

# VI.AVI Solutions UK Limited Gender Pay Gap Report

2021

# Introduction from Todd Taylor

As an organisation, we strive to foster, cultivate, and preserve a culture of diversity, equity and inclusion. Our human capital is the most valuable asset that we have. We embrace, encourage, and celebrate our employees' differences and what makes them unique to enable them to bring their authentic self to work. We are working on long term changes that may take time to materially move the dial, as we understand that short term, ad-hoc actions will not work in relation to gender disparity.

It should be noted that following the successful hive up of Aeroflex Limited into VIAVI Solutions UK Limited, we have elected to incorporate the previous results from Aeroflex Limited (having previously been a wholly owned subsidiary) into this report. This report is therefore the first consolidated view of the Gender Pay Gap for the whole of VIAVI Solutions UK Limited, which includes an additional 100 full pay relevant employees. Any reference to historical reports and figures relate solely to Aeroflex Limited.

Looking at our Gender Pay Gap numbers, we are pleased to see a narrowing in our mean and median Gender Pay Gaps, and the median Gender Bonus Gap. We are seeing a greater proportion of women in the upper pay quartiles and also a continued trend of the proportion of employees receiving a bonus increasing, which would be influencing these figures. Whilst we have seen a slight increase in the mean Gender Bonus Gap, it is important to note that statistically the mean is more susceptible to data outliers, given the nature of the calculation itself.

Our Gender Pay Gap is driven by comparatively lower female representation throughout the business, particularly at the more senior levels. We are confident that positive change can be seen throughout our

organisation to support all employees, in particular we are widening our understanding of Diversity to embrace not only identity, but also the practices and behaviours that create the right environment for our employees to succeed, and the creation of our Diversity, Equity and Inclusion (DEI) pillars. We understand we are early on in our journey, however, we stand ready and focused on improving the employee experience for all.

Although our results are moving in the right direction, as always, we recognise there is further work to do and reducing our Gender Pay Gaps and Gender Bonus Gaps remains a key priority for us to which we remain committed.



**Todd Taylor**  
**Vice President - Commercial Engagement Team;**  
**Legal Lead - Europe, Middle East, Africa**

I invite you to read further about our results, understand more about the actions we have taken, and our future commitments to closing the gaps even further.

I confirm the data reported is accurate, in accordance with the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

# Understanding the Gender Pay Gap

## What is gender pay reporting?

The gender pay gap is the percentage difference in the mean or median hourly rate for all male and all female employees across an organisation. It is a single figure for all employees within a workforce – irrespective of the job they do, grade, skills or experience. It is not the same as equal pay which is the legal requirement to pay male and female employees equally for equal work.

## How is the gender pay gap measured?

From April 2017, the UK Government has required all UK companies with over 250 employees on payroll to annually publish specific calculations relating to the following:

### Gender Pay Gap (hourly pay):

The mean (average) and median (middle of a ranking from lowest to highest) difference between what male and female employees were paid on 5th April 2021, shown as percentages.

### Gender Bonus Gap:

The mean and median difference between what male and female employees were paid in the 12 months prior to 5th April 2021, shown as percentages.

### Bonus Proportions:

The percentage of male and female employees receiving any bonus payment in the 12 months prior to 5th April 2021.

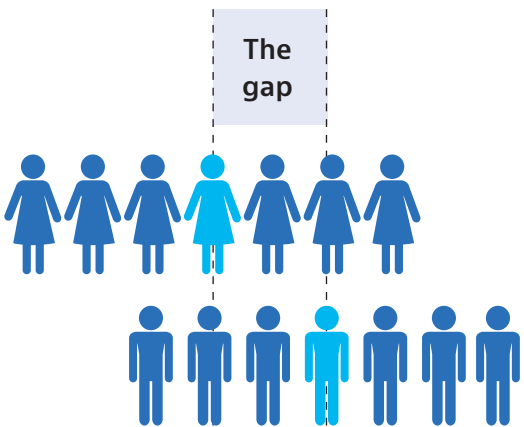
### Hourly pay quartiles:

The percentage of males and females in each pay quartile. All hourly pay is ranked from highest to lowest and employees are divided into four equal groups. The percentage of males and females in each group is then calculated.

