Arrow's Worldwide Code of Business Conduct and Ethics ("Code") prohibits employees, officers, and directors from entering into transactions that present a conflict of interest. A conflict of interest arises when an employee's private interests either conflict or appear to conflict with Arrow's interests. The Code also requires that any such transaction, which may become known to any employee, officer, or director, be properly reported to the Company. Any conflict of interest involving an executive officer requires a waiver from the Board. Any such waiver, or any amendment to the Code, would be disclosed on the Company's website.

A "related person transaction," as defined under SEC rules, generally includes any transaction, arrangement, or relationship involving more than \$120,000 in which the Company or any of its subsidiaries was, is, or will be a participant and in which a "related person" (as defined under Item 404 of Regulation S-K) has a material direct or indirect interest. As part of the process related to the financial close of each quarter, the Company distributes a disclosure checklist to the management of each operating unit and financial function globally, which seeks to ensure complete and accurate financial disclosure. One part of the checklist seeks to identify any related person transactions. Pursuant to the Company's written Disclosure Controls and Procedures, any previously undisclosed transaction is initially reviewed by: (i) the Company's Corporate Controller Department, in consultation with the Company's disclosure committee, to determine whether the transaction should be disclosed in the Company's SEC filings and (ii) the Company's Legal Department for consideration of the appropriateness of the transaction and to determine if it requires review and approval by the Board.

The Audit Committee conducts a reasonable prior review and oversight of all related person transactions required to be disclosed pursuant to SEC Regulation S-K or NYSE listing standards. In the course of its review of related person transactions, the Audit Committee will consider all of the relevant facts and circumstances that are available to them, including but not limited to: (i) the benefits to the Company; (ii) in a transaction involving a director, the impact on the director's independence; (iii) the availability of comparable products or services; (iv) the terms of the transaction; and (v) whether the transaction is proposed to be on terms more favorable to the related third party than terms that could have been reached with an unrelated third party. The manager or director involved in the transaction will not participate in the review or approval of such transaction.

The Company's Corporate Controller Department, together with the Legal Department, is responsible for monitoring compliance with these policies and procedures. There were no related party transactions requiring disclosure under SEC Regulation S-K since January 1, 2024.



AVAILABILITY OF MORE INFORMATION

Arrow's Corporate Governance Guidelines, the Corporate Governance Committee charter, the Audit Committee charter, the Compensation Committee charter, the Worldwide Code of Business Conduct and Ethics, the Director Resignation Policy and the Anti-Hedging and Anti-Pledging Policy, and the Finance Code of Ethics can be found under "Governance Documents" at the "Leadership and Governance" sub-link of Arrow's Investor Relations page at investor.arrow.com.

Arrow's 2024 Corporate Stewardship and Impact Report is available at arrow.com/corporate-stewardship.

The contents of these websites are not incorporated by reference in this Proxy Statement or any other report or document the Company files with the SEC. Hard copies are available in print to any shareholder who requests them. The Company's transfer agent and registrar is Equiniti Trust Company, 1110 Centre Pointe Curve, Suite 101, Mendota Heights, Minnesota 55120.

Shareholders and other interested parties who wish to communicate with the Board or any of its members (including independent directors as a group) may do so by submitting such communication to Arrow's Corporate Secretary, Carine L. Jean-Claude, at Arrow Electronics, Inc., 9151 East Panorama Circle, Centennial, Colorado 80112. Arrow's Corporate Secretary will present any such communication to the Board or applicable directors or group of directors, except those of a harassing nature or solicitations.

MULTIPLE SHAREHOLDERS WITH THE SAME ADDRESS

The Company will promptly deliver upon request a separate copy of the Notice and/or this Proxy Statement and Annual Report to any shareholder at a shared address to which a single copy of these materials was delivered. To receive a separate copy of these materials, you may contact the Company's Investor Relations Department either by mail at 9151 East Panorama Circle, Centennial, Colorado 80112, by telephone at 303-824-4544, or by email at investor@arrow.com.

