



Gender pay gap report 2020

Avnet Group



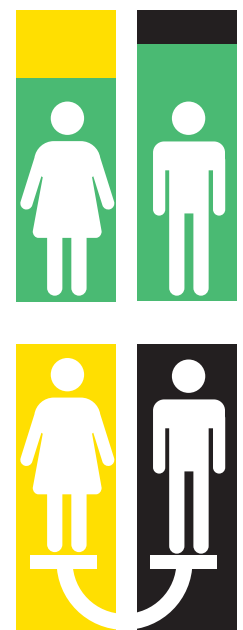
Overview

Gender Pay Gap legislation, under the Equality Act 2010, requires a UK employer with 250 employees or more to publish their gender pay gap for their employees. The gender pay gap measures the difference between men and women's average earnings in a workforce and is expressed as a percentage of men's pay. This does not involve publishing individual employee's data.



Gender pay vs equal pay - understanding the difference

It is important to separate gender pay gap from equal pay; both consider pay inequality between men and women but they are fundamentally different. The gender pay calculations demonstrate the variance in pay levels between male and female employees across an organisation irrespective of the positions held. Equal pay, on the other hand, considers the difference in pay for men and women in the same employment performing the same or similar work. The existence of a gender pay gap does not mean an organisation does not pay equally for equal work, and to have a gender pay gap is not unlawful as it is often out of the control of the organisation.



Statutory disclosures



Our review of the data processes was limited to the following statutory disclosure data:

- The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees
- The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees
- The difference between the mean bonus pay paid to male relevant employees and that paid to female employees
- Bonuses include payments for performance, productivity, incentives, commissions, shares, profit sharing and outwork
- The difference between the median bonus pay paid to male relevant employees and that paid to female employees
- The proportions of male and female relevant employees who were paid a bonus pay
- The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands

In order to provide a more complete picture of the gender pay gap within Avnet we have analysed our results across our UK based companies as a whole. We believe this provides a more comprehensive representation of gender diversity within the organisation.

In this report you will find the statutory disclosures required under the legislation as well the overall results of all Avnet companies within the UK.

The Avnet Group companies included are Avnet EMG, Alpha 3, Farnell UK Ltd, EVB, Combined Precision Components (CPC) and Premier Farnell Ltd.

Our commitment to being an inclusive and diverse organisation extends across the entire group and it is therefore important we understand our successes as well as areas for improvement.

Avnet Group

Pay & bonus gap

The table below shows our overall mean and median gender pay gap based on hourly rates of pay as of the snapshot date 5th April 2020.

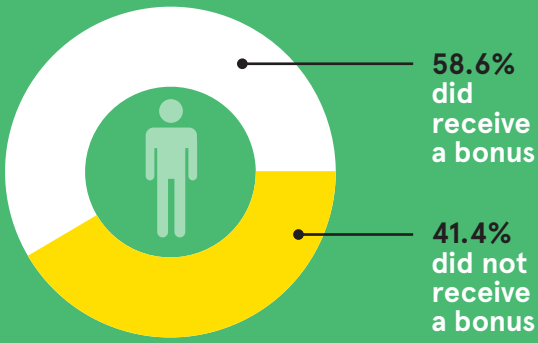


Hourly pay
Bonus

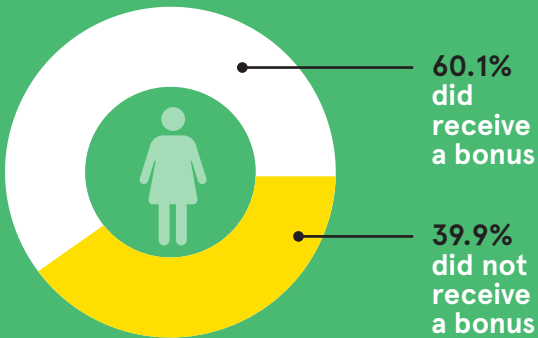
	Mean	Median
Hourly pay	22.6%	6.2%
Bonus	55.6%	23.6%



MALE



FEMALE



Our analysis across the group shows an increase in all but the median hourly pay calculation.