# Gender Pay Reporting Results 2021



**Mean:** The mean is calculated by adding up the total hourly pay of employees and dividing by the number of employees in the list. The calculation is completed separately for men and women and the totals are compared.

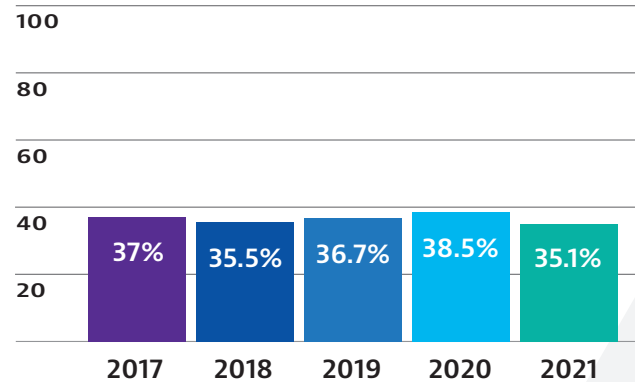


**Median:** The median is the middle number of a ranking of hourly pay from lowest to highest and gives us the best view of 'typical' hourly pay.

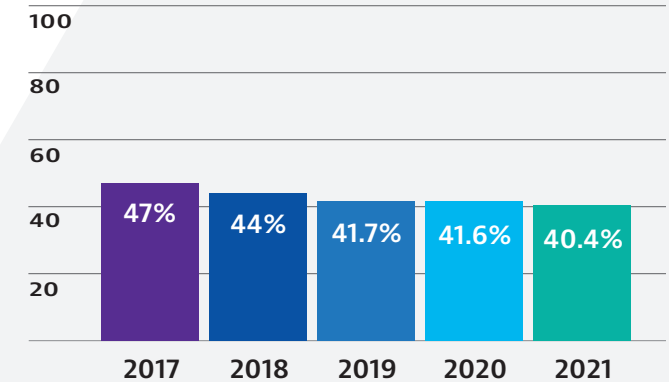
## UK Gender Pay Gap

The chart below shows our VIAVI Solutions UK Limited Gender Pay Gap results for 2021 compared to previous results for Aeroflex Limited over the last 4 years.

### Mean



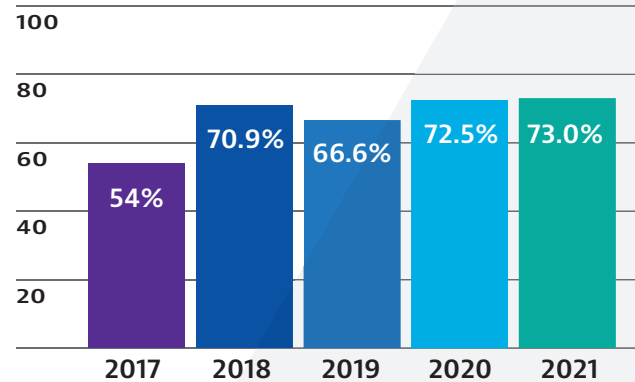
### Median



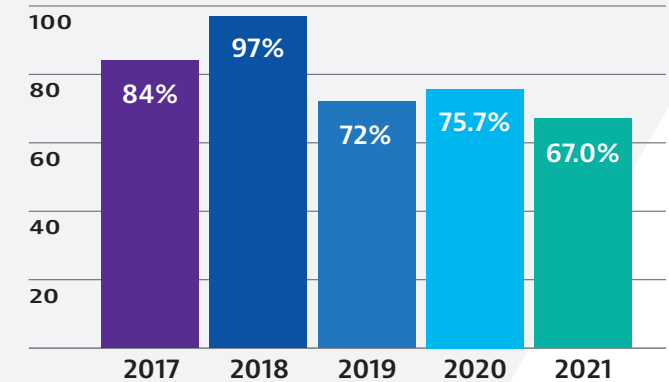
## UK Gender Bonus Gap

The chart below shows our VIAVI Solutions UK Limited Gender Bonus Gap results for 2021 compared to previous results for Aeroflex Limited over the last 4 years.

