



Gender and Ethnicity Pay Gap Report 2023

Embracing an inclusive culture



Foreword

Since we published our first combined gender and ethnicity pay gap report in 2021, we committed to working to close gaps, to diversifying our workforce and to creating a culture with inclusivity at its heart.

This report consists of a detailed and accurate depiction of our pay gap progress in both gender and ethnicity for the UK.

At AVEVA, data is foundational to everything we do. We harness data to provide essential insight and knowledge for our customers to inform their decision making. So, it is natural for us to take a data-informed focus on gender and ethnicity, which drives our efforts to create an environment built on respect and dignity. We believe these essential ingredients support wellbeing and high performance.

While we are pleased to see our progress in closing the mean gender pay gap, which is reducing steadily year on year, from 14.3% in 2022 to 10.1% in 2023, it is clear we still have a long way to go.

Our mean ethnicity pay gap increased in the same period from 0.4% in 2022 to 2.4% in 2023 for the category 'Black, multi-racial and other', and 10.1% in 2022 and 11.8% in 2023 for the category 'Asian/Asian British'.

While disappointing, our transparency in publishing this information is our clear commitment to analyse and understand the different elements which have contributed to this decline. To enable us to reverse this direction in 2024, we will use our learnings to set targets, educate further and measure our progress.

It is essential that we continue to implement innovative actions to ensure we provide fair pay and opportunities for all. When I talk of fairness, I speak not only to current but also prospective employees, ensuring that we are inclusive in all stages of the recruitment process, so we can attract top talent and are an employer of choice for everyone.

We cannot deliver change in isolation; therefore, I am grateful to the efforts of our eight Employee Groups, regional DEI networks, and our wider AVEVA community.

We still have work to do. I look forward to realising our ambitions to close the gaps, continue to rebalance the overall demographics of our talent across the business to create an inclusive culture where everyone feels that they belong.



Caspar Herzberg
Chief Executive Officer

Our vision

What does Diversity, Equity and Inclusion mean to AVEVA?

We strongly believe in treating people fairly, equitably and without bias. We work to create favorable conditions that understand, value, and encourage inclusion, respect, dignity and belonging.

We know there is a positive relationship between DEI, productivity and innovation and year after year we find more studies that present the same evidence.

Diversity and inclusion are fundamental to supporting the culture we want to develop at AVEVA: a culture of respect, dignity, safety and belonging. When we can attract and retain talented employees – with the goal of building a diverse environment that reflects the communities we operate in – we move further towards achieving employee satisfaction and pride in working for AVEVA. By ensuring that all colleagues are seen, heard, and valued, we know we are performing at our best, for our teams and our customers.

Our five focus areas



Contents

We have set clear DEI goals for 2030 which we are working towards. We remain committed to monitoring, measuring, and providing transparency across our DEI performance goals and targets so that we can learn, take action and hold ourselves accountable for progress.

In this report, we provide data and insights across the following:

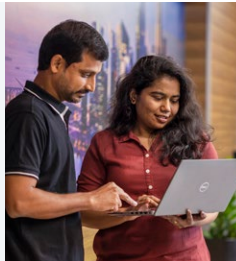
UK gender pay gap reporting

We are required to publish our UK gender pay figures. In the UK, gender pay gap reporting data looks at the average for all women and all men in all roles in the UK. We have plans to report our global gender pay gap that will include our largest countries by employee population at a later date.



UK ethnicity pay gap reporting

This report provides data on the company's ethnicity pay gap for the UK. This includes a comparison against the demographics of the UK's national workforce and the technology sector workforce. We will also be reporting our ethnicity pay gap for the US later in the year.



Learning together

We set out our learnings and progress, our continuous improvement approach including our long-term targets, and our Employee Groups.



What is the pay gap?