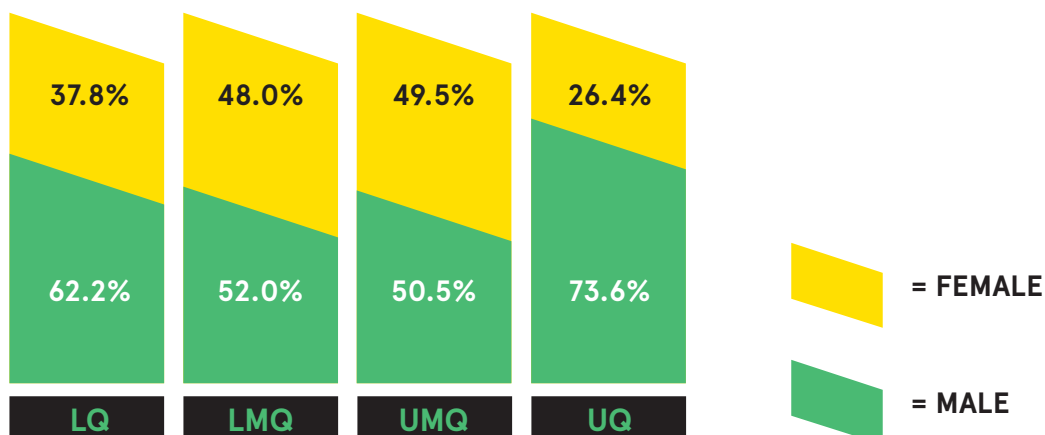
As with previous years the pay gap is largely driven by the lower proportion of females in leadership and senior roles throughout the business.

There has been a particularly large rise in the bonus pay gap this year which coincides with the reduction of the number of people receiving a bonus. As mentioned in the previous report the inclusion of a one off bonus payment last year had a significant impact on the results. This sharp rise is not unexpected and is again reflective of the distribution of men and women in senior roles.

Despite the reduction in the numbers of people receiving a bonus overall, there is still very little difference between the proportion of men and women receiving a bonus. This again demonstrates that there are no concerns in terms of the opportunity to earn a bonus provided within the group and it also re-emphasises that the gap is largely driven by the number of men in senior positions.

Pay quartiles

The below chart shows you the gender distribution at Avnet Group across four quartiles totalling 1910 employees. This demonstrates the imbalance in the proportion of females in more senior, higher paid roles.



Closing the gap

Avnet is committed to sustaining an environment that respects all perspectives, values individual differences and is committed to equity and equality for all.

Diversity & Inclusion (D&I) is central to our culture and organisation with reducing our Gender Pay Gap forming part of our wider global D&I strategy.

In the last year we took steps to reinforce our long-standing commitment to D&I in a more comprehensive way, by creating our first global D&I role, Senior Director Global D&I, reporting to the Executive Leadership Team.

The mandate for this role is to help Avnet build on our diversity foundation via an intentional approach that celebrates differences and considers the varying needs of Avnet employees.

Further to this we have increased internal accountability to foster inclusion and committed to enhancing our D&I practices. Our senior leadership team openly support and promote D&I and components of executive compensation are now tied directly to Avnet's diversity and inclusion goals.

In the past year we have introduced new initiatives to build on some of the positive steps made in previous years to address our GPG.



- **Mentor program**

A mentor program has been established to support employee development. As part of this it was ensured that women were well represented in the program. The program involves members of the Leadership Team mentoring employees to assist them in meeting their development needs. Going forward we will continue to evaluate and improve on the program whilst looking to expand the offering to more employees within the organisation. Mentoring is considered an important mechanism for tackling the gender pay gap and is something we intend to utilise to this end.



- **Listen and learn**

In 2021 we held regular listen and learn sessions, an open and safe environment for our employees across the globe to be heard on important topics. Two of these sessions focused specifically on the challenges faced by women with our CEO, CPO and many other executives participating in the discussions. Key themes discussed included pay equity, gender discrimination and the impact of maternity leave on career prospects.



- **RISE**

RISE is an Employee Resource Group which is dedicated to helping elevate women in the workplace. The core purpose of Rise is to support business success of women at Avnet. This is a voluntary, employee led group with chapters all over the world.

We will continue to promote these new initiatives going forward whilst also focusing on the following areas:



- **Recruitment and training**

We will implement more targeted recruiting, hiring and career opportunity practices. These will focus on diverse candidate inclusion, retaining talent and holding managers accountable for driving progress towards our goals.



We will continue to provide and promote unconscious bias training for all employees through our learning platform, as well as other training aimed at advocating the benefits of having a diverse and inclusive workplace.



