



2021 Avaya UK Pay Gap report



At Avaya, we look for and seize opportunities to bring about positive social, environmental and economic change.”

—Jim Chirico, Avaya President & CEO

Our people are the driving force behind our every success, and we pave the way for them to grow, develop, and win. Facing a historic pandemic and the global challenges to home and work lives, Avaya employees faced the last 12 months together; harnessing past successes to focus on creating a strong sense of belonging and connection. Continuing our people-first commitments, we expanded on our Diversity focus to launch our first Diversity, Equity, Inclusion and Belonging strategy and content.

Never before has the Avaya workplace been more flexible, supportive and inclusive. We are shaping what’s next for the future of work with our solutions that deliver game-changing business benefits – particularly for professional women who have an ever-growing suite of tools to join in and drive the Avaya workplace.

We’re looking, listening, learning and building on those lessons. This is our 4th UK Pay Gap Report and builds on our year over year successes. Avaya operates in an industry and sector with historic gaps in gender employment and pay. In addition to this report, our regular internal analyses and benchmarking allow us to set goals while we evaluate the success of our efforts to reduce and improve those historic pay gaps.

Avaya UK Pay Gap Reporting¹

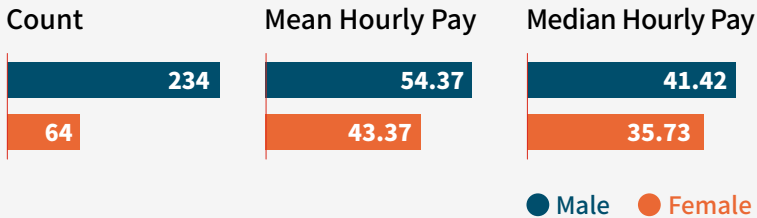
This report includes analyses designed to assist in the ongoing identification of national gender gaps in pay. As defined by the UK gender pay gap reporting requirements, and maintaining the consistency of our prior reports, Avaya UK provides the following data:

Our results

The following figures show the mean (average) and median (mid-point) gap. These identified gaps continue to be monitored by Avaya and show an increase over our prior report.

Show an increase over our prior report partially driven by attrition and the inclusion of drastically different roles and seniority in a single analysis.

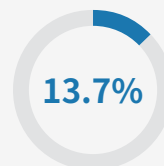
Gender pay gap in hourly pay²



Mean Gender Pay Gap



Median Gender Pay Gap



While the mean hourly pay for females continues to increase, the rate and skill of attrition for males in part, led to an increase in the measurable gaps.

Contributing factors include:

While we see an increase in the representation of females in leadership, greater than 86% of male employees have worked for Avaya for more than 15 years; with seniority and salary increase eligibility impacting wages.

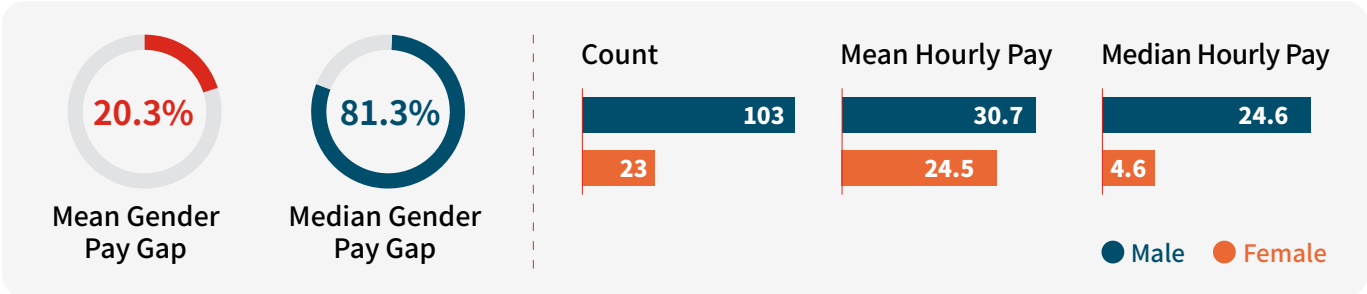
As is the case for our peers in the industry, the high percentage of males in the competitive fields of sales and technology further influence this metric.