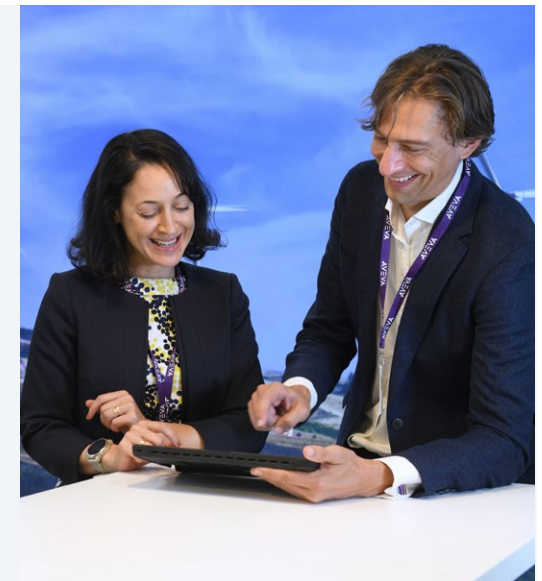
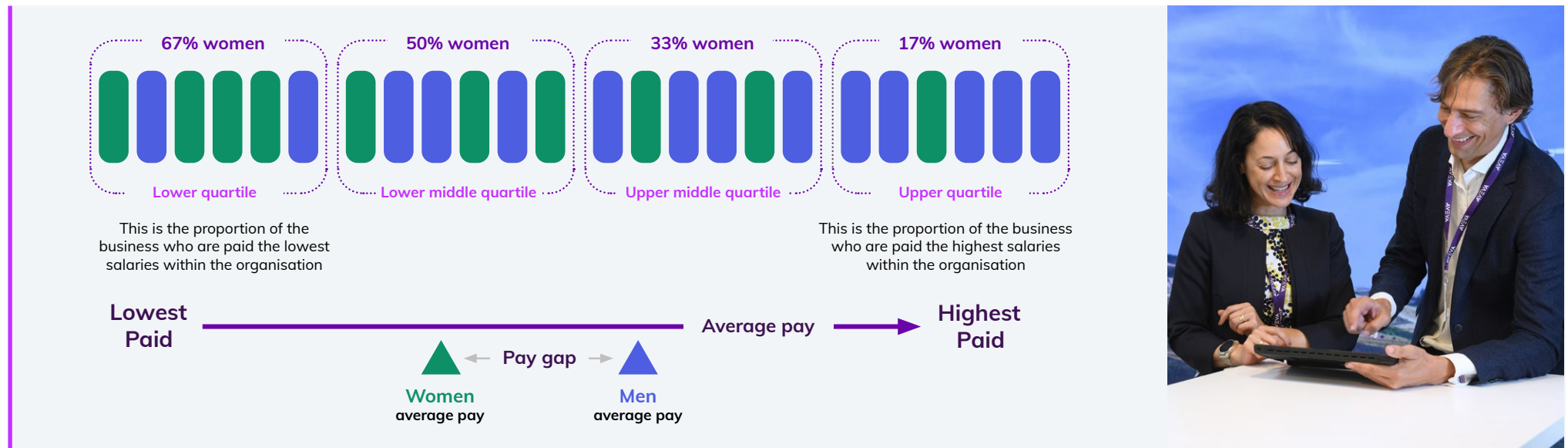
The pay gap is defined as the percentage difference between average earnings of demographic groups within the company, spanning all levels of seniority.

We divide our colleagues into four pay bands: lower, lower middle, upper middle and upper. These quartiles show the proportion of demographic groups which make up AVEVA. These help to depict how differences in representation within higher paid roles contribute to the pay gap.

The example below illustrates how the gender pay gap percentage is calculated, using a hypothetical organisation with 42% women overall. The diagram shows the proportion of men and women in each quartile.

On the scale, the green and blue triangles show the average pay of women and men respectively in the organisation; the gap between these triangles is the gender pay gap.

Because there are more women in the lower pay quartiles of the organisation, and more men in the upper quartiles, average pay for women is lower than average pay for men. This can happen even though pay parity is achieved, ensuring people are paid the same for the same work.



What is the difference between pay parity and the pay gap?

Pay parity ensures that all people are compensated the same for performing the same, substantially similar, or roles determined to have the same value, regardless of geographic location.

To determine this, job roles are usually analysed according to objective, neutral factors that differentiate an employee's skills, efforts, accountability and working conditions.

The pay gap is the difference in the mean or median pay between demographic groups across all employees in an organisation in a specific country, regardless of the function they work in, experience or seniority / level in the organisation. This differs from pay parity because all roles and job levels are included.

Relationship between pay parity and the pay gap

Pay parity is often the biggest explainer of the pay gap. There are several key reasons why a pay gap may exist; an organisation can achieve 100% pay parity, for example, by comparing jobs and determining them to be of similar or equal value. This, however, does not mean that a pay gap no longer exists. In the case of gender, for example, male and female employees who do similar or the same roles may get paid the same, but overall male employees may earn more as a group. This could be due to gender differences in higher-paying positions.

Pay parity is much more quickly addressed than the pay gap but changes in representation take longer and require short and long-term solutions. AVEVA's goal in terms of gender advancement—along with key activities such as the implementation of a number of workstreams to boost our global hiring of women, reviewing our talent acquisition procedures, job descriptions, and advertisements—has been to ensure a gender pay parity gap of less than 1% by 2030 and to continue to reduce the pay gap year on year through increasing representation of diverse talent at all levels and functions of the organisation.



UK regulatory gender pay gap reporting

As part of our regulatory commitments in the UK, we are required to publish our UK gender pay gap figures.

What is gender pay gap reporting in the UK?

Gender pay gap reporting data looks at the average for all women and all men in all roles in the UK.

There are four requirements for UK gender pay gap reporting:

1. Gender pay gap (mean and median averages)
2. Gender bonus gap (mean and median averages)
3. Proportion of men and women receiving bonuses
4. Proportion of men and women in each quartile of the organisation's pay structure

The median looks at the midpoint for women and midpoint for men when ranked from the lowest paid to the highest paid.

It is important to recognise that the gender pay gap is not about equal pay for men and women doing the same job, this is pay parity where it is in our control to ensure that there is no gap. The gender pay gap, as reported here, reflects different representation across roles and levels of the organisation. We are focused on ensuring equal opportunities and improving representation across the organisation as set out further in this report.