- **Flexible working**

A full review has been conducted on our benefits offering and our policies, with changes expected to be rolled out in 2022. This will impact on some of our family friendly, flexible working policies, which we anticipate will have a positive impact moving forward. We will continue to review these policies and their impact on helping us achieve our goal of increasing female representation in key leadership roles within Avnet.



- **Promoting women in our industry**

In 2021 we conducted a survey on the topic of Women in Engineering, to promote the experiences of women within the industry. The survey provided a valuable incite into some of the challenges faced by women as well provided an understanding of some of the key drivers leading to women enjoying a career in the field.

The survey results highlighted the broad support of people of all genders for gender equality within the organisation.

As part of our work to advance this we will continue to promote the role of women in the Engineering as well as leveraging employee feedback as a means of further developing an actionable strategy to advance D&I both in the UK and globally.



Expanding external partnerships

To tackle some of the societal and industry factors currently impacting on our GPG, such as the under representation of women in engineering and in STEM university courses within the UK, we recognise the need to establish external partnerships to tackle these problems.

In the coming years we will expand our partnerships with Universities, diverse student organisations and diverse recruitment fairs and associations as part of our strategy for overcoming this particular challenge to reducing our pay gap.



Improving compensation practices - In the past year we have introduced a global job and compensation framework which will allow us to achieve a more detailed understanding of our GPG. This will assist in making more informed decisions as relate to compensation and help us achieve our goals as relate to diversity within the organisation.

Cultivating an inclusive and respectful culture while building diverse teams is integral to how we do business. At Avnet we are committed to reducing the Gender Pay Gap and to achieving the targets we have set as part of our global D&I strategy.

Avnet EMG - Alpha 3

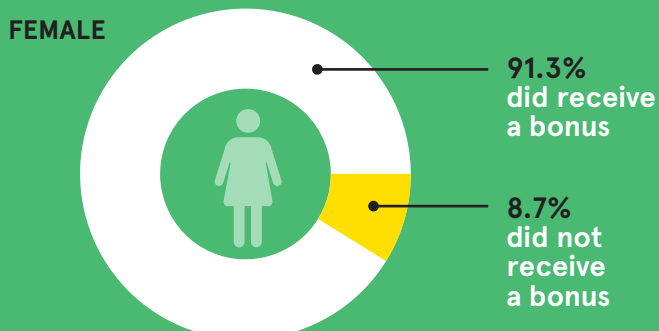
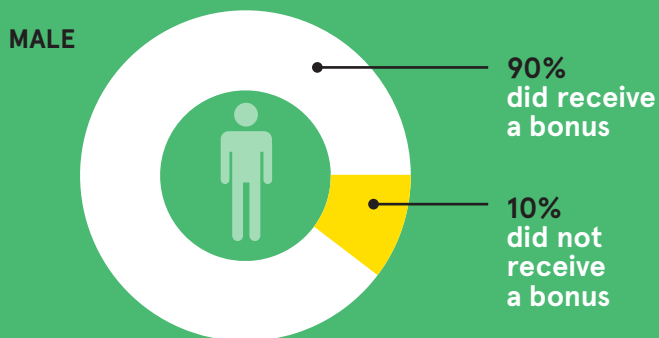
This section examines the statutory disclosures from Avnet EMG and Alpha 3

Overall mean and median gender pay gap based on hourly rates of pay and the mean and median difference between bonuses paid to men and women in the 12 month reference period to 5th April 2020.

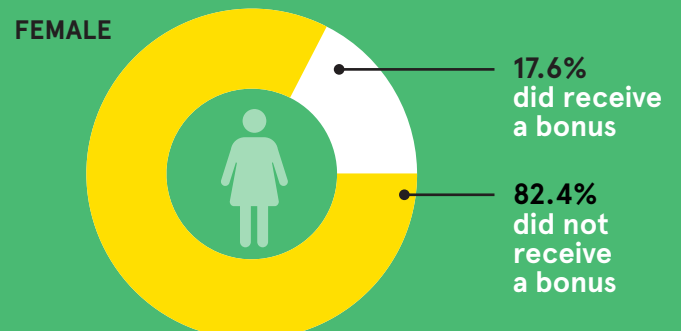
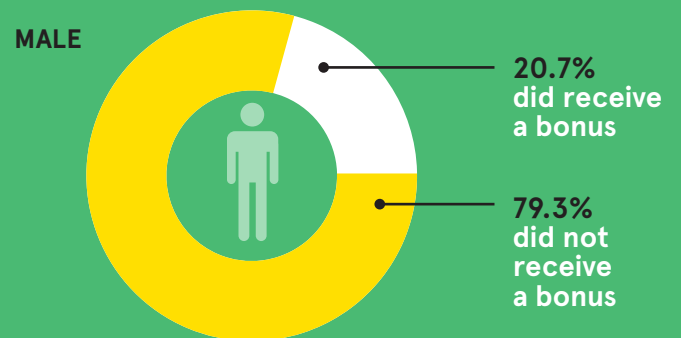
		Avnet EMG		Alpha 3	
		Mean	Median	Mean	Median
 Hourly pay  Bonus		40.8%	40.4%	17.3%	10.0%
		57.8%	46.7%	62.4%	40.0%

