



ARROW GLOBAL

Gender Pay Gap Report
2021

Making Progress



Jan Wade
Chief People Officer

“Building empowerment
& inclusion.”

During 2021 the business has worked through large scale transformational change, with a change in ownership moving from PLC to private equity, a change in senior leadership and evolution of our operating model. Throughout this period, our commitment to D&I and closing gender pay gaps remains strong with clear executive sponsorship.

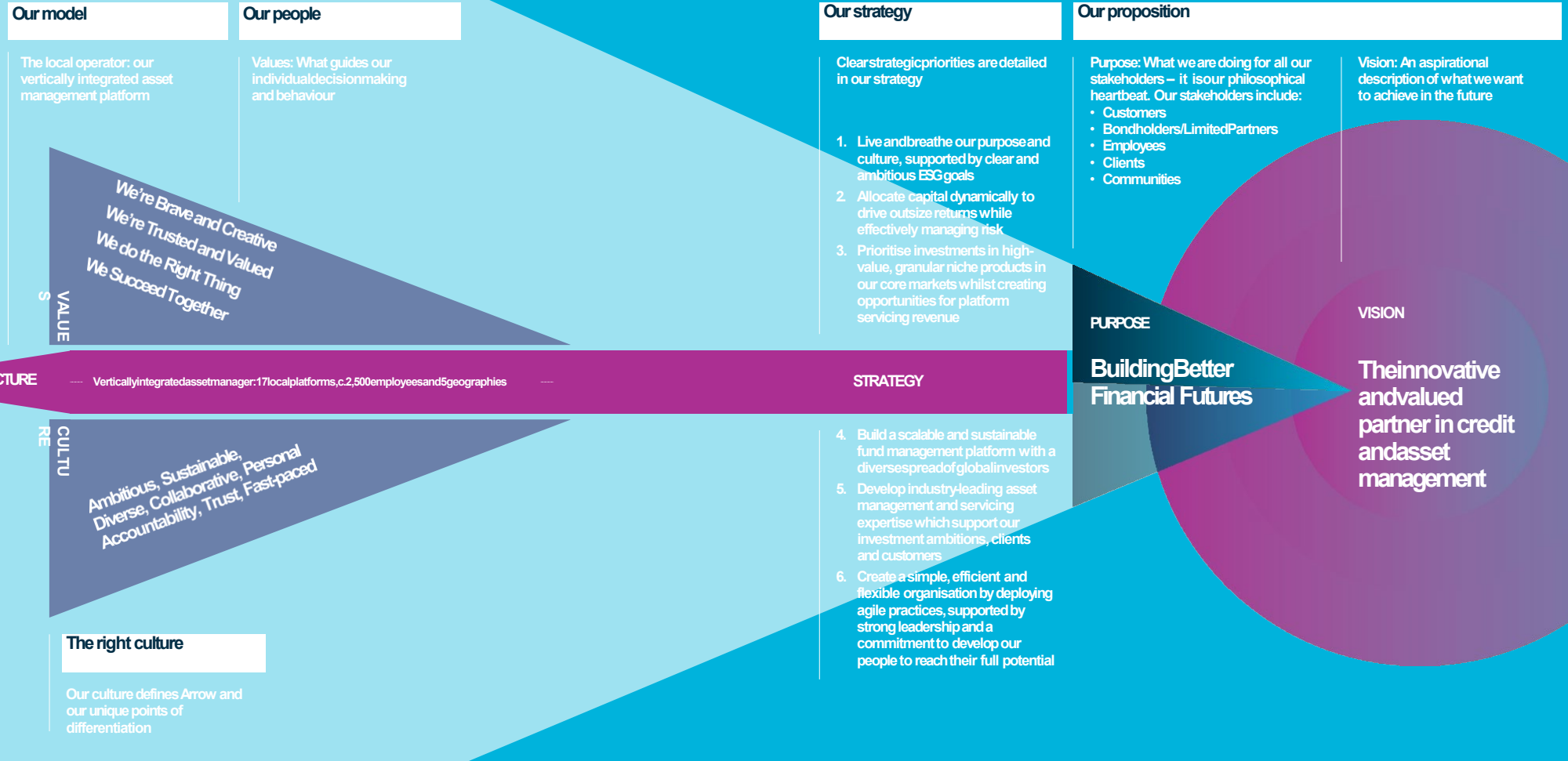
Our vertically integrated operating model empowers our platform leaders to lead their businesses, incorporating accountability and stewardship for demonstrating organisational culture and values. These commitments include: diversity, equality, inclusion and closing pay and bonus gaps to ensure equity across the business and ensuring females are represented in senior leadership roles.