10.1%

Mean gender pay gap in 2023

▲ 16.1%pts

Percentage Points (%pts) reduction in overall UK gender pay gap between 2017 and 2022



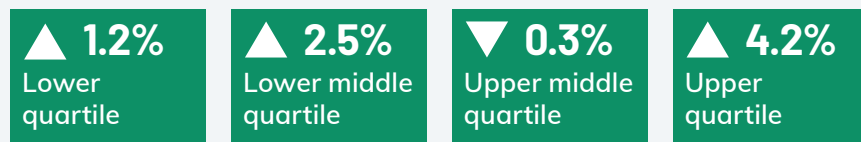
AVEVA Solutions Limited

Gender pay gap 2023

The gender pay gap is an equality measure comparing the earnings of men and women across all jobs. The mean data shows the difference in average earnings between men and women. The median data shows the difference between the midpoints in the ranges of hourly earnings of men and women.

	Mean		Median	
	2023	Improvement since 2017	2023	Improvement since 2017
Pay gap	10.1%	-16.1%pts	14.8%	-11.2%pts
Bonus gap	-6.2%	-96.4%pts	46.3%	-34.6%pts

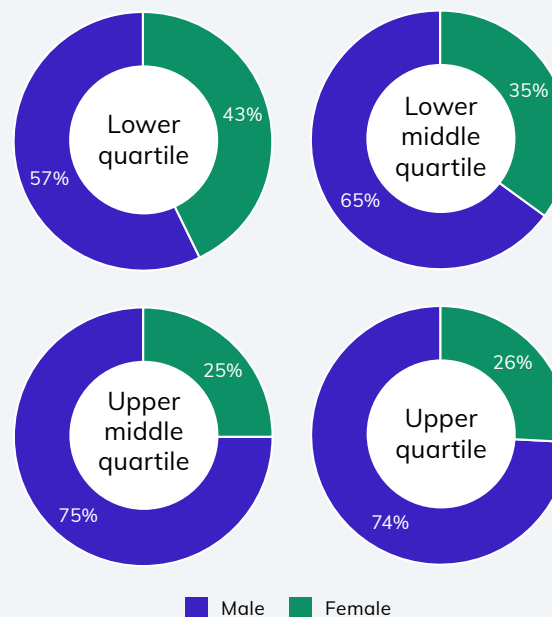
Change in female representation since FY21



Our findings show that the female representation within the organisation has increased from 28% in 2021 to 32% in 2023. Female representation has increased in the top three pay quartiles while slightly decreasing in the lowest quartile, showing progress towards rebalancing our workforce.

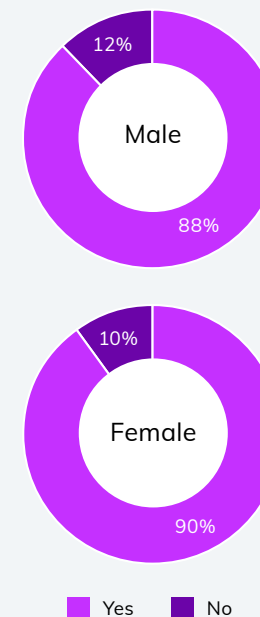
Analysis by quartile

The proportion of men and women within each pay quartile of the company



Bonus entitlement

The proportion of men and women eligible for bonuses



*Lower % receiving bonus than in FY21 due to high proportion of new starters in FY23, so not yet eligible for bonuses

Combined AVEVA entities in the UK

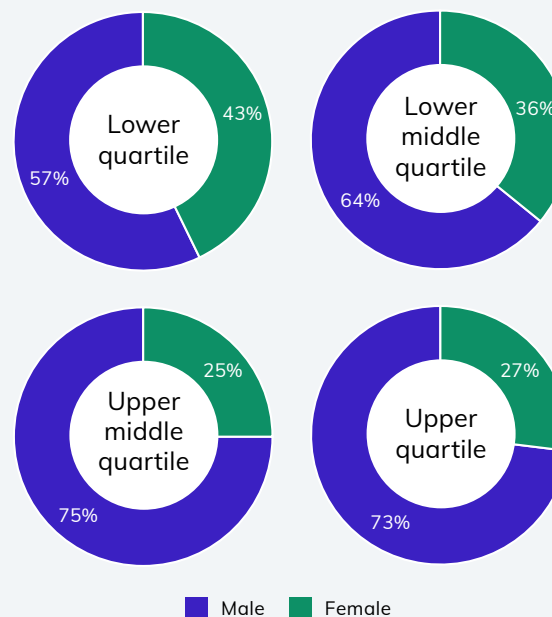
Gender pay gap 2023

The following data includes the combination of all AVEVA legal entities in the UK.

	Mean		Median
	2023		2023
Pay gap	10.1%	Pay gap	14.1%
Bonus gap	1.5%	Bonus gap	43.6%

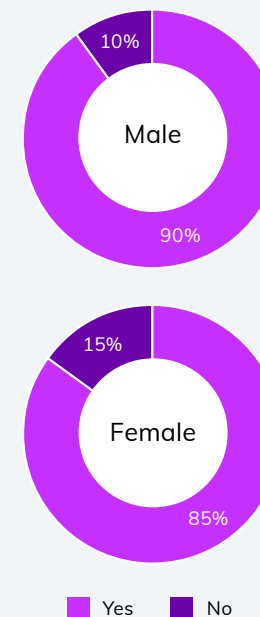
Analysis by quartile

The proportion of men and women within each pay quartile of the company



Bonus entitlement

The proportion of men and women eligible for bonuses



Ethnicity pay gap reporting

AVEVA remains committed to data transparency and to publishing its findings on ethnicity pay gaps despite there being no requirement to report on it in the UK.