As noted in prior reports, the coupling of both sales (variable, or sales-commission based) and non-sales (salaried) compensated roles contributed to the reported gap and is further impacted by the number of males in senior leadership roles.

Specifically, when we repeat the calculations for non-sales (salaried) roles, capturing the majority of the females at Avaya UK, we see a significant reduction in the defined gap both for the current period and year over year:



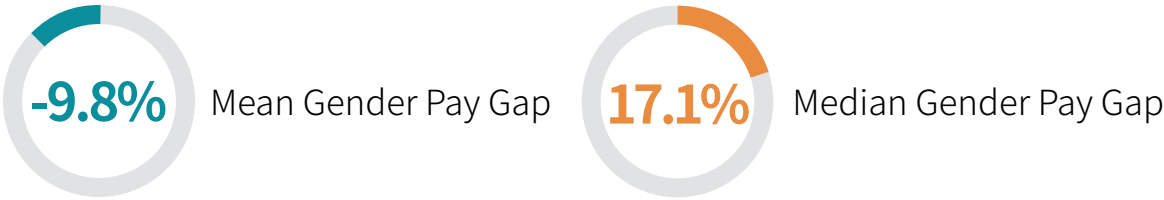
Bonus Gender Pay Gap:



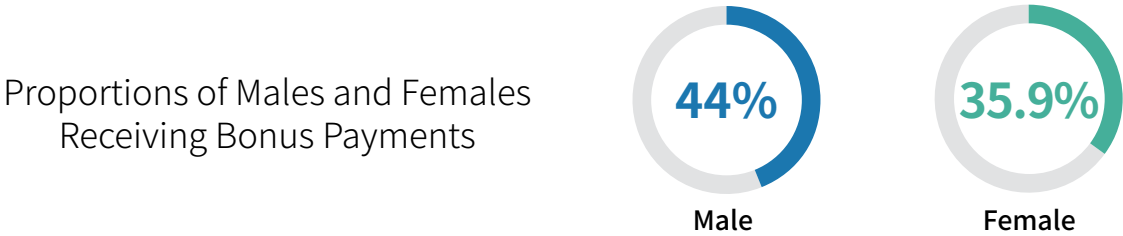
Here again, the definition of “bonus” combines both sales (variable, or sales-commission based) and non-sales (salaried) compensated roles. The opportunity for a “bonus” for a sales employee has dependencies including the market and customer purchases while salaried roles have access to potential incentive based on the overall corporate performance and individual personal performance.

The percentage of females in commission-based roles has a dramatic impact on these measurements. The results are further impacted by the inclusion of inactive employees who may not be eligible for bonus payments and the percentage of males in senior or executive roles with additional bonus eligibility associated with their roles.