Our commitment to supporting female development and progression, has built during 2021 and we look forward to seeing progressively diverse leadership teams that represent and challenge the markets we operate in. We have highlighted the experiences of some of our female colleagues in this report. As a business we will continue to focus on ensuring development and career opportunities are available to support talent to progress into senior and executive positions.

Importantly, we will continue to further close pay and bonus gaps. We are particularly pleased with the progress made in the UK, as seen on page 4.

The Arrow Advantage

Arrow is a leading vertically-integrated asset manager in credit and real estate. We have a compelling vision and purpose that resonates with all our stakeholders. Our local platforms will deliver our strategy and drive long-term sustainable returns. We are guided by our values and culture which help to make Arrow a great place to work.



Our local platforms



How we measure our Gender Pay

Under the UK Government's Gender Pay Regulations, employers in the UK with 250 or more employees must report their gender pay data.

What is gender pay?

Gender pay shows the difference in the average pay of men and women across an organisation regardless of their roles or industry sectors. The statistics can be affected by a range of factors, including the different number of men and women across all roles right across the workforce.

Gender pay is different from equal pay. Equal pay legislation is about men and women receiving equal pay for the same jobs, similar jobs or work of equal value.

Median pay gap

The median represents the middle point of a population. If you lined up all of the women at a company and all of the men, the median pay gap is the difference between the hourly rate of pay for the middle woman compared to the hourly rate of pay for the middle man.

Female



Male



Mean pay gap

The mean gender pay gap is the difference between the average hourly rate of pay for women, compared to the average hourly rate of pay for men, within a company.



UK Summary

We are pleased to see the pay gap and bonus gap continuing to close during 2021.

2021 bonus payments are based on company performance during 2020. With Covid impacting the business during this year it was not a typical performance bonus paying year. The business did not meet its threshold target for bonus payments. It did, however, make a discretionary recognition award. We did see a fall back in relation to the percentage of male and females receiving bonus in 2021.

Further, in 2021 Executive members withdrew from receiving a bonus payment.

2021 Median pay gap

21.0%

2020: 21.46%
2019: 28.18%

2021 Mean pay gap

29.3%

2020: 31.30%
2019: 32.78%

2021 Median bonus gap

15.0%

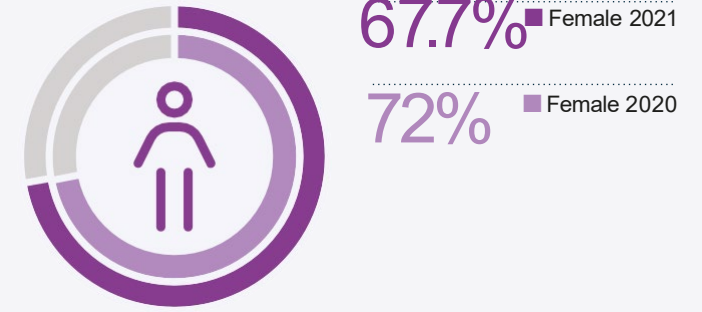
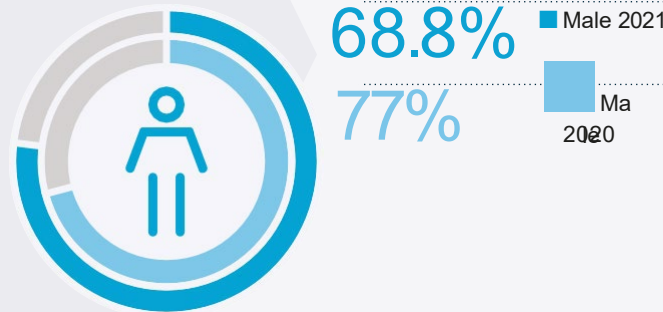
2020: 48.55%
2019: 49.47%