### Mean



### Median



The pay data is taken at a snapshot of the 5th April 2021 and the bonus data is all bonuses paid between 6th April 2020 and 5th April 2021.

# Gender Pay Gap Summary

The mean pay for men is 35.1% higher than that of women and the median pay is 40.4% higher. The mean and median gaps have decreased by 3.4% and 1.2% respectively compared to Aeroflex Limited results in 2020. Both the mean and median Gender Pay Gaps remain favourable to male employees, although they do demonstrate a positive trend over the last 5 years towards closing the pay disparities, both as Aeroflex Limited and in particular after having up into VIAVI Solutions UK Limited.

## Proportion of Employees Receiving a Bonus

The charts below show the percentage of employees who received a bonus.



As you can see, in 2021 the proportion of our employees receiving a bonus in the period remains high and continues to increase following the hive up of Aeroflex Limited into VIAVI Solutions UK limited. The bonus proportion calculations include employees who were not eligible for bonuses due to their start dates. As such the 2.5% difference between the proportion of females and males receiving a bonus are not due to different eligibility levels.

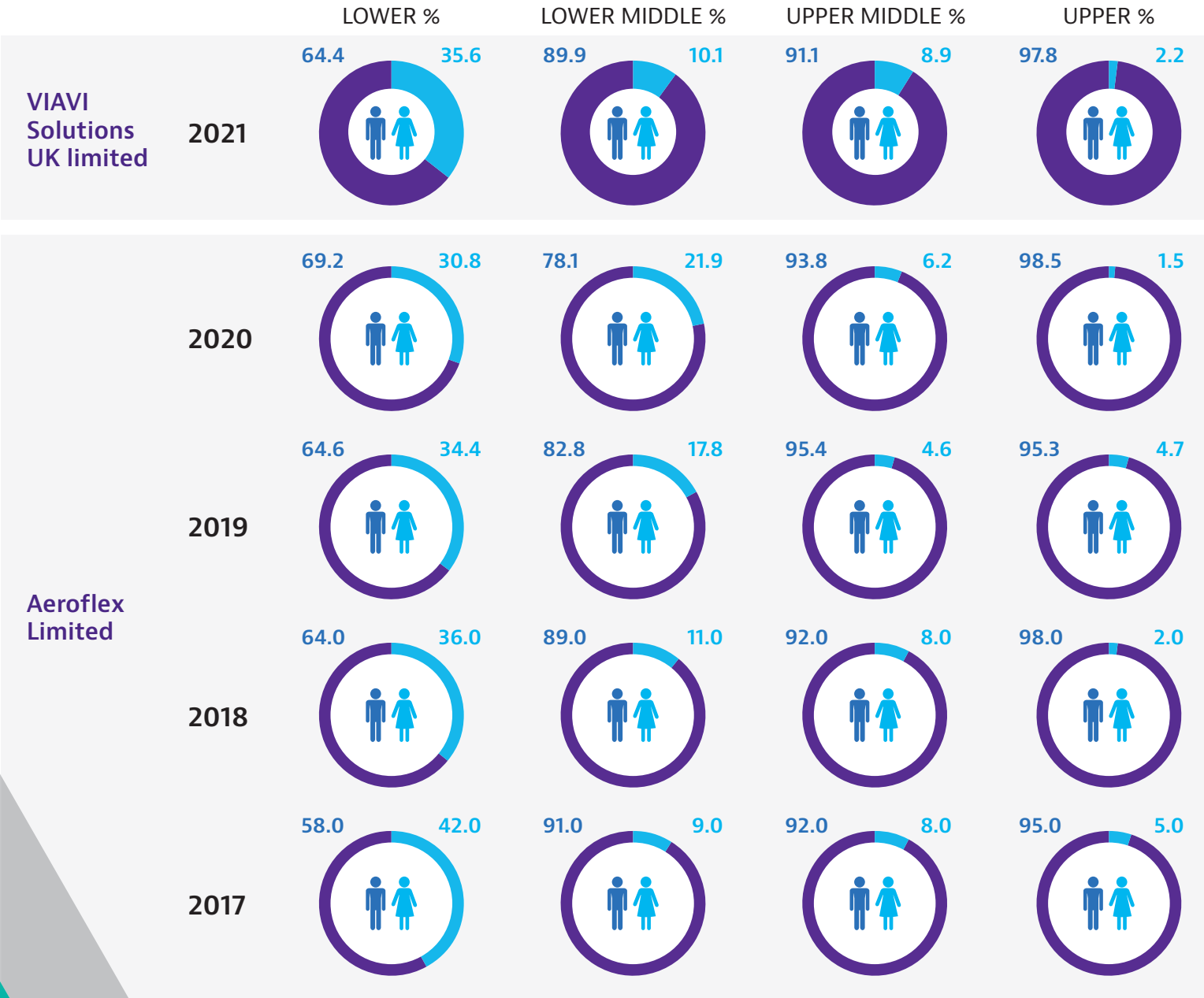
## Bonus Pay Gap

The mean bonus gap has increased by 0.5%, however, the median bonus gap has decreased materially by 8.7%. Both the mean and median Gender Bonus Gaps remain favourable to male employees by 73.0% and 67.0% respectively.

# Population by Pay Quartiles

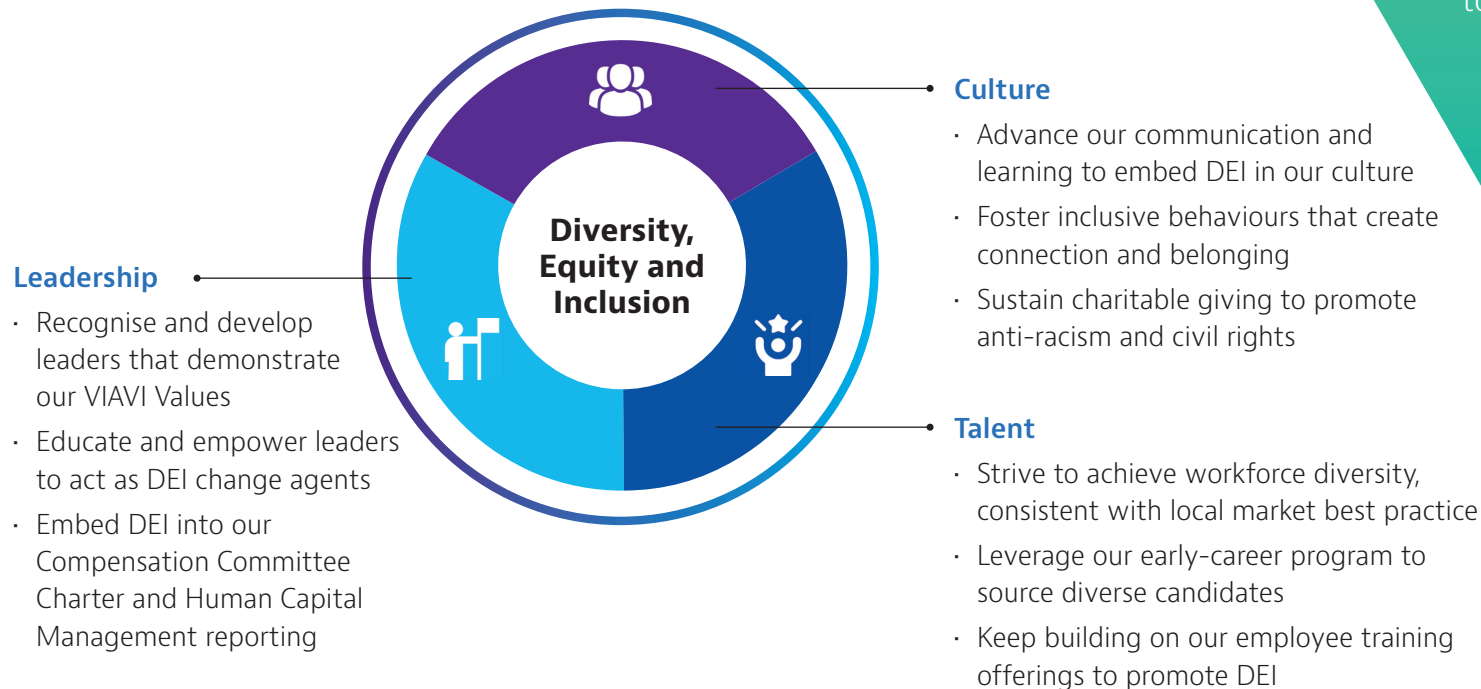
Like in many other companies in our sector, the gender distribution of our workforce has the main influence on our Gender Pay Gap.

