

Gender Pay Gap Report 2025



What is the Gender Pay Gap?



Arco Ltd. Is a UK based company specialising in safety products and services with a variety of sites across the UK, including supply operations, Retail stores and offices.

Our 2025 Gender Pay Gap Report covers approximately 1,300 employees. As an employer with more than 250 employees, we are legally required and fully committed to reporting transparently and publicly on differences in aggregate pay and bonuses by gender. This is in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

The data presented in this report is based on a snapshot from our HR and payroll records as April 2025. In line with the definitions laid out in the Equality Act 2010, the data includes all employees with a valid employment contract.

The **Gender Pay Gap** refers to the difference in **average hourly earnings** (excluding overtime) between men and women, expressed as a percentage of men's average hourly earnings (also excluding overtime).

This report presents the gender pay gap both overall and broken down by:

Four equally divided pay quartiles

Age

Length of employment

Broadbands (salary bands)

It is important to note that a Gender Pay Gap Analysis is not the same as an **Equal Pay Audit**. An equal pay audit examines whether men and women performing the same or equivalent work are paid equally. which assesses the difference between

We are committed to fair and equitable pay practices. All roles at Arco Ltd, are benchmarked against external standards to ensure fair pay regardless of gender.

Mean and Median explained

A gender pay gap shows the difference between the mean (average) and median (mid-point) pay and bonus earnings of men and women employees, expressed as a percentage of men employees' earnings

A mean gender pay gap shows the difference in the **average** hourly pay for **all** women compared to **all** men, regardless of the nature of their work within the organisation.

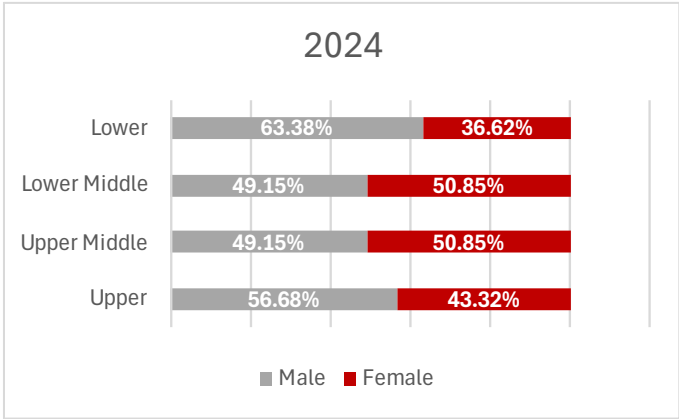
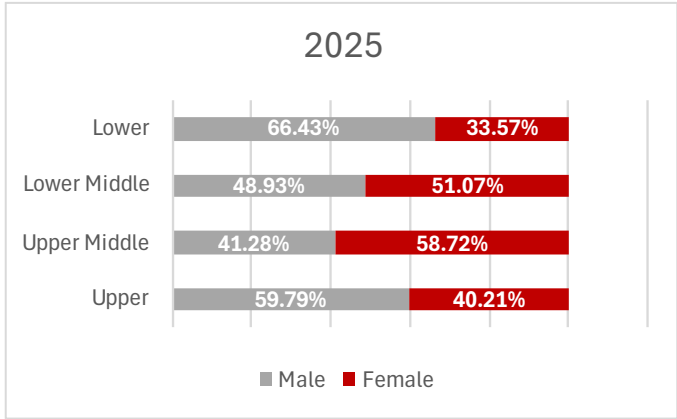
The median represents the middle point of a population. If we separately lined up all our female and male colleagues in order of the lowest hourly rate of pay to the highest hourly rate of pay, the median pay gap would be the difference in hourly pay between the woman in the middle of the female line, compared to the pay of the man in the middle of the male line.

Both mean and median calculations are affected by the actual numbers of men and women employed in different roles.

Arco's Gender Pay Gap

		April 2025	April 2024
Gender Pay Gap	Mean	11.5%	16.46%
	Median	3.96%	5.00%
Bonus Pay Gap	Mean	67.58%	39.90%
	Median	2.96%	23.43%
% employees receiving a bonus	Male	91.98%	93.52%
	Female	92.46%	94.57%

Pay Quartiles – Pay quartiles divide all employees into four equal groups (quartiles) based on their hourly pay:

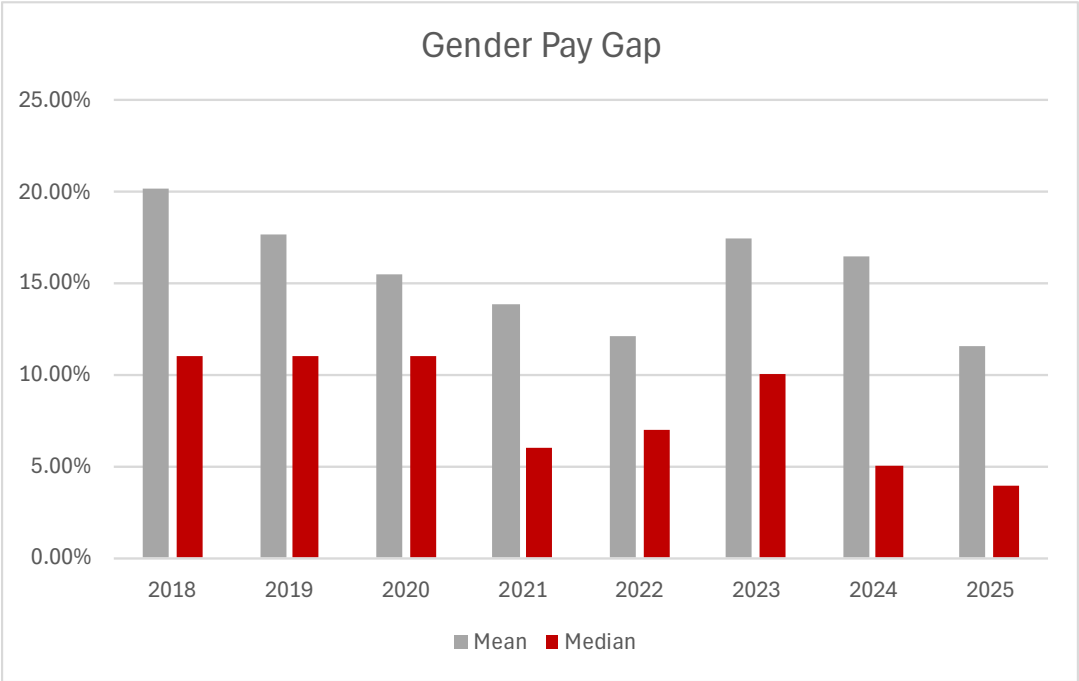


Gender Pay Gap progress since 2018

In 2025, our mean gender pay has improved by 4.91 percentage points, decreasing from 16.46% in 2024 to 11.55% in April 2025, and our Median gender pay gap has fallen from 5% in 2024 to 3.9% in 2025.

We are committed to driving gender diversity across all our operations, particularly amongst our emerging leaders.

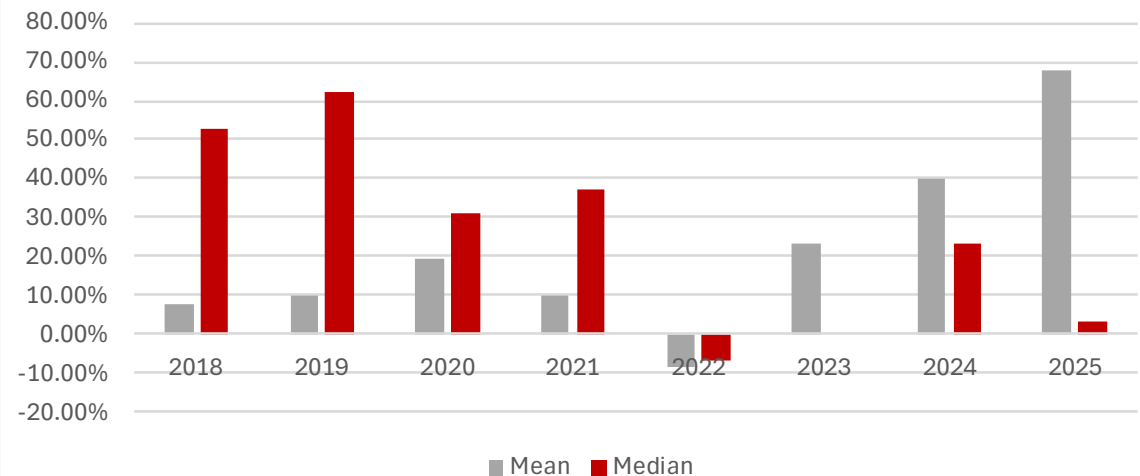
We are assessing the data at all levels and segments to ensure that our DEI plan supports the closure of our pay gap and that our career and development paths are geared towards greater levels of gender inclusion.