2021 Mean bonus gap

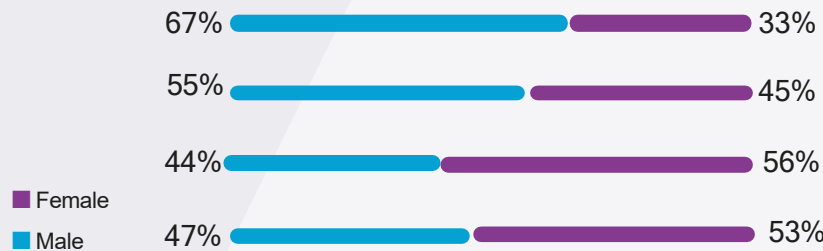
50.0%

2020: 64.42%
2019: 68.57%

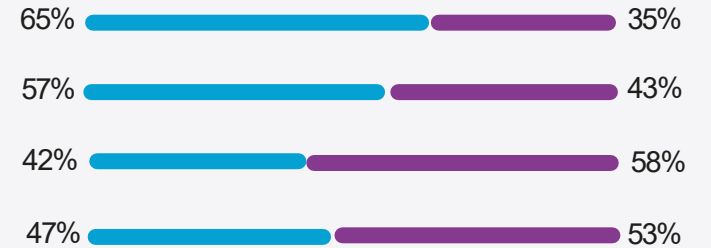
Proportion of our men and women paid a bonus across the UK:



Gender population by pay quartile: UK 2021



Gender population by pay quartile: UK 2020



Results across our Group

As a leading vertically integrated asset manager in credit and real estate, operating across the UK, Ireland, Portugal, Netherlands and Italy, we have provided the results across the group.

The charts reflect the gender profile of our workforce in all of our countries. One year on from our last report, our gender pay gap has made a small number of positive movements.

Fundamentally, the drivers of our gender pay gap are our representation of females in senior leadership roles and differences in gender representation in different job functions.

The female representation theme is consistent with the wider Financial Services sector and Asset Management, in particular.

We do recognise equality in gender pay is a work in progress and that there are no quick fixes. We will continue to work diligently to ensure an equitable outcome for all our colleagues.