Collecting data on ethnicity and race is complex not only due to our ever-evolving social and cultural dynamics, but because there is no global consensus on how to define both 'ethnicity' and 'race'. However, we believe that obtaining this data is a crucial process to measure our progress, identify opportunity areas, and build effective and meaningful strategies to continue improving. By listening to the story behind the numbers, we can focus and monitor our actions toward long-term change around representation in key areas such as recruitment, advancement and retention.

As part of this report's methodology, and echoing our previous reports, we have adopted definitions, language, and basic concepts specifically to the UK. We asked employees to disclose their ethnicity and race voluntarily, resulting in a collection of data representing 77% of our UK business. We are pleased to continue to have high response rates from our employees.

Methodology

When collecting company data, we included a wide category breakout that includes White (British), White (Other), Black, Asian/Asian British, Multiracial, and Other.

Although we have grouped together some of our employee ethnicities that make up smaller proportions of the workforce to retain confidentiality, we felt the breakdowns we have presented provide better disclosure on the make-up of our organisation.



ETHNICITY PAY GAP REPORTING

UK data

Ethnicity in the UK refers to long shared cultural experiences, religious practices, traditions, ancestry, language, dialect or national origins. It is broader than ‘race’ and is more commonly used and asked about within diversity questionnaires in the UK. We have adopted this term to discuss the UK data and followed the ethnic group categorisation recommended by the UK government.

As we did in our previous reports, we have divided White-British and White-Other into separate categories as we are aware non-British white colleagues may experience additional challenges and fewer privileges in the workplace. It is also worth noting that we are now reporting across the whole of the UK organisation, comprising AVEVA Solutions Limited and OSIssoft UK Limited.

These figures, representing the data self-reported by 77% of our population show the difference between the mean and median pay of all white British employees compared to:

- Asian and Asian British employees¹
- Black, multiracial and other backgrounds²
- White-Other backgrounds³

	Ethnicity pay gap			Ethnicity bonus gap		
	Asian/Asian British (1)	Black, Multiracial and Other (2)	White-Other (3)	Asian/Asian British (1)	Black, Multiracial and Other (2)	White-Other (3)
Mean	11.8%	2.4%	5.2%	Mean	3.4%	-18.1%
Median	8.8%	7.0%	7.8%	Median	32.0%	37.0%

¹ Asian and Asian British includes: Bangladeshi, Chinese, Indian, Pakistani, any other Asian background

² Black, multiracial and other backgrounds includes: African, Caribbean, White and Asian, White and Black African, Arab, any other multiple ethnic background, any other ethnic group

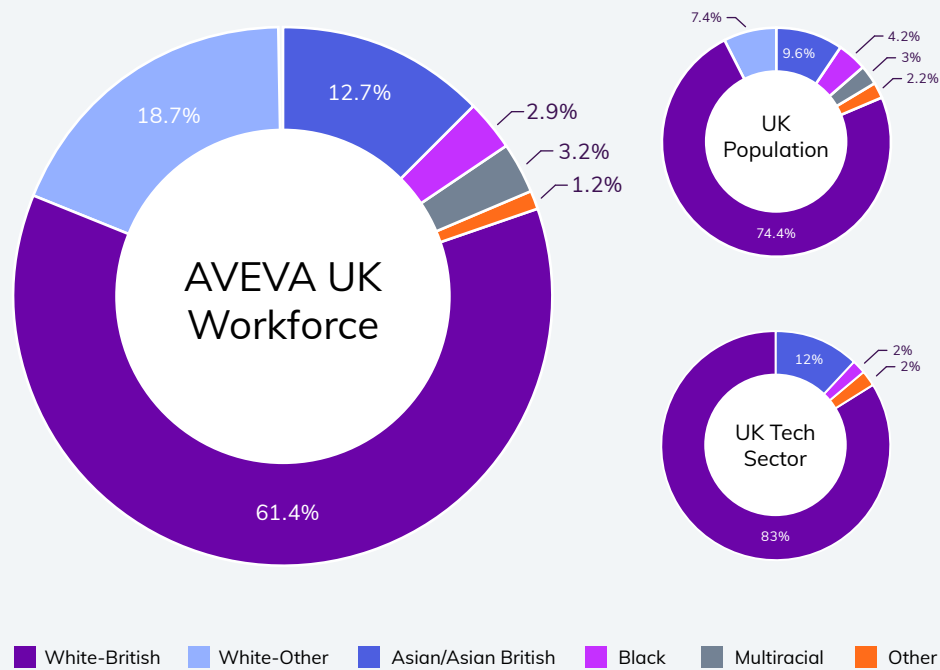
³ White-Other includes: Irish, any other white background



UK data

AVEVA UK workforce vs UK population vs UK tech sector

The proportion of each ethnic group within AVEVA's UK workforce compared to the UK population and UK tech sector¹