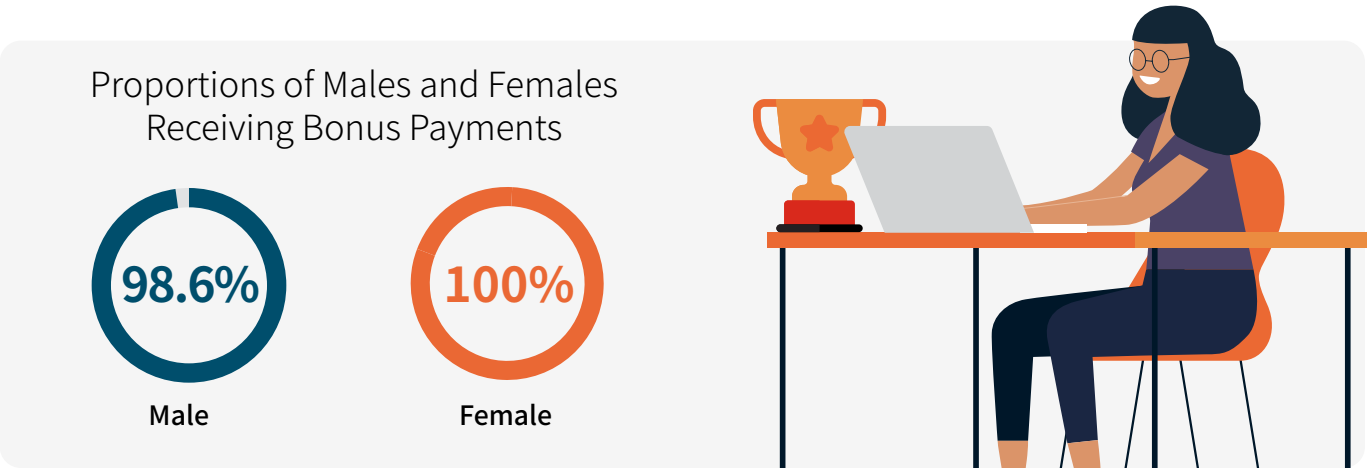
When we repeat the calculations for sales (variable, or sales-commission based) roles alone, we see:



During this reporting period, company performance had a direct impact on the amounts and eligibility for bonuses. The differentiation in bonus mean and eligibility is directly tied to the percentage of females in sales versus non-sales roles.



Again, when we repeat the calculations for sales (variable, or sales-commission based) roles alone, we see:

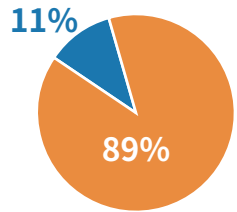
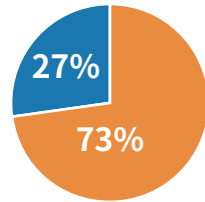
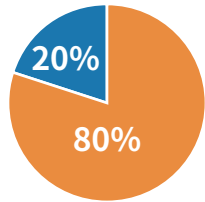
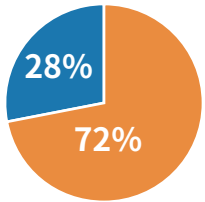




The table below shows the distribution of males and females across the Avaya pay bands or levels. It should be noted that the majority of roles are management level. As stated earlier, there is a higher percentage of males in the organization and a higher percentage of longer-term employees are male.

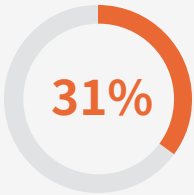
Distribution of men and women across pay quartiles:

	Lower Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile
Male	53	59	55	57
Female	21	15	20	8
Total	74	74	75	75

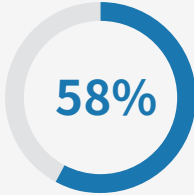


Additional key measures:

Review of our overall staffing changes during the reporting period revealed many positive changes including:



of Avaya UK’s current female employees were hired within the last 5 years; clearly highlighting Avaya’s continuing commitment to increase female hiring.



of Avaya UK’s female employees have a record of 2 or more years of top performance in the last 5 years; 32% of Avaya “Strong Performers” in 2020 are female.



Attrition for females is half that of males at Avaya UK.



25% of new hires to Avaya UK are female, an increase over prior years.



What have we learnt since our last report?

Engaging our employees and managers in a transparent dialogue is the key to “moving the needle”. This year, in addition to Avaya’s global communications, all leaders of UK staff participated in specific forums to better understand this report, the pay processes and tools available to increase equity across job titles. Further, prior reports were reviewed during country-wide briefings available for live participation and replay.

Internal analyses again highlighted that females continue to be consistent high performers and innovators. At Avaya, we regularly measure and reward our high performing staff. Employees receive regular performance feedback and an annual performance rating in one of four possible categories.

In a continuation of the positive trends, this year we note that 58% of females achieved Avaya’s highest ratings at least 2 of the last 5 years.

Likewise, the number of females in supervisory roles continues to rise; in non-sales roles it is at its highest level in years.

Females are among the most visible members of the Avaya UK leadership team and are regularly recognized internally and externally for their successes.