Mean Pay Gap 2021

33.5%

2020: 36.02%

2019: 38.06%

Median Pay Gap 2021

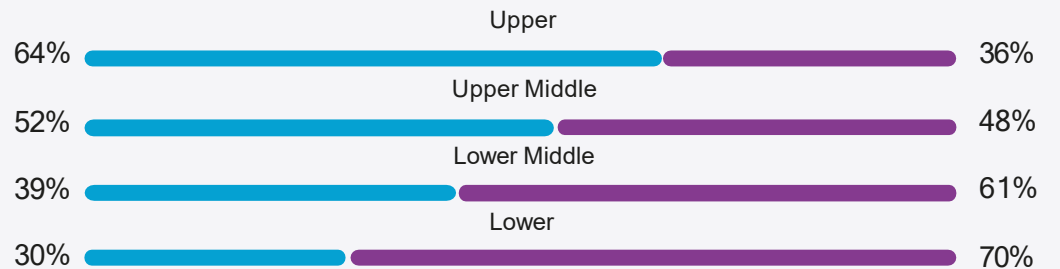
31.9%

2020: 35.20%

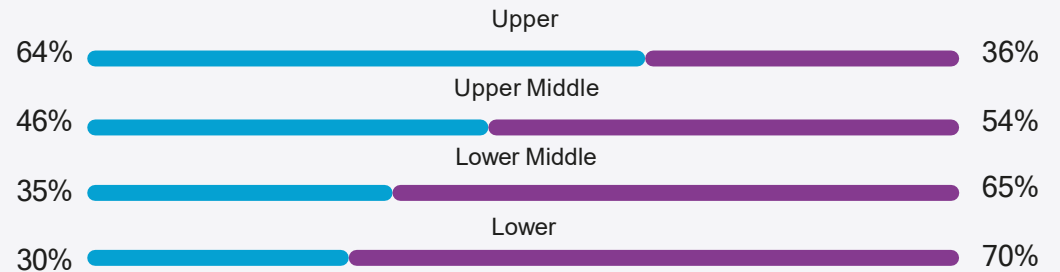
2019: 34.56%



Gender population by pay quartile: Group 2021



Gender population by pay quartile: Group 2020



Our Group bonus*

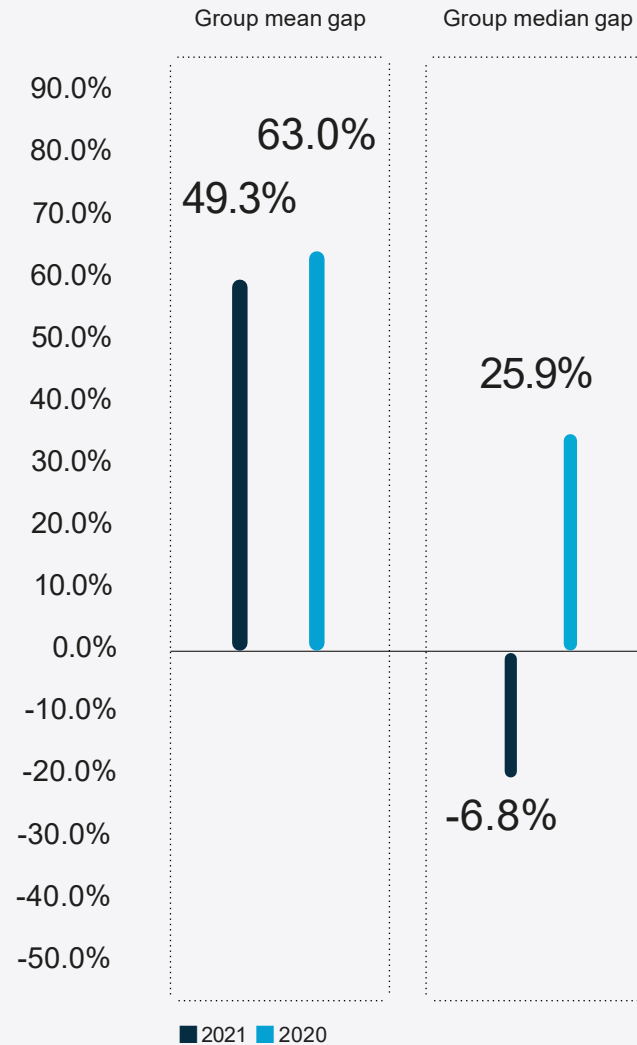
In 2020, Arrow Global's median bonus gap was 25.9%*. This reduced to -6.8% in 2021.

In 2020, Arrow Global's mean bonus gap was 63.0%. In 2021 this reduced to 49.3%

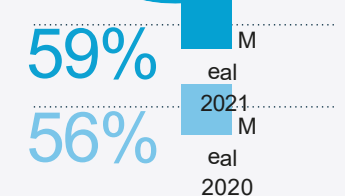
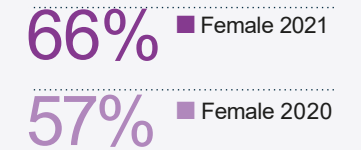
2021 bonus payments are based on company performance during 2020. With Covid impacting the business during this year it was not a typical performance bonus paying year. The business did not meet its target threshold for bonus payments. It did, however, make a discretionary recognition payment. We did see an increase in relation to the percentage of male and females receiving bonus in 2021 with 66% of females receiving a bonus. Furthermore, in 2021 Executive members withdrew from receiving a bonus payment.

*In 2021 variable compensation comprised of 'recognition' payments.

Our bonus gap



Proportion of our men and women paid a bonus



Our Initiatives and Progress

Senior Leadership Development

Continuing education and awareness raising around diversity and inclusion has been a focus throughout 2021 as the company evolved its D&I strategy. Participation in Moving Ahead 'Summit Series' throughout the year has enabled promotion of a variety of D&I topics through short, bite-sized video clips and encouraged leaders to share discussion points with their teams. LinkedIn learning continues to be promoted as a source of learning for D&I across the business.

Management Development

The business continues to invest in developing our managers and leaders with a further intake for 2021. Since the launch of the UK Apprenticeship Levy in 2017, 50 Managers have participated in the management development programme with a gender split of 46% female and 64% male. We maintain a 100% distinction pass rate.





Developing Female Leaders

During 2021, the business continued its commitment to supporting the development and advancement of females into management and leadership roles. This was supported during 2021 with the introduction of a female leader 'Coaching Lab' bringing focused coaching support to a group of female leaders with their career development.

We also invested in external development with our first trial of the Oxford Women's Leadership Programme. One of our participants Saima Hassan shares her experience on page 11. Since participating in the programme Saima has seen her career progress, joining the the UK Senior Leadership Team.

International Women's Day in March was celebrated taking the opportunity to showcase some of our female leaders and also holding guest speaker sessions. We also promoted the "Moving Ahead" Summit Series of speakers on a variety of topics.

Enhancing Flexible Working Arrangements

We continue to embrace the benefits of a hybrid working model. Embedding and supporting flexibility in working practices is an ongoing commitment which has realised real benefits for our teams and an improved ability to make better work life balance choices.