Bonus pay gap

Avnet EMG

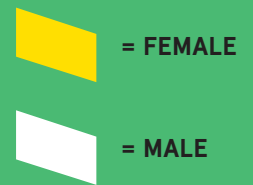


Alpha 3

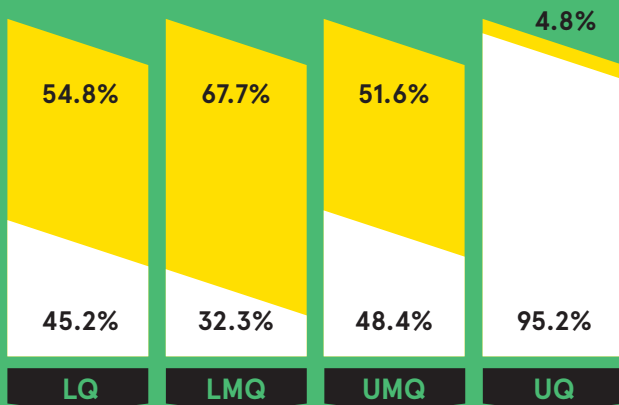


Pay quartiles

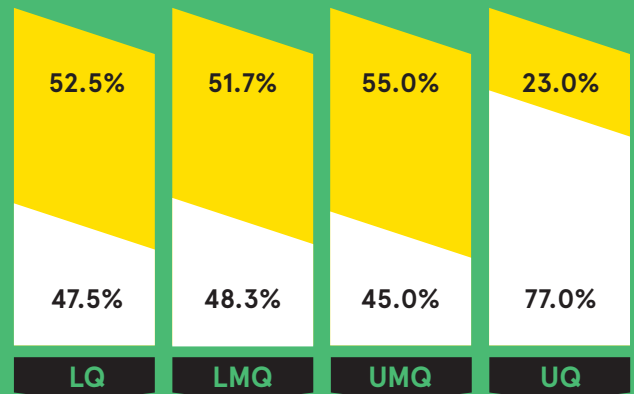
The below chart shows you the gender distribution at Avnet EMG and Alpha 3.



Avnet EMG





Alpha 3



Premier Farnell UK Ltd Combined Precision Components

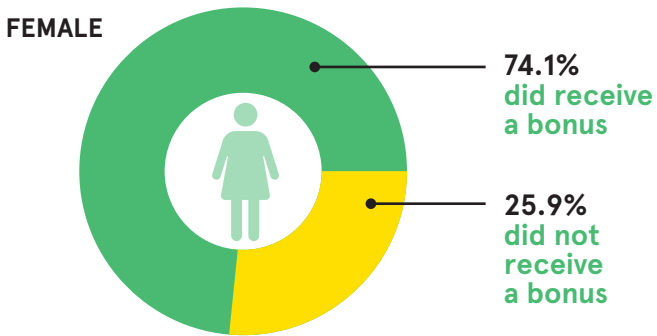
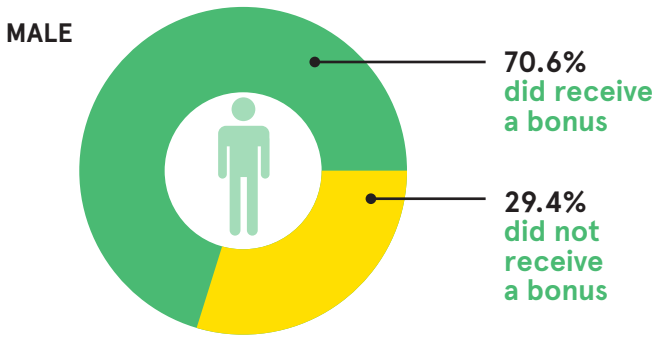
This section examines the statutory disclosures from Premier Farnell UK Ltd and Combined Precision Components

Overall mean and median gender pay gap based on hourly rates of pay and the mean and median difference between bonuses paid to men and women in the 12 month reference period to 5th April 2020.