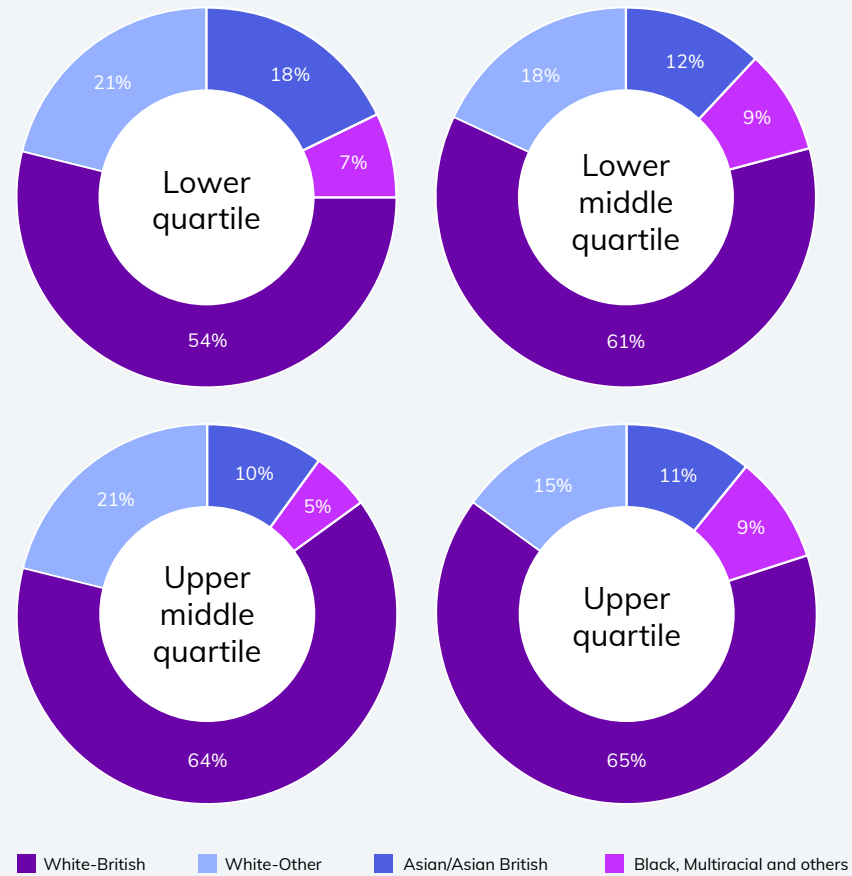


Representation in some groups is very low, and in order to maintain individual confidentiality we have reported the pay gap for these groups collectively

¹ BCS Diversity Report 2020 ONS Analysis

Analysis by quartile

The proportion of each ethnic group within the pay quartiles of the company



Our plan: five strategic themes



Foster inclusion

- Support our Employee Groups ('Women', 'Pride', 'Wellbeing', 'BLACK Voices', 'Belief', 'Generations', 'Disability' and 'Salute')
- Formally and regularly engage senior leadership on progress



Develop capability of leaders

- Training on unconscious bias for leaders
- Introduce Executive Sponsorship for all DEI areas and Wellbeing



Measure performance impact

- Continue to publish the Gender Pay Gap Report
- Continue to publish the Ethnicity Pay Gap Report
- Ensure legal compliance
- Set targets with commitment to progress