Continued support through our Employee Assistance Programme and broader health and wellbeing promotion has continued throughout the year. Moreover, additional developments in technology have assisted teams, wherever they are located, to stay connected and collaborate effectively.

“We have embraced technology faster and we trust our teams to build a workday that suits the team and individual needs.”





"I'm a big believer that women can do it all, if they want, and I am very grateful that Arrow is supporting me in my career journey."

Joanne Harvey

Chief Risk Officer and Executive Director in Mars Capital Finance Ireland DAC

I joined the Arrow business in Ireland (Mars Capital Finance Ireland DAC or MCFID) in July 2020 initially as the firm's Head of Risk & Compliance. An opportunity came up shortly after I joined for the position of Chief Risk Officer and Executive Director to the MCFID Board. Both of these roles are regulated roles in Ireland, and I was pleased to be given the opportunity to undertake them so soon after joining.

I have a passion for risk and compliance, it's in my DNA. I would like to think that as well as ensuring that I'm doing my job to protect the firm from a compliance perspective, that I am also commercially minded and have good business sense having gathered a wealth of experience in similar firms over the years. Attaining the role of executive director for Mars Capital told me that my colleagues and bosses recognised that too.

I have to say that being a woman, I felt so proud of myself for being the person they asked to do it! MCFID also supported my recent studies (Master's Degree in Compliance). I'm about 20 months in the firm now and we have gone through such a massive period of growth. I have the most brilliant team who are all so wonderfully skilled in different ways and are a 1,000% the reason why I am able to do my job so well and achieve what I need to for the firm. I'm massively thankful to my boss and the firm's CEO (Colin Maher) who from the very start believed in me and my ability. I'm thrilled to have been given the opportunities I have in Arrow and only wish I had joined sooner! I'm looking forward to the continued growth of our business and continuing to work with the amazing and talented people in MCFID and Arrow for a long time to come!



Saima Hassan

Head of Outsourced Collections (UK)

I joined Arrow in May 2012 as a paralegal, over the past 10 years I have progressed into many different roles across our in-house Litigation, Client and Partner Management Teams. In August 2021, I took on the Head of Outsourced Collections role to strengthen our external panel recoveries, delivering both optimised servicing solutions and competitive offerings. I'm now working alongside the UK SLT to devise our Platform strategies.

Throughout my time at Arrow, I have been fortunate enough to benefit from multiple personal and professional development opportunities, including the Management Development Programme, Prince II and Agile, and most recently, the Oxford Women's Leadership and Development Programme. Alongside these professional courses, I have had the chance to learn directly from great mentors who have supported my growth and development and shaped my career progression.

"I am very honoured to have the opportunity to use my experiences to drive the decisions that will advance the UK Platforms and guide, influence and mentor the next generation of leaders."



"My advice to all the women, is to not be afraid to take risks, we don't have to be perfect and know everything. We just have to be confident in our capacities to lead, play fair and be honest. We don't have to be afraid to say, "I don't know", this is for sure a clear demonstration of confidence, and be humble to learn with your team, respecting all the differences."

Rita Duarte

Risk & Compliance Officer

I joined Norfin in April 2019 as a Compliance Officer for the regulated real estate fund manager in Portugal. I had previous experience in the financial sector but never worked with funds, so it was a challenge in many ways. I had to understand the business and the complex regulations to assure compliance. A few months later, I took on the responsibility for Risk, which gave me the opportunity to work more closely with the Group, implementing and promoting a new culture in the organisation, based on straightforward communication and training. I love working with people and these roles gave me the opportunity to work with all levels across the organisation which allowed me to get to know the business and its operational constraints in a deeper way. This helps me to improve and challenge internal processes for the better.

My role and responsibilities have been expanding, which demand from me new technical and personal skills to support all departments in several projects, working together to find solutions and responding to sector demands. As a consequence, this year I was appointed as Risk & Compliance Director.

Recently, I was invited to participate in an Executive Program for women (Promova), focused on promoting female talent and helping to reduce the gap in gender equality in top management positions. The experience is amazing and I am very thankful for this opportunity and to take part in a group of highly-qualified women who desire to become inspiring leaders with the capacity to develop their careers and achieve higher positions in their careers.



“I confirm that the information reported is accurate.”

Jan Wade

Chief People Officer

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www.arrowglobal.net

www.arrowglobal.net/WeOurOneArrow-Our Diversity and Inclusion Journey

Company No. 08649661