How did we build on that learning?

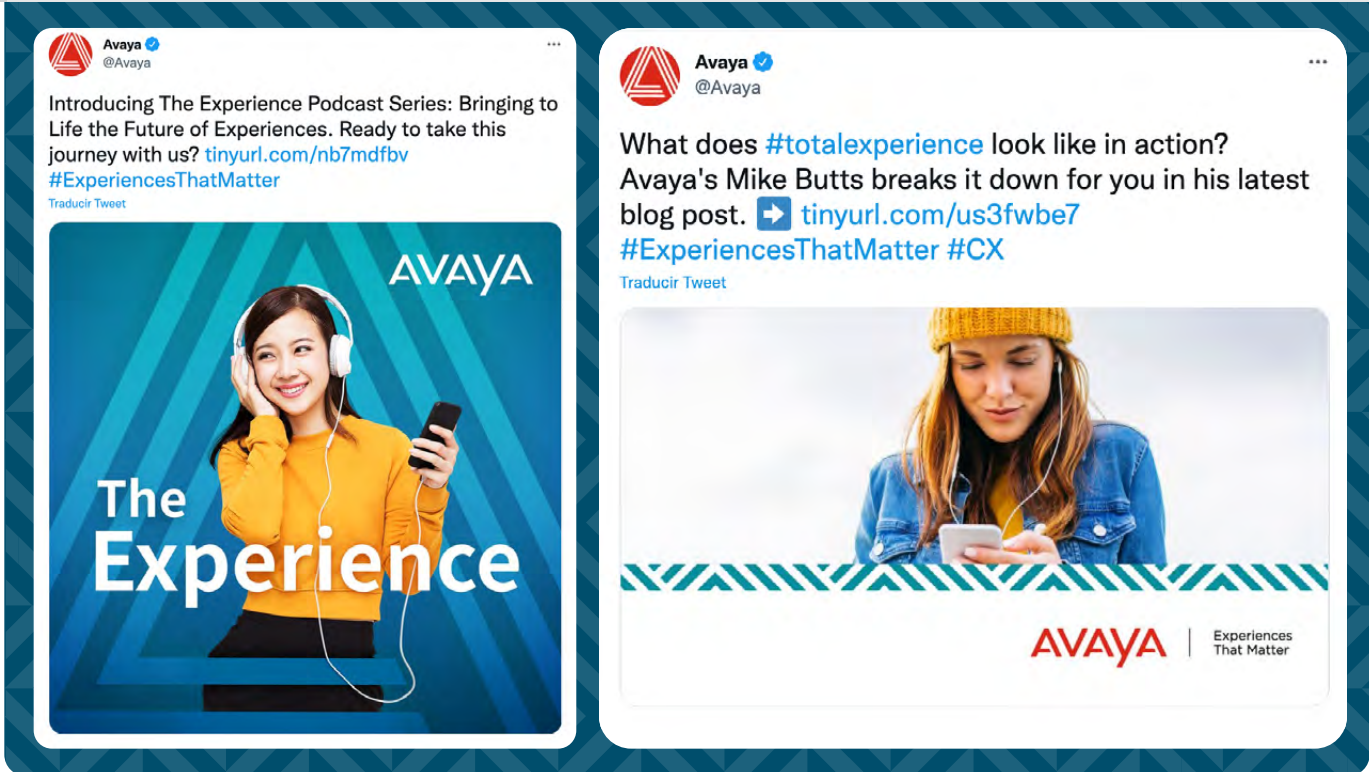
At Avaya, we build Experiences that Matter. From our cutting-edge collaboration tools to our global forums and employee engagement opportunities, we are building a community where inclusion and belonging spark innovation every day.