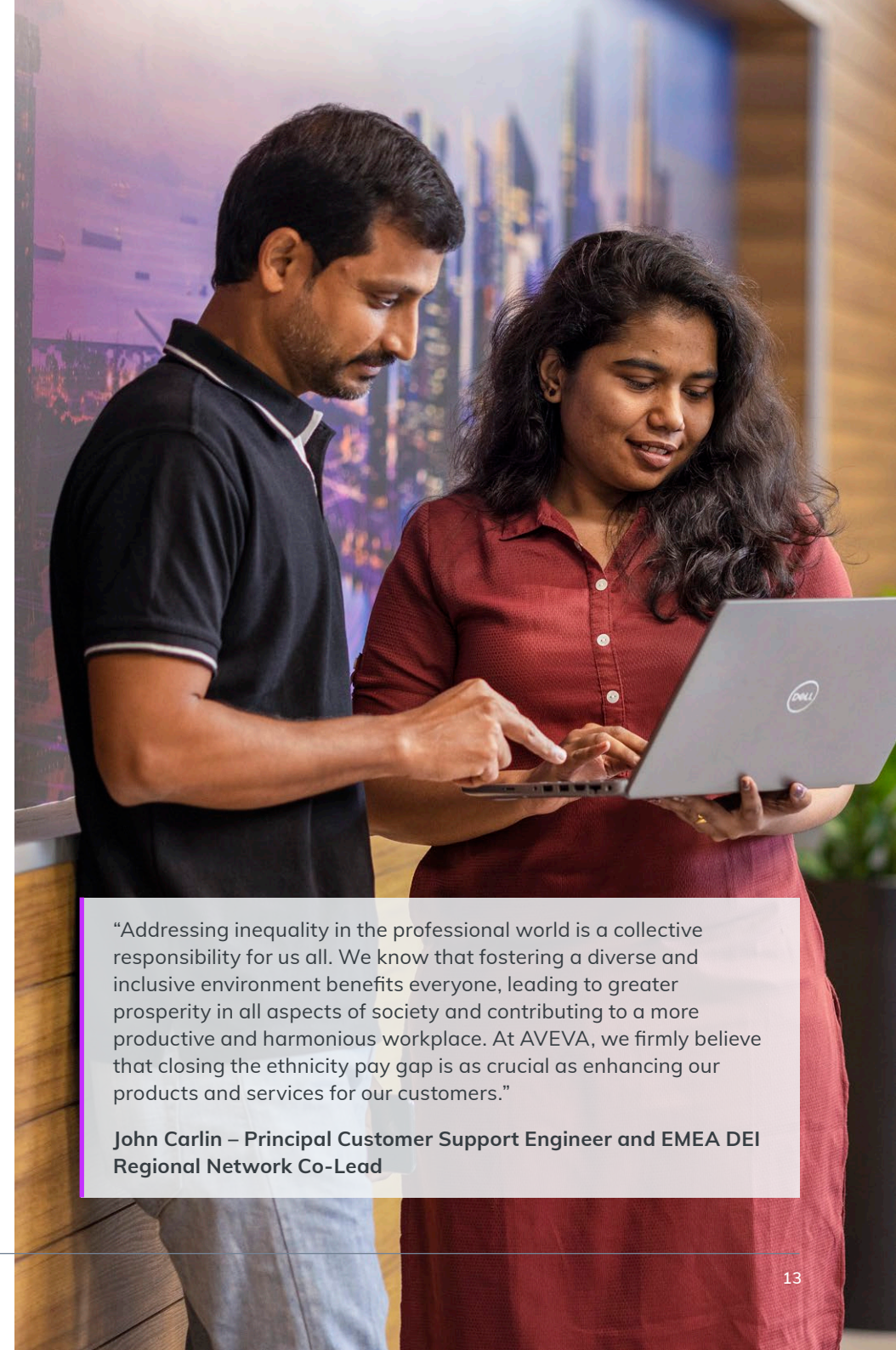
Improve diversity demographics

- Review recruitment practices
- Proactively work to close gaps



Improve DEI communications and external management

- Ensure all our media has regular and more diverse and inclusive content
- Improve the diversity of our conference panels, company spokespeople, imagery



“Addressing inequality in the professional world is a collective responsibility for us all. We know that fostering a diverse and inclusive environment benefits everyone, leading to greater prosperity in all aspects of society and contributing to a more productive and harmonious workplace. At AVEVA, we firmly believe that closing the ethnicity pay gap is as crucial as enhancing our products and services for our customers.”

John Carlin – Principal Customer Support Engineer and EMEA DEI Regional Network Co-Lead

Learning together

To ensure that we continue to progress our Diversity, Equity and Inclusion program, and drive meaningful change, we are analysing and understanding the data that we have collected.

We are all responsible for promoting diversity and inclusion within the organisation at all levels. We continue to work hard and focus on a multidimensional approach for DEI to become fully embedded in our culture.

We have chosen a few examples to reflect some of the actions we have taken over the last year and are continuing within the business.

Giving employees a voice

- We engage with our employees through our eight employee groups, through our employee voice survey Peakon and through co-creation of people policy and program from the influencer group.
- We are incredibly proud of our employees who drive efforts to transform diversity and inclusiveness and have been nominated for awards such as the Black Tech Achievement Awards.



Continuous learning

- We have begun a development program for leaders, starting with recognising bias in development, career growth and pay decision making, inclusive leadership and building trust.
- In 2023 we have trained managers on how they can further remove bias from their annual talent and compensation review.



Leadership engagement

- Our eight Employee Groups are sponsored by our Executive Leadership Team.
- We launched clear expectations, a behaviour code for leadership, which lay out the actions and behaviours of inclusive leaders.



