



Gender pay gap report 2019

Avnet Group



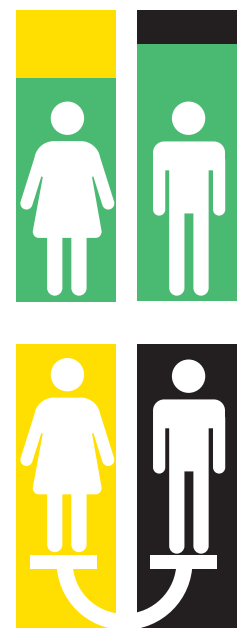
Overview

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, 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 2019. It also captures the mean and median difference between bonuses paid to men and women in the 12 months to 5th April 2019.



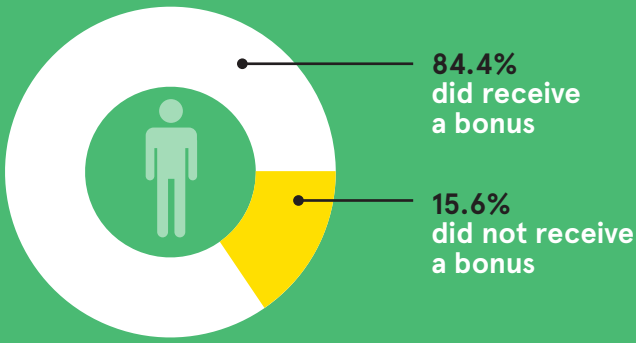
Hourly pay

Bonus

	Mean	Median
Hourly pay	21.6%	6.0%
Bonus	38.1%	-12.2%

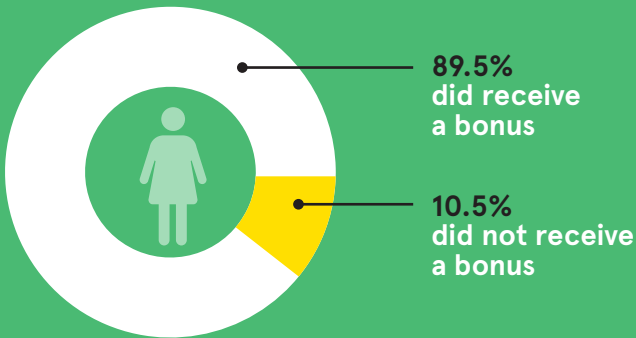


MALE



Our analysis across the group shows a slight change from last year, with a small reduction in the gender pay gap in each of the hourly pay and bonus pay calculations. Whilst this is positive we acknowledge that there is still a pay gap to address. As with last year, the pay gap is still largely driven by the lower proportion of females in leadership and senior roles throughout the business. This is a circumstance that is common across all the companies within our group.

FEMALE

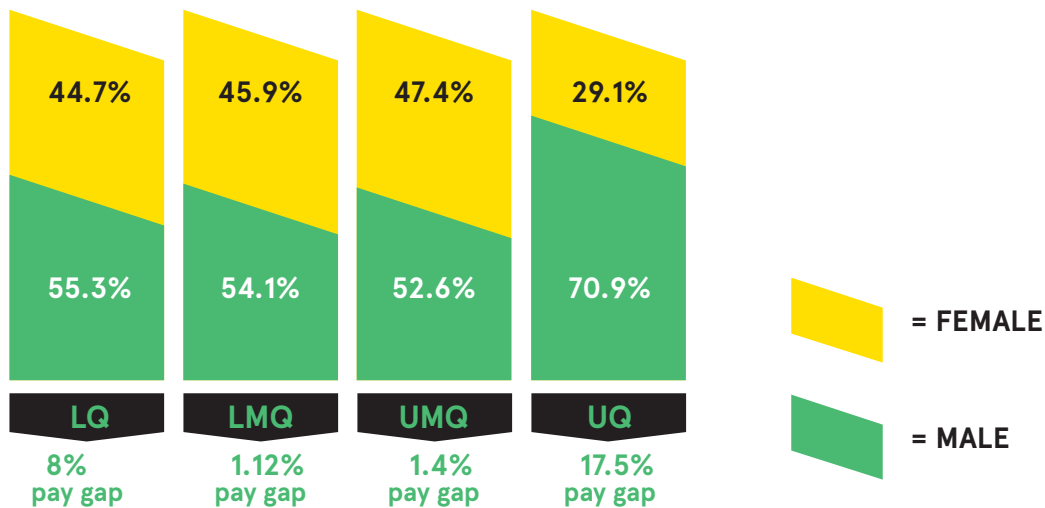


This has contributed to the existence of a 'mean' bonus pay gap. That there is a negative median pay gap is largely as a result of the inclusion of a one off bonus payment included in this years data. We expect this figure to change significantly in the next report.