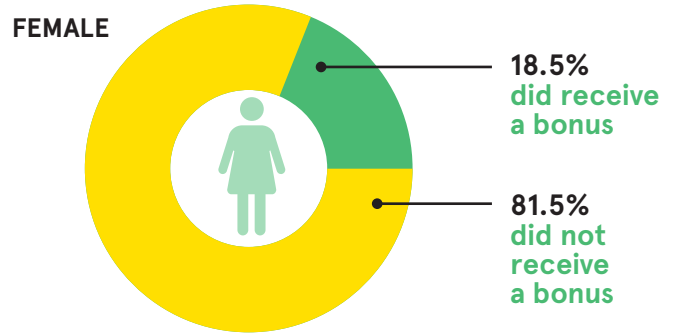
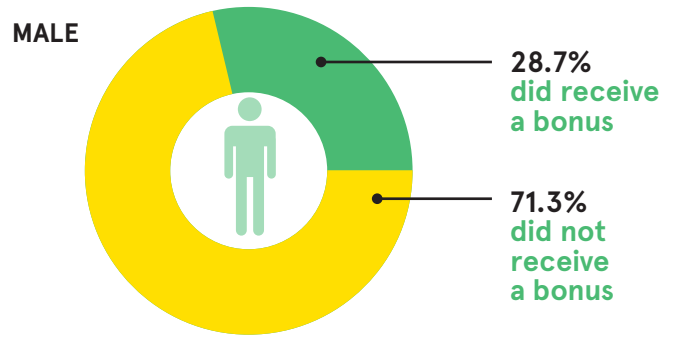
	PF UK Ltd		CPC	
	Mean	Median	Mean	Median
 Hourly pay	15.6%	8.4%	-1.7%	-8.1%
 Bonus	39.1%	16.9%	8.9%	-184.1%

Bonus pay gap

Premier Farnell UK Ltd

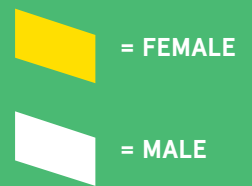


Combined Precision Components

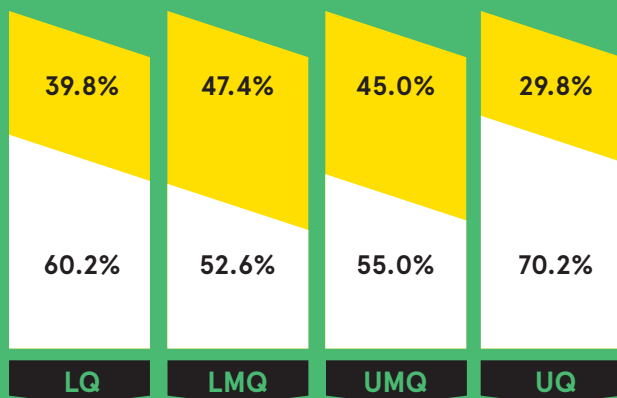


Pay quartiles

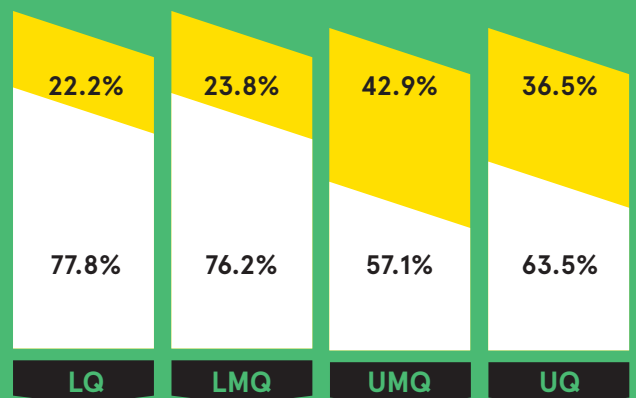
The below chart shows you the gender distribution at PF UK Ltd and CPC.



Premier Farnell UK Ltd



Combined Precision Components



Gender pay gap report 2020

The report was collated and processed by our Reward Manager, reviewed by the Group Payroll & Reward Manager and HR Team, and we can confirm that the data is accurate as of the snapshot date 5 April 2020.



A handwritten signature in white ink that reads "A. Blaschak".

Angelika Blaschak
VP HR EMEA,
Avnet