Learning together

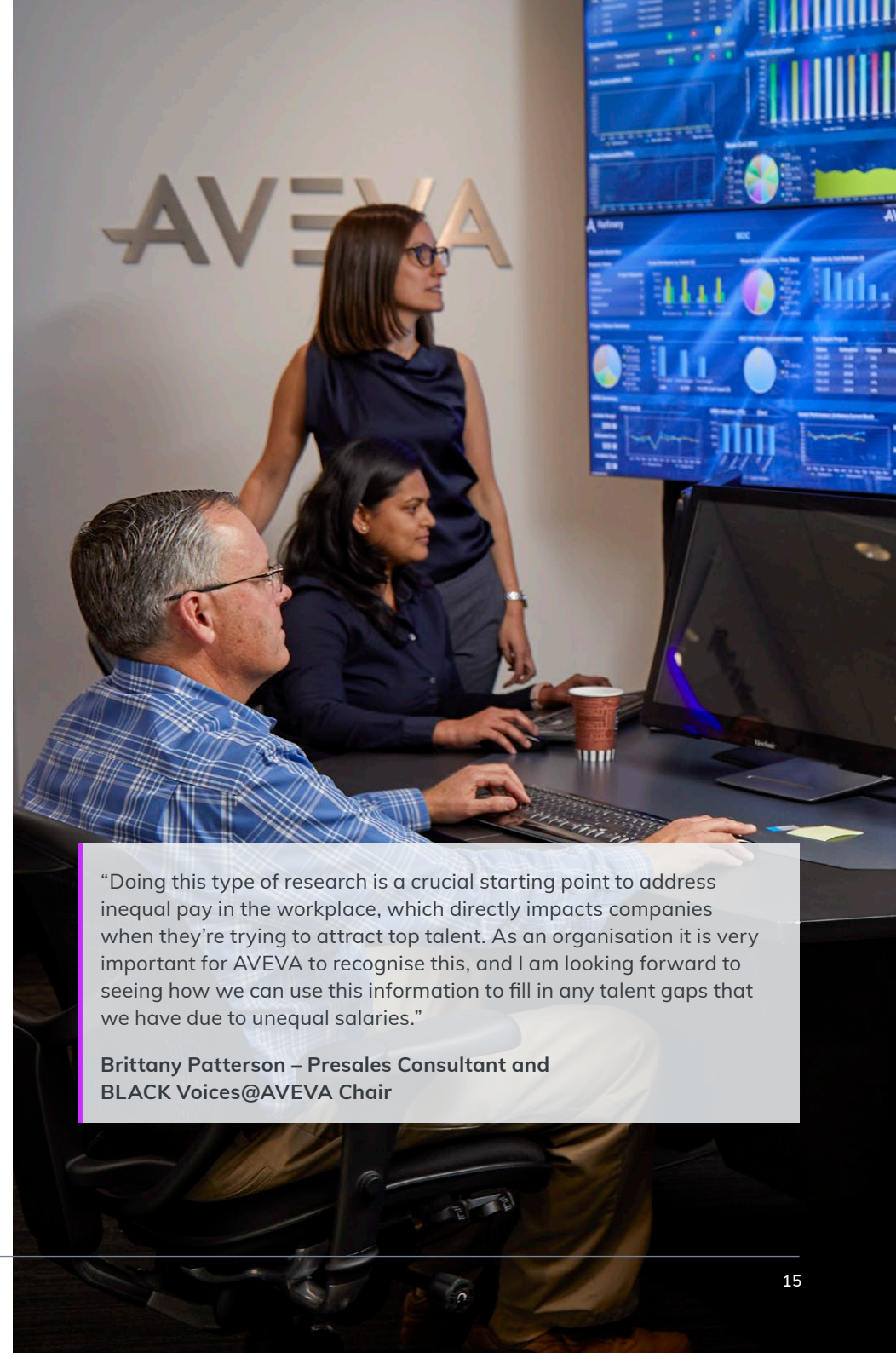
Acting on race/ethnicity

- We continue to play an active role in consulting with the UK Government and leading businesses on the importance of reporting ethnicity pay gaps.
- In 2022 we signed the 'Change the Race Ratio' and the 'Race at Work Charter'.
- We continue our support and sponsorship at the 'Black Talent in Tech Achievement Awards'.



Data and external benchmarks

- We were pleased to agree internal goals and targets for all five of our focus areas and monitor progress regularly.
- We continue to benchmark our DEI progress externally e.g. the FT Diversity Leaders Index.



“Doing this type of research is a crucial starting point to address unequal pay in the workplace, which directly impacts companies when they’re trying to attract top talent. As an organisation it is very important for AVEVA to recognise this, and I am looking forward to seeing how we can use this information to fill in any talent gaps that we have due to unequal salaries.”