Our year-on-year gender distribution across the four equally sized pay quartiles shows that the proportion of females continues to be low in both the upper and the upper middle pay quartiles, accounting for our high Gender Pay Gap. However, the additional full pay relevant employees within these calculations following the hive up of Aeroflex Limited into VIAVI Solutions UK Limited has helped to narrow the Gender Pay Gap, following an increase in the proportion of females now being included within the upper quartile calculations over the last year.



# Our DEI commitment and actions

We are bridging diversity to include Diversity, Equity and Inclusion (DEI). We will continue to communicate to our employees about diverse perspectives, while adding the insight to understand the value of equity in our practices, and inclusiveness to our behaviours. Our Diversity, Equity and Inclusion (DEI) Pillars embody our approach as we make progress in this space.



We are confident that the actions and wider DEI commitments that we have implemented will have a lasting impact on our Gender Pay Gap results. Although we recognise it may take time for us to start seeing the evidence in our results, we are certain these will have a positive effect on our pay disparity efforts and our culture overall.

Whilst our organisation and wider community continues to face challenges, we've also articulated our philosophy about working which includes the belief in the value of the having our team members interacting in a workspace. We will continue to refine on our practices with respect to hybrid working, while recognizing the unique needs of our workforce as conditions evolve. We also continue to focus on initiatives to ensure our female employees have equal opportunity to progress to senior levels.

# Next steps

It is important that we continue to work on reducing our Gender Pay Gap. We will be guided by the organisation globally in respect to the integration of our DEI pillars into business as usual, and we will continue to strive to ensure the workplace is inclusive and equitable for all employees.

## From a UK perspective, in 2022 we will focus on:



### Performance Management

- We challenge all managers to look at talent management from an individual needs basis and to prioritise Everyday Development



### Hiring and Selection

- We remain committed to the recruitment of females at senior levels to reduce the Gender Pay Gap
- We are working to ensure all our job descriptions have inclusive, gender neutral language



### Broader Diversity

- We commit to actively supporting the DEI pillars and focusing on long term, sustainable change for our workforce



# Glossary

**Diversity:** Diversity is about recognising, respecting and valuing differences based on any number of areas inclusive of, but not limited to, ethnicity, gender identity/expression, age, race, religion, disability and sexual orientation.

**Equity:** Equity implies justice or fairness, thereby seeking to provide each individual with the tools and resources that they need to be successful. Note, this differs from Equality which relates to treating everybody equally.

**Inclusion:** Inclusion is the culture in which everyone can come to work, feel comfortable and confident to be themselves.

**Median:** The median is the middle number in a sorted list of numbers.

**Mean:** The mean is the average of a set of given numbers.

**Quartile:** A quartile is a type of metric which divides the number of data points into four parts, or quarters, of more-or-less equal size. The data must be ordered from smallest to largest to compute quartiles.





VIAVI Solutions