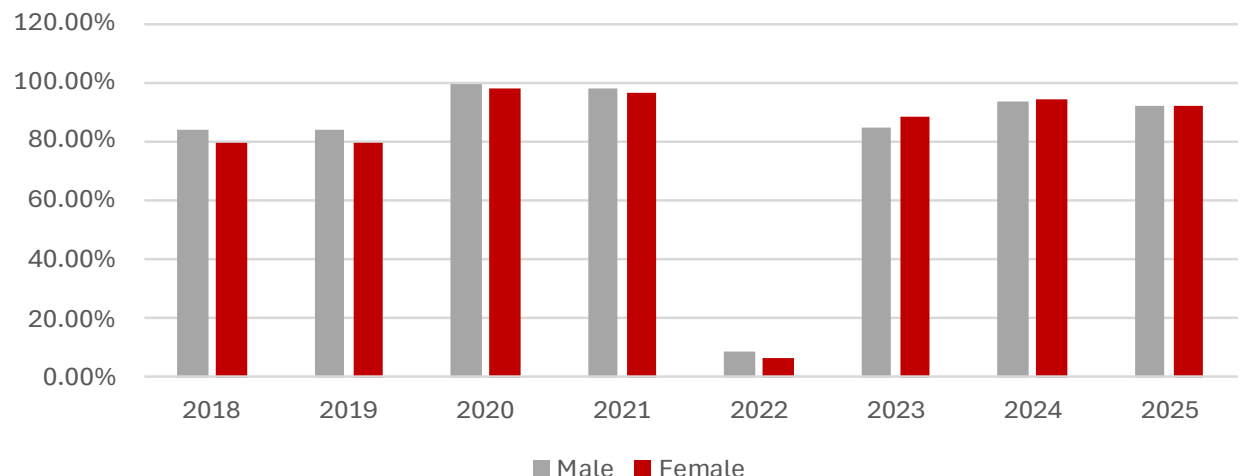
Gender Bonus Gap progress since 2018

Our gender bonus gap reflects the higher mix of male colleagues in our Upper Pay Quartile.
However, 91% of males and 92% of females received a bonus.

Gender Bonus Gap



% of colleagues receiving bonus



Pay

Our approach to pay (aligned with industry benchmarking) helps us to ensure that our colleagues are paid fairly, and according to the market. We ensure that a role is sized fairly and consistently by using a job evaluation methodology. Salary information is accessible to all employees, and we are proud that in 2025 we continued to ensure we paid the Real Living wage to our colleagues which has gone some way to close the gender pay gap for the largest group of our employees.

Our gender pay gap continues to narrow. Since we began reporting in 2018 our mean pay gap has decreased by 8.53 percentage points. This progress is encouraging and while progress remains slow, we continue to move in the right direction. The Gender pay gap is driven by an imbalance of men and women in our most senior roles. This is amplified in our bonus data.

Since our last report, the proportion of women in our upper middle quartile has increased.

Bonus

This year we have observed an increase in the mean bonus gap. Bonuses tend to fluctuate more than pay due to several factors such as eligibility based on hiring date and varying company and personal performance. The data in 2025 shows that 91.98% males and 92.46% females received a bonus in 2025.

Action Plan

It's vital we continue to attract women to work with us and therefore we continue to review our recruitment methods to help us to do this (without positively discriminating). In June 2023, our new applicant tracking system (ATS) was introduced which enables us to improve our reporting on all stages of our recruitment process. Throughout 2024 and 2025, we have built on these improvements; by taking steps to remove unconscious bias from our internal talent practices. We will be launching new training to all hiring managers which will help us on our journey to remove bias in our recruitment and interview processes.

We will continue to aim to include salary information in all our job adverts whenever possible and strive to use a range of attraction mechanisms to reach a wide and diverse talent pool.

In 2024, we launched a new Emerging Leaders training course, which has already supported **70** new people managers, including **33** women. This initiative is a key step in our broader strategy to ensure balanced representation of managers across all areas and levels of our business. It also lays a strong foundation for leadership expectations and reinforces our commitment to developing and promoting talent from within.

We have also worked with external local colleges, such as Ron Dearing UTC to help build a pipeline of women who will wish to develop their careers with us by offering coaching and support to young females who are looking to develop their careers in STEM subjects.

All our bonus schemes are designed to ensure that all employees are eligible to participate in a scheme, regardless of the role or gender. We will continue to ensure that any bonus initiatives are open to all colleagues regardless of gender.

The launch of our Inclusion Network supports our commitment to fostering a respectful and inclusive workplace culture. Alongside updated training and a new anti-harassment and anti-discrimination policy, we've created space for open conversations about what inclusion and diversity truly mean. These efforts, together with our EDI plan, have helped us begin actively listening to our colleagues' experiences. A key focus of the EDI plan is encouraging staff to share their diversity data, enabling us to reduce the number of "unknown" entries and more effectively monitor and strengthen the inclusivity of our culture and workforce.