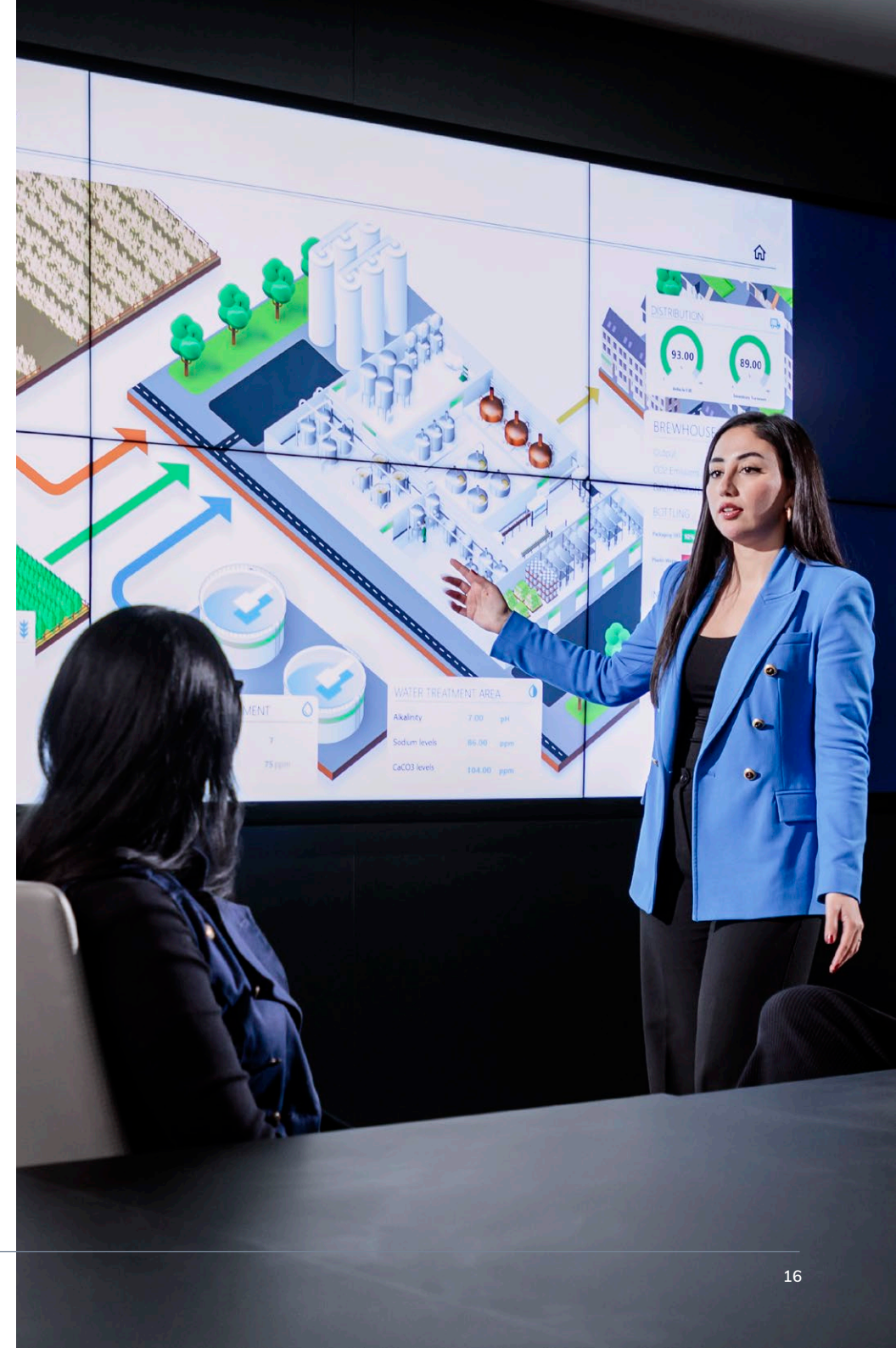
Brittany Patterson – Presales Consultant and BLACK Voices@AVEVA Chair

Rebalancing our talent

At AVEVA we understand that cognitive diversity, and diversity of life experience, adds value to teams, especially the more complex the task.

Because of this in 2023 we embarked on a complex long-term program to 'rebalance' the profile of our workforce. This program consists of several individual new projects, partnerships, and interventions which, work together to drive improvements.

For example, one project is taking a forensic view at our people data to understand differentials in promotion rates, facilitating focus groups to gain insight into employee experience and using these to inform action. Another pilot project is promoting flexible working patterns more assertively across all functions on the premise that this will diversify and rebalance our talent. Whilst it is early days, we are already starting to see positive change.



Our targets

We aim to have a maximum of 70% of any gender in leadership roles by 2030 and to have a maximum of 60% of any gender in management roles by 2030. We have also agreed goals and targets for all five of our DEI focus areas (see page 3). These are our targets for gender:

Representation targets by 2030

50% Women new hires

40% Women managers

30% Women in leadership

To support these targets, a global pay parity exercise is being conducted. This will inform the annual budget process to ensure sufficient central funds are allocated to close any gaps.

AVEVA's pay commitment by 2030

<1% Gender pay parity gap

AVEVA has made a commitment to ensure a gender pay parity gap of <1% by 2030. This means it is our intention to ensure pay for similar levels of experience, in the same job level, for the same job, in the same country, is within 1%.



“Completing the Ethnicity Pay Gap Report isn’t solely about identifying a pay gap in AVEVA. It is also about addressing it effectively by fostering a workplace in which everyone is treated equally and fairly. Think of it this way: Inclusive workplaces are more than just about meeting the diversity goals; they are about levelling the playing field. When businesses like ours roll up their sleeves, measure that gap, and act, they’re demonstrating, ‘We’re all in for fairness, transparency, and equal chances.’ It’s about doing what is right.”

**Pooja Chawla – Talent Acquisition Specialist, EMEA.
Regional DEI Network Member**

Resources

AVEVA's Global Diversity and Inclusion Policy is applicable to all employees. We use it as a basis for our dealings with customers, contractors, partners, and suppliers.

Employee Groups

Our Employee Groups play an important role in promoting diversity and inclusion across AVEVA. We have sought the support of these Groups to ensure that our approach reflects the needs and concerns of our people. In 2023, we continued to support Groups through an 'Impact Fund', so they have autonomy over their programmes.



AVEVA's positive actions

We have been focusing on rebalancing our talent at all levels, ensuring that our recruitment and promotion practices support our diversity ambitions and inclusive culture. This has also helped to narrow the gender pay gap by increasing the mean and median pay of women.

Annual salary reviews ensure pay levels are monitored annually. A central fund is allocated to ensure pay parity and close any known gaps.

We introduced pay scales for roles to ensure people are paid the market rate and any historic disparity, such as gender, race, or ethnicity, does not influence pay for new hires as well as internal promotions, minimising any future pay gaps.

If you would like to find out more about our work in Diversity, Equity and Inclusion, please get in touch with the team at: di.global@aveva.com



AVEVA

 aveva.com

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 linkedin.com/company/aveva

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