The Company has adopted a procedure called "householding," which has been approved by the SEC. Under this procedure, the Company is delivering only one copy of the Notice and/or this Proxy Statement and Annual Report to multiple shareholders who share the same address and have the same last name, unless the Company received instructions to the contrary from an affected shareholder. This procedure reduces printing costs, mailing costs, and fees.

If you are a holder of the Company's common stock as of the Record Date and would like to revoke your householding consent and receive a separate copy of the Notice and/or this Proxy Statement and the Annual Report in the future, please contact Broadridge Financial Solutions, Inc. ("Broadridge"), either by calling toll free at (800) 542-1061 or by writing to Broadridge, Household Department, 51 Mercedes Way, Edgewood, New York 11717. You will be removed from the householding program within 30 days of receipt of the revocation of your consent.

Any shareholders of record sharing the same address and currently receiving multiple copies of the Notice, the Annual Report, and this Proxy Statement, who wish to receive only one copy of these materials per household in the future, may contact the Company's Investor Relations Department at the address, telephone number, or e-mail listed above to participate in the householding program.

Several brokerage firms have instituted householding. If you hold your shares in "street name," please contact your bank, broker, or other holder of record to request information about householding.

SUBMISSION OF SHAREHOLDER NOMINATIONS AND PROPOSALS

If a shareholder intends to present a proposal at Arrow's annual shareholder meeting to be held in 2026 and seeks to have the proposal included in Arrow's proxy statement relating to that annual meeting, pursuant to Rule 14a-8 of the Exchange Act, the proposal must be received by Arrow no later than the close of business on November 25, 2025 for a regularly scheduled annual meeting.

Arrow's By-laws govern the submission of director nominations and proposals that a shareholder wishes to have considered at Arrow's annual shareholder meeting to be held in 2026 that are not included in the Company's proxy statement for that annual meeting. Under the By-laws, subject to certain exceptions, director nominations or proposals to be addressed at the Company's 2026 annual shareholder meeting may be made by a shareholder entitled to vote who has delivered a notice to Arrow's Corporate Secretary no earlier than January 6, 2026 and not later than February 5, 2026. The notice must contain the information required by the By-laws. These advance notice provisions are in addition to, and separate from, the requirements that a shareholder must meet in order to have a proposal included in the proxy statement under the rules of the SEC.

Arrow's By-laws also provide that a shareholder, or a group of up to 20 shareholders, owning at least 3% of Arrow's outstanding common stock continuously for at least three years, may include in our proxy statement director nominees constituting up to the greater of two directors or 20% of the number of directors on the Board, provided that the shareholder and the nominees satisfy the eligibility requirements in our By-laws. If you wish to nominate any person for election to our Board at the 2026 annual shareholder meeting under the proxy access provision of our By-laws, your nomination notice must be submitted to Arrow's Corporate Secretary between October 26, 2025 and November 25, 2025, unless the date of the mailing of the notice for the 2026 annual shareholder meeting is moved by more than 30 days before or after the anniversary of the mailing date of this Proxy Statement, in which case the nomination must be received by the 10th day following the day on which public announcement of the date of mailing of the notice for the 2026 annual shareholder meeting is first made.

In addition to satisfying the requirements under our By-laws, to comply with the universal proxy rules, shareholders who intend to solicit proxies in support of director nominees other than the Company's nominees must provide notice that sets forth the information required by Rule 14a-19 under the Exchange Act, which notice must be postmarked or transmitted electronically to the Company at its principal executive offices no later than March 7, 2026. If the date of the 2026 annual shareholder meeting is changed by more than 30 calendar days from the first anniversary of the Annual Meeting, then notice must be provided by the later of 60 calendar days prior to the date of the 2026 annual shareholder meeting or the 10th calendar day following the day on which public announcement of the date of the 2026 annual shareholder meeting is first made.