Once again there is very little difference between the number of men and women receiving a bonus. This 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

Over the past year we have introduced new and continued with the positive initiatives introduced last year, as well as taken steps to promote the role of women within our industry. In June 2019 we held a Celebration of Women in Engineering at our Farnell office in Leeds. The event brought together students and industry professionals to take part in activities and hear guest speakers with the aim of promoting the positive role of women in the industry now and to consider how to bring 'balance for better' in the future.



As stated in last years report, we recognise there are no quick fixes and would expect to see results over the longer term rather than short term. We consider that promoting the role of women within the industry is a critical element in achieving our ambition of reducing the pay gap over the longer term as this will tackle some of the societal and industry specific issues currently impacting on our pay gap.

In the coming year we will continue to focus our efforts in the coming areas:



- **Recruitment & training:** We will continue with our training initiatives designed to reduce unconscious bias in recruitment activities as well as other training, aimed at managers, which promote the benefits of having a diverse and inclusive work place.



- **Flexible work:** We continue to review our family-friendly and flexible working policies and have successfully made these policies more accessible to colleagues through the introduction of our new HR portal.



- **Celebrating women in our industry:** We will continue to find ways to emphasise the positive role women play in our industry and introduce initiatives focused on encouraging more women to pursue a career in engineering.



- **Improving work methods:** In the coming months we will see the introduction of a global job and compensation framework. This will allow us to have a more consistent view, as well as make better informed decisions, in relation to our talent. We anticipate this will help us in achieving our goals as relate to diversity, not only in the UK but across Avnet globally. This is just one example of how we are continuously reviewing the way we do things in Avnet and implementing improvements. We will continue to do this throughout the coming year.



- **Beyond gender:** We are committed to ensuring our employees reflect the general population, including nationality, ethnicity, disability, age and sexual orientation. We continuously review our policies with a view to making Avnet an inclusive and diverse organisation where everyone is given the opportunity to reach their full potential.

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 2019.



Hourly pay
+ Bonus

Avnet EMG

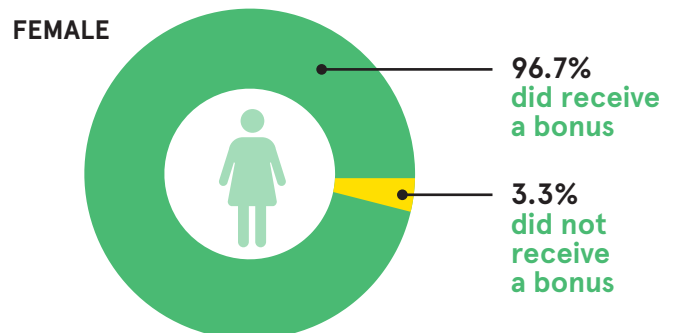
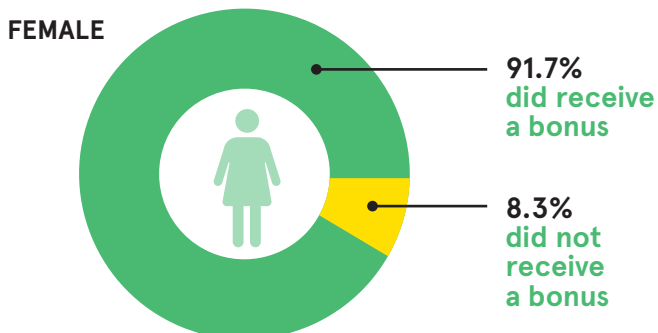
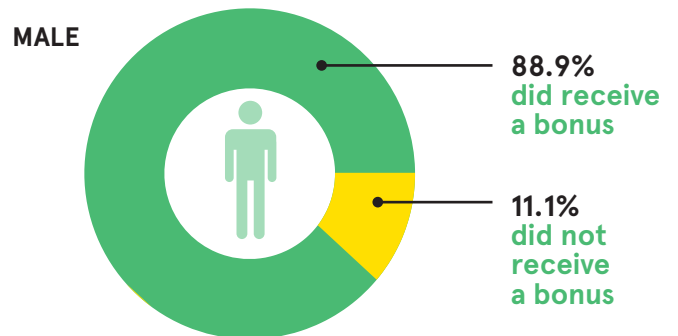
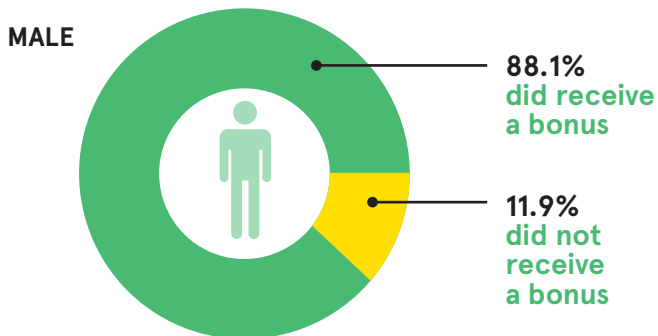
Alpha 3