While we know that, globally, Avaya’s representation of females in the workforce and in leadership roles is on par with (or in some cases better than) our peers in the industry, we strive to continue to evaluate our practices and engage in meaningful action to address identified gaps. Avaya is a diverse and inclusive business operating with a global equal opportunity policy, which can be found at the following link: www.avaya.com/AvayaScripts/ga/track-pdf.html?f=/en/documents/fy19-avaya-eo-global-non-discrimination-policy.pdf

The strength of that policy is underscored by the Avaya UK programs and policies that promote equal opportunity and equal treatment including, but not limited to:

- Flexible work arrangements
- Regular monitoring of performance expectations, feedback, compensation and staffing
- Global Reasonable Accommodation/Work Adjustment program including lactation and religious accommodations
- Multiple family leave of absence options and payment packages
- Rotational programs to increase training and opportunities for high-potential new hires
- Dedicated, independent Equal Opportunity and Compliance departments with confidential and anonymous issue reporting available to employees globally.
- Remote and work from home policies
- Employee assistance and work-life balance programs

We continue to accelerate our growth and initiatives specifically targeting gender equity and reducing identified gaps.



As in the past, we would like to highlight a few exciting Avaya Inc. and Avaya UK initiatives in support of our efforts this year:

Dynamic real-time learning – Avaya invested in Blue Ocean Brain to launch dynamic multi-modal micro-learning to all employees on Diversity, Equity, Inclusion and Belonging topics including Allyship, Bridging the Gender Gap and What it’s like for Women of Color at Work.

Leading and innovating in Remote and Hybrid work – Avaya Female leaders presented global content with our partners at The Female Quotient in a live public virtual event presenting on The Equality Lounge: The Great Returnship to Work including topics from Hybrid Work Will Be the New Norm for Many to How Flexibility Weighs in the Search for Talent; providing real-time content and guidance for women preparing to return to post-pandemic workplaces.

Connecting Women in Tech – Avaya UK hosted a premier event for female and ally industry peers including a workshop delivered by She Rises on Coaching, Confidence and your Career.

Global Diversity, Equity, Inclusion and Belonging activity – This year, we hired our Head of Diversity, Equity, Inclusion and Belonging and launched our Global Diversity, Equity, Inclusion and Belonging Council and Committee; regularly bringing together senior global leaders from across the business with representatives from Diversity, Equity, Inclusion and Belonging Employee Resource Groups.

Woman’s Initiative at Avaya (WIN@A) - a voluntary, company-sponsored and employee-led employee resource group that serves as an inclusive forum to facilitate interaction and organize activities supporting female empowerment and leadership. By providing a platform to engage in open dialogue and share perspectives, Avaya strengthens the foundation for a culture of diversity and inclusion that is fundamental to the company’s core values. Just a sampling of the WIN@A events include:

- Avaya First! LinkedIn Live Event on ‘How Avaya is Helping Empower Women in Technology’ with CHRO Faye Tylee
- Women in Leadership Virtual Academy - 4-part series (with Leading Edge)
- IAUG Women in Tech Podcast & Webinar
- Healthy Mind Toolkit – Multiple Mental Health support presentations by www.Magellanascend.com
- Partnered with the Avaya Blacks Leading Empowerment ERG, to host a Fireside Chat with Unapologetically Ambitious author Shellye Archambeau for all employees

Avaya UK continued to lead the global Avaya community in commemorating International Women's Day, extending the campaign to include a month-long celebration featuring forums for women and allies and a robust social media campaign celebrating the many technology advancements made by women. This year, WIN@A members across the region joined the global #ChooseToChallenge movement sharing how they challenge the status quo and themselves every day.

Giving and supporting women in our communities – As the impact of the pandemic spread across workplaces, women were disproportionately impacted around the world and benefitted from hybrid and virtual work-from-anywhere opportunities. Avaya stepped in to provide low and no-cost products and solutions to support businesses and front-line workers. With our long-time partner Save the Children, Avaya UK employees raised money and did community service to fund safety improvements for girls’ schools in Afghanistan.

We confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations of 2017. Questions can be referred to HR at the following email: oconnell@avaya.com.

Ena Hunter

Ena Hunter

Legal Director, Avaya UK, Ireland, Nordics and Israel

October 2021