By Order of the Board of Directors,



Carine L. Jean-Claude
Corporate Secretary

APPENDIX

NON-GAAP EXECUTIVE COMPENSATION MEASURES

The tables below present calculations of performance measures used for short-term and long-term incentive compensation purposes. For a full discussion of these measures, refer to the information in the “Annual Cash Incentives” and “Long-Term Incentive Awards” sections in the CD&A.

The annual cash incentive is based on the “Absolute EPS” measure below.

The LTIP is based on: (1) the “Three-Year Relative EPS Growth” which is defined as “Three-Year EPS Growth” as calculated below compared to the EPS growth of Arrow’s Peer Group, and (2) the “Three-Year Average ROIC in Excess of Three-Year WACC” measure below.

The tables below include reconciliations of these non-GAAP financial measures to the most comparable GAAP financial measures. For a description of the items adjusting the GAAP results in the tables below, refer to the respective fiscal year’s Annual Report on Form 10-K filed with the SEC. Any analysis of results presented on a non-GAAP basis should be used as a complement to, and in conjunction with, results presented on a GAAP basis.

Absolute EPS used in the annual cash incentive calculation excludes the impact of intangible asset amortization expense resulting from acquisitions. We believe excluding this expense provides an appropriate measure of short-term performance because acquisitions generally contribute to long-term value creation. For this same reason, we include this amortization expense in the Three-Year EPS Growth used in the LTIP calculation to hold management accountable for investments in acquisitions.

Absolute EPS used in the annual cash incentive calculation is adjusted to exclude the short-term impact of changes in foreign currencies in order to align the achieved result with the exchange rates used in setting the target. Additionally, Absolute EPS is adjusted to exclude pension settlement gains and losses, and gains and losses on investments, net. The Three-Year Relative EPS Growth LTIP calculation does not include these adjustments because the impacts are not readily available for the entire peer group.



Annual Cash Incentive Measure

Absolute EPS

(\$ per diluted share)

	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Net income per diluted share, as reported	\$ 7.29	\$ 15.84	\$ 21.80	\$ 15.10	\$ 7.43
Intangible amortization expense	0.40	0.40	0.39	0.37	0.36
Restructuring, integration, and other charges ⁽¹⁾	2.00	1.12	0.17	0.17	0.21
Impact of wind down ⁽²⁾	0.77	—	—	—	(0.15)
(Gain) loss on investments	0.07	(0.26)	0.03	(0.13)	(0.05)
Other ⁽³⁾	0.02	—	—	—	0.23
Non-recurring tax items ⁽⁴⁾	—	0.02	—	—	(0.02)
FX impact ⁽⁵⁾	0.28	(0.06)	0.74	0.10	(0.08)
Non-GAAP net income per diluted share ⁽⁶⁾	\$ 10.83	\$ 17.06	\$ 23.13	\$ 15.60	\$ 7.92

(1) Restructuring, integration, and other charges for 2024 include charges related to the termination of personnel, early lease termination charges, and consulting costs related to operating expense reduction initiatives. Restructuring, integration, and other charges for 2023 include charges to increase the environmental remediation reserves, early lease termination charges, and operating expense reduction initiatives.

(2) Includes write down of inventory related to the wind down of businesses for the year ended December 31, 2024. Impact of wind down for 2020, includes the adjustments to remove the impact of impairments related to the disposition of personal computer and mobility asset disposition business in 2019.

(3) Other for 2024 includes loss on extinguishment of debt. Other for 2020, includes the impact of tariffs and writedown of certain assets.

(4) Includes income tax expense (benefit) related to legislation changes and other non-recurring tax adjustments.

(5) Includes the impact of differences between foreign exchange rates assumed in plan targets and actual foreign exchange rates during the years presented.

(6) The sum of the components for non-GAAP net income per diluted share may not agree to totals, as presented, due to rounding.

