



Arrow Electronics (UK) Limited's 2024 Gender Pay Gap Report

OVERVIEW

As an employer of more than 250 staff, Arrow Electronics (UK) Limited (Arrow Electronics) has undertaken Gender Pay Gap Reporting as required by the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

This is Arrow Electronics' report for the snapshot date of 5 April 2024.

The Gender Pay Gap Information focuses on the difference in pay levels between male and female employees, irrespective of their position or other factors, such as tenure within the company. This is different from "equal pay", where Companies are required to ensure that male and female employees are paid the same for doing the same or similar work.

At Arrow Electronics where roles are identical or similar in duties and responsibilities, employees are paid equal rates of pay irrespective of their genders.

Arrow Electronics proactively addresses any issues of gender pay imbalances and is committed to attracting and maintaining a dynamic and inclusive workforce.

Arrow Values

Arrow Electronics complies with all applicable laws regarding equal pay for men and women, including any regulation requiring that men and women receive equal pay for:

- The same or broadly similar work;
- Work rated as equivalent under a job evaluation scheme; and
- Work of equal value.

OUR 2024 GENDER PAY GAP FINDINGS:

1. Gender Hourly Pay Gap

Mean gender pay gap in hourly pay	31.4%
Median gender pay gap in hourly pay	31.9%

2. Gender Bonus Gap

Mean gender pay gap in bonus pay	66.9%
Median gender pay gap in bonus pay	56.8%

3. Percentage of Employees with Bonus and/or Commission Pay:

Male	89.7%
Female	87.6%

4. Percentage of Employees by Pay Quartile:

Quartile	Men	Women
Lower	30.7%	69.3%
Lower Middle	42%	58%
Upper Middle	68.3%	31.7%
Upper	72%	28%

Arrow Electronics is committed to equal opportunities and equal treatment for all employees, regardless of gender, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. All employees are trained on and agree to comply with [Arrow's Worldwide Code of Business Conduct and Ethics](#). It is against Arrow policy to make any employment decisions based on any of these characteristics, including rate of pay. Any employee found to have violated this policy will be disciplined up to and including termination of employment.



As part of Arrow Electronics' ongoing efforts to proactively address any pay gap on a regular basis, Arrow Electronics also:

- reviews both employee pay and our compensation programs in collaboration with the legal team and third-party experts;
- evaluates job roles and pay grades as necessary to ensure a fair structure; and
- completes fair pay analyses to ensure team members in similar roles are paid commensurately with their experience, responsibilities, performance, and location.

After a thorough review of Arrow Electronics' gender pay gap analysis, we find that the pay gap is not the result of Arrow Electronics paying men and women differently for the same or similar work. Rather, the pay gap is the result of other factors, such as tenure with Arrow, experience, or required skill sets.

What are the underlying causes of Arrow Electronics gender pay gap?

Across the UK economy as a whole, men are more likely than women to be in senior roles (especially very senior roles at the top of Organisations), while women are more likely than men to be in front-line roles at the lower end of the Organisation. In addition, men are more likely to be in technical and IT-related roles, which attract higher rates of pay than other roles at similar levels of seniority. Women are also more likely to work part time, and many of the jobs that are available across the UK on a part-time basis are relatively low paid.

This pattern from the UK economy as a whole is reflected in the make-up of Arrow Electronics' workforce. The table (above) depicting pay quartiles by gender shows Arrow Electronics' workforce divided into four equal-sized groups based on hourly pay rates, with the lower quartile including the lowest-paid 25% of employees and the upper quartile covering the highest-paid 25%. The percentage of male employees increases significantly in the upper middle and upper quartiles and far exceeds the number of women in those quartiles. This confirms that the Company's gender pay gap is due to the number of men in more senior and management roles, which is reflective of the pattern across the UK economy as a whole. In order for there to be no gender pay gap, there would need to be an equal ratio of men to women in each pay band.

How does Arrow Electronics' gender pay gap compare with that of other organisations?

The vast majority of organisations including those within our industry have a significant gender pay gap.

What is Arrow Electronics doing to address its gender pay gap?

Irrespective of the fact that the Gender Pay Gap Information does not accurately portray Arrow Electronics' salary structure and framework, Arrow Electronics is committed to taking additional steps to address any pay gap, including those under the Gender Pay Gap Information.

Advancing inclusion and career development is a strategic imperative at Arrow Electronics as evidenced by our human capital strategy including the following pillars:

- Work(place) Forward culture to focus on embracing inclusion as a catalyst for innovation in technology and driving a future-focused work experience;
- Work(force) Forward culture to adapt and support our unique workforce in line with our values;
- Skill growth to grow agile learners at scale;
- Career opportunity growth by creating pathways for lateral and upward movement at scale; and
- Career investment growth compounding knowledge, skills, abilities, experiences, and rewards at scale.

To date, a few steps that Arrow Electronics has taken to promote inclusion and career growth in all areas of its workforce include the following:

- enhancing flexible working policies, including hybrid workplace arrangements where feasible;
- supporting employees prior to, during and on return from parental leave;
- ongoing career discussions and talent plans across the organisation to support future leadership capability; and
- identifying high potential talent for internal and external leadership programs.



Arrow Electronics plans on continuing with these initiatives, however, none of these initiatives will, of itself, remove the gender pay gap - and it may be several years before there is no gender pay gaps. In the meantime, Arrow Electronics shall continue to report its gender pay gap as well as continuing efforts to reduce the gender pay gap through programmatic initiatives like those identified above.

We are pleased to report that the mean and median pay gaps and mean bonus pay gap have reduced compared to April 2023.

DECLARATION

I confirm that our data is accurate and has been calculated in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017:

A handwritten signature in black ink, appearing to read "Lisiane Droal".

Lisiane Droal
Vice President HR EMEA

April 4, 2025