	Mean	Median	Mean	Median
Hourly pay	43.3%	40.5%	18.3%	7.8%
Bonus	48.3%	51.2%	-30.4%	0.0%

Bonus pay gap

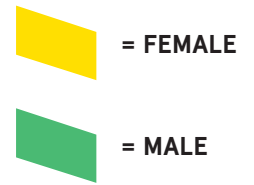
Avnet EMG

Alpha 3

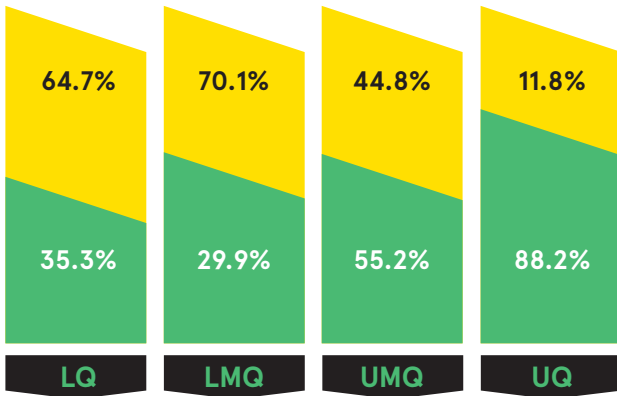


Pay quartiles

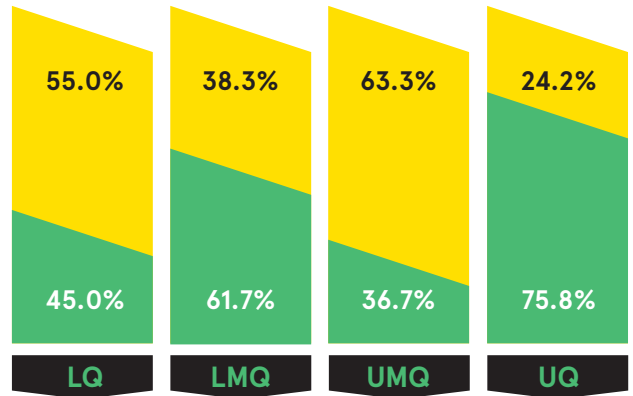
The below chart shows you the gender distribution at Avnet EMG and Alpha 3.



Avnet EMG



Alpha 3



Farnell

This section includes the voluntary disclosure of results from our Farnell companies only. (Premier Farnell UK Ltd, Combined Precision Components (CPC) and Premier Farnell Ltd.)

Farnell

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 2019.



