

ARRIS Group
UK Gender Pay
Gap Report 2018



ARRIS Group UK Gender Pay Gap Report 2018

ARRIS International plc (NASDAQ: ARRS) is a global technology company with nearly 8,700 employees, working in more than 30 countries.

At ARRIS, we are redefining connectivity. We partner with the world's leading Service Providers and Enterprises to provide core-to-edge network innovation, constant connectivity that meets consumer demands and cost-effective, scalable solutions that enable them to succeed.

"We are collaborating with the world's leading companies and channels to transform how people and devices connect and experience the digital world. Our people are at the heart of everything we do and our key to our success. ARRIS is committed to closing the gender pay gap and has taken active steps to do so. As an equal-opportunities employer, we are dedicated to creating a fair, equitable and collegial workplace for all."



- Bruce McClelland, CEO, ARRIS

WHAT IS THE GENDER PAY GAP?

Under UK legislation, from 5th April 2017 all UK employers with 250 employees or more in one entity are required to report their gender pay gap annually. This is the second year ARRIS has reported its Gender Pay Gap.

It is important to reiterate that the gender pay gap is not the same as equal pay. Both highlight the disparity of pay that women receive in the workplace but are two different things. Under the Equality Act 2010, men and women performing equal work must receive equal pay. The gender pay gap is defined as the difference between the mean and median hourly pay of men and women across the entire relevant employer, expressed as a percentage of men's earnings.

In the UK, ARRIS Global Ltd (AGL) is the single entity, of three UK entities, which meet the requirements for gender pay gap reporting based on the number of relevant employees. AGL is a UK entity with little movement in the employee base and largely consists of engineers. It continues to be dominated by male employees with 12% female representation across AGL and 5% female employees in the upper quartile.

Although the percentage of females in the upper quartile has increased slightly, ARRIS, like many other companies in STEM industries, recognise that the low representation of females, particularly at a senior level, is typical and undoubtedly influences the gender pay gap.

Gender Pay Gap

MEAN PAY FOR MEN



29.99% higher
than that for women

MEDIAN PAY FOR MEN



28.1% higher