At Agilent, We Value Diversity

As a global company with 14,000 employees in more than 30 countries, Agilent has a broad and varied workforce. Through experience, we know that diversity brings strength and helps us realize our full potential. Innovation results when people who have different experiences, perspectives and cultures work together. A diverse workforce expands the company’s base of knowledge, skills and understanding.

We want Agilent to be recognised as a great place to work. We are a community and our aim is for all Agilent employees to have a fair and equal opportunity to excel and enjoy a successful career- regardless of gender or any other attribute.

UK Gender Pay Gap Reporting Requirements

Beginning 6 April 2017, the UK Government requires UK employers with more than 250 employees to review gender pay information and publish the following figures annually:

A. Gender pay gap (mean and median)
B. Gender bonus gap (mean and median)
C. Proportion of men and women receiving bonuses
D. Proportion of men and women in each quartile of the organisation’s structure

We welcome this focus on pay equity and see the annual reporting as a valuable opportunity to capture and reflect on our ongoing internal activity. Below, you will find our Gender Pay Report for 2017 for Agilent's UK employer, Agilent Technologies LDA UK Ltd which, at the snapshot date of 5 April 2017, employed a total of 372 people; 267 men (72% workforce) and 105 women (28% workforce).
Mean and Median Pay Gap\(^1\)

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Gender Pay Gap</td>
<td>21.6%</td>
<td>26.9%</td>
</tr>
<tr>
<td>B. Gender Bonus Gap</td>
<td>7.9%</td>
<td>34.4%</td>
</tr>
</tbody>
</table>

\(^1\) The gender pay gap shows the difference between the mean (average) and median (mid-point) pay and bonus earnings of male and female employees. The gap is expressed as a percentage of male employees’ earnings.

\(^2\) The prescribed calculation method has a negative impact on the reported bonus payments as it is not permissible to adjust to a full-time equivalent bonus figure for part-time employees, the majority of whom are female.

C. Proportion of Employees Receiving Bonus\(^3\)

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>92.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>95.1%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^3\) Eligibility for bonuses included in this section vary based on criteria other than gender. For example, all Agilent employees (regardless of gender) are eligible to receive a company bonus provided that they are in employment on the internal bonus reference date. The fact that different percentages are shown in this graph relate to timing of hire.

D. Proportion of Men and Women in Each Quartile of the Organisation’s Pay Structure \(^4\)

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Lower</th>
<th>Lower Middle</th>
<th>Upper Middle</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Female</td>
<td>46%</td>
<td>26%</td>
<td>24%</td>
<td>17%</td>
</tr>
<tr>
<td>% Male</td>
<td>54%</td>
<td>74%</td>
<td>76%</td>
<td>83%</td>
</tr>
</tbody>
</table>

\(^4\) Organising the employee population from lowest hourly rate of pay to the highest, in order, then dividing into four equal sized groups gives the four “quartiles”. These are then broken down by the proportion of male and female employees in each.

Gender Pay Gap And Equal Pay Are Different!

The gender pay gap is an equality measure which shows the difference in average pay and bonuses of all men and women across the whole workforce. It does not indicate an equal pay problem - which is where men and women are paid differently for comparable work. Agilent works to ensure that all employees are paid equally for equal work through robust and transparent pay and benefit review processes (including external benchmarking and range setting).

Equal Pay

When reviewing pay for our current employees (as of March 2018), we find that the difference in salary for males and females is not significantly different\(^5\) for those performing the same roles.

We believe this analysis of pay in equivalent roles is the most relevant way to assess pay equality and the results indicate that the pay for males and females at Agilent is comparable.

\(^5\) Regression analysis does not show a statistically significant difference.
Assessing and Addressing Agilent’s Gender Pay Gap

Assessing our Gender Pay Gap

Agilent’s mean gender pay gap of 21.6% is slightly higher than the UK national average of 18.1%. We have reviewed our pay to understand more about the reason for the gap. We believe it exists predominately because of an unequal distribution of men and women throughout the workforce. Most crucially, we see an under-representation of women in senior and managerial positions which typically attract higher levels of pay and bonus. Only 8 out of 105 (or 7.6%) female employees in the UK are employed in management roles compared to 51 out of 267 (or 19.0%) male employees. In addition, a further 18 women are employed in non-management roles classified by Agilent as “gated” due to their advanced nature/key business need compared with 75 male roles in the same category.

Addressing our Gender Pay Gap

In the UK (as well as throughout Agilent globally), we work to ensure that employees are paid comparably for equal work and are working to continually improve our diversity in all areas – not just gender balance. We are already taking steps to enable a diverse and inclusive workforce by:

- **CREATING** a flexible and supportive working environment which enables employees to thrive at work and maintain commitments beyond the office. We do this through the following practices:
  - Implementing a number of family friendly policies, including enhanced maternity, adoption and paternity leave policies, as well as shared parental leave.
  - Giving all employees the right to request flexible working arrangements (not only those employees with a legal right to request).
- **GROWING** an inclusive and respectful corporate culture. We want all Agilent employees to experience a shared sense of belonging, regardless of background or personal attributes. We acknowledge that we all have a part to play in achieving this goal:
  - We are working with managers in key business areas (for example, those areas that have typically been male dominated or demonstrate limited diversity such as in Sales or Support organisations) to develop targeted action plans for improvement.
- **INVESTING** in achieving our goal of continuing to build an even more diverse and inclusive company:
  - Agilent has appointed a Global Diversity & Inclusion Manager, dedicated to reviewing and monitoring Agilent’s progress against our diversity goals and continually driving initiatives focused on improvement.
- **FOCUSING** actively on the issue of pay equity and looking for opportunities to demonstrate our commitment to equitable pay – for example, as we review and design our policies and programs, as we implement manager awareness training and as we actively search for opportunities to further support our commitment to diversity.
- **RECOGNISING** that Agilent’s core value of uncompromising integrity supports our commitment to gender and pay equality by publicising our objectives and being accountable for the results.
- **COMMITTING** to advance diversity and inclusion in all our workplaces from the highest level in the company – our CEO Mike McMullen has publicly pledged to act on this goal. 
  https://www.ceoaction.com/ceos/

We recognize there is more to do and we are committed to continuing this important journey towards greater diversity in all aspects of our workforce – including through an improved gender balance.

Click here to find out more about Diversity at Agilent.

---

6 These are Agilent "Individual Contributor" roles internally classified at "Expert" level and higher.
Statement

We confirm that Agilent’s Gender Pay Gap calculations are accurate and have been compiled in accordance with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and the Guidance on Managing Gender Pay Reporting jointly published by the Arbitration and Conciliation Services (ACAS) and Government Equalities Office in December 2017.

Neil Rees  
VP & UK Country General Manager

Karen Waddell  
UK & Ireland HR Manager