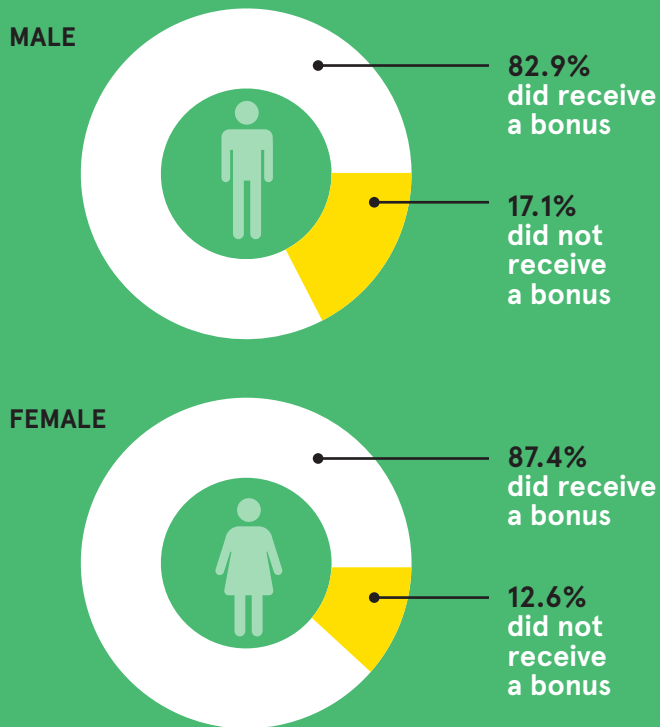
Hourly pay

Bonus

	Mean	Median
Hourly pay	15.3%	6.5%
Bonus	52.4%	0.5%

Bonus pay gap

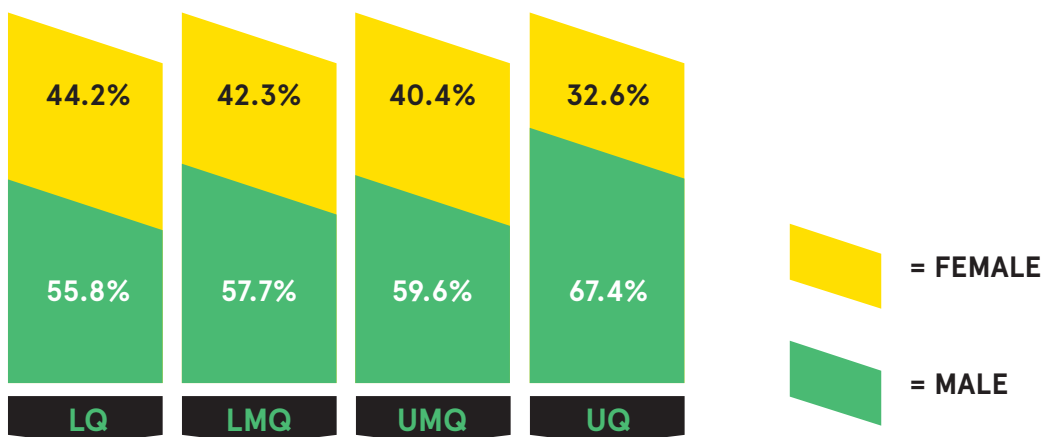
Farnell



Pay quartiles

The below chart shows you the gender distribution at Farnell.

Farnell





Premier Farnell UK Ltd

Combined Precision Components

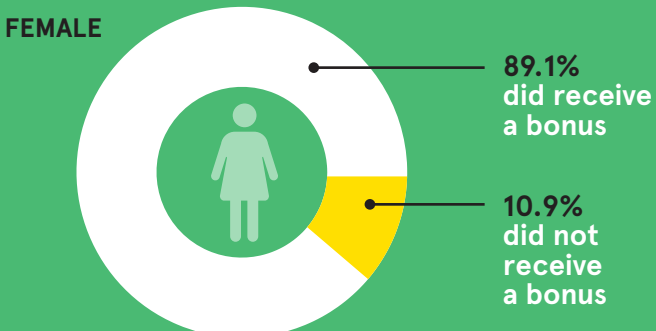
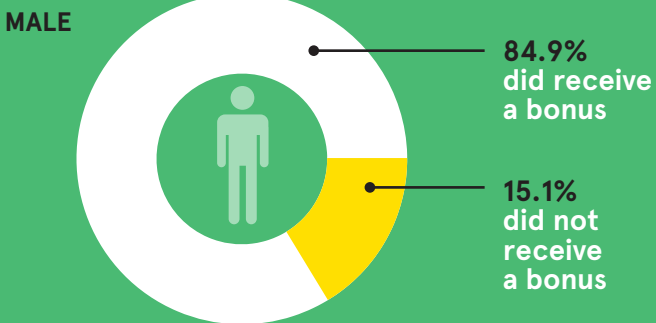
This section examines the statutory disclosures from Premier Farnell UK Ltd and Combined Precision Components

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 2019.