**Long-Term Incentive Program (LTIP) Measures**
Three-Year EPS Growth

(\$ per diluted share)

	Year Ended	
	December 31, 2024	December 31, 2021
Net income per diluted share, as reported	\$ 7.29	\$ 15.10
Restructuring, integration, and other charges ⁽¹⁾	2.00	0.16
Impact of wind down	0.77	—
Other ⁽²⁾	0.03	—
Non-GAAP net income per diluted share	\$ 10.09	\$ 15.26
Three-year EPS % growth	(51.7)%	
Non-GAAP three-year EPS % growth	(33.9)%	

(1) Restructuring, integration, and other charges for 2024 include charges related to the termination of personnel, early lease termination charges, and consulting costs related to operating expense reduction initiatives.

(2) Includes loss on extinguishment of debt for the year ended December 31, 2024.



Three-Year Average ROIC in Excess of Three-Year WACC

(\$ in thousands)

	3 Year Average	Year Ended		
		December 31, 2024 (unaudited)	December 31, 2023 (unaudited)	December 31, 2022 (unaudited)
Numerator:				
Consolidated operating income, as reported		\$ 768,557	\$ 1,471,164	\$ 2,068,494
Equity in earnings of affiliated companies ⁽¹⁾		1,368	6,407	7,664
Less: Noncontrolling interests ⁽¹⁾		<u>1,433</u>	<u>5,858</u>	<u>8,274</u>
Consolidated operating income, as adjusted		768,492	1,471,713	2,067,884
Less: Tax effect		<u>150,486</u>	<u>323,586</u>	<u>494,690</u>
After-tax consolidated operating income, as adjusted		618,006	1,148,127	1,573,194
Denominator:				
Consolidated operating income, as reported		\$ 768,557	\$ 1,471,164	\$ 2,068,494
Restructuring & Integration charges		142,917	83,916	13,741
Impact of wind down to inventory		60,573		
Pension expense ⁽²⁾		(4,285)	(3,777)	(3,503)
Gain (loss) on investments, net ⁽²⁾		(4,830)	19,284	(2,857)
Equity in earnings of affiliated companies ⁽²⁾		1,368	6,407	7,664
Less: Noncontrolling interests ⁽²⁾		<u>1,433</u>	<u>5,858</u>	<u>8,274</u>
Non-GAAP consolidated operating income, as adjusted		962,867	1,571,136	2,075,265
Less: Tax Effect		<u>208,960</u>	<u>346,150</u>	<u>492,500</u>
After-tax non-GAAP consolidated operating income, as adjusted		753,907	1,224,986	1,582,765
Average short-term borrowings, including current portion of long-term debt ⁽³⁾		943,999	892,986	504,094
Average long-term debt ⁽³⁾		2,480,428	3,068,681	2,852,348
Average total equity ⁽³⁾		5,865,660	5,659,361	5,416,410
Average cash and cash equivalents ⁽³⁾		<u>222,136</u>	<u>234,840</u>	<u>240,296</u>
Invested capital		\$ 9,067,951	\$ 9,386,188	\$ 8,532,556
Return on invested capital ("ROIC")	12.49 %	6.82 %	12.23 %	18.44 %
Less: Weighted average cost of capital ("WACC")	<u>8.57 %</u>	<u>8.94 %</u>	<u>8.66 %</u>	<u>8.12 %</u>
ROIC in excess of WACC	3.92 %	(2.12)%	3.57 %	10.32 %
Non-GAAP ROIC	13.30 %	8.31 %	13.05 %	18.55 %
Less: WACC	<u>8.57 %</u>	<u>8.94 %</u>	<u>8.66 %</u>	<u>8.12 %</u>
Non-GAAP ROIC in excess of WACC	4.73 %	(0.63)%	4.39 %	10.43 %

- (1) Operating income is adjusted for noncontrolling interests and equity in earnings of affiliated companies to include the pro-rata ownership of non-wholly owned subsidiaries.
- (2) Non-GAAP operating income is adjusted to include pension expense and gain (loss) on investments and is adjusted for noncontrolling interests and equity in earnings of affiliated companies to include the pro-rata ownership of non-wholly owned subsidiaries.
- (3) The year ended average is based on the addition of the account balance at the end of the five most recently ended quarters and dividing by five.

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