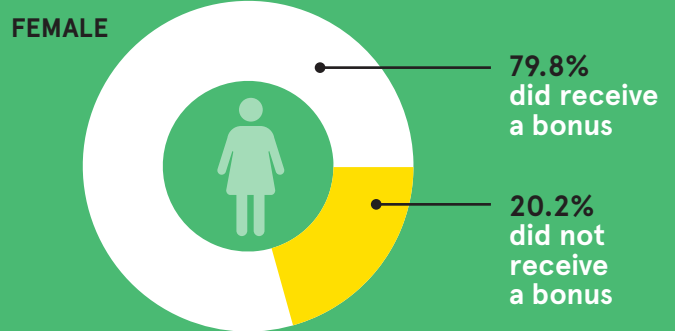
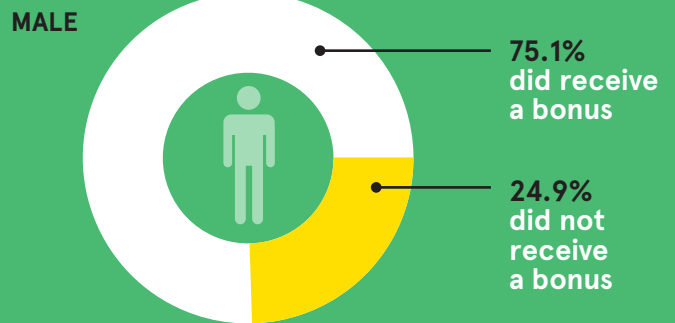
	PF UK Ltd		CPC	
	Mean	Median	Mean	Median
 Hourly pay	18.0%	10.8%	-0.6%	-3.0%
 Bonus	38.1%	9.5%	0.5%	0.0%

Bonus pay gap

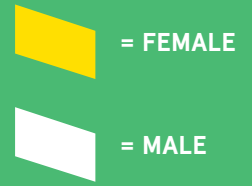
Premier Farnell UK Ltd



Combined Precision Components



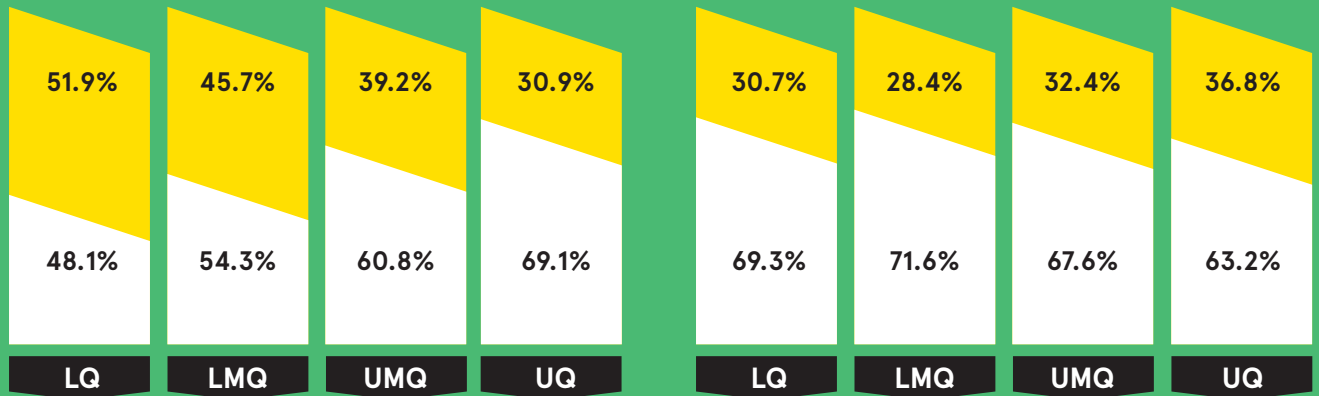
Pay quartiles



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

Premier Farnell UK Ltd

Combined Precision Components



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 2019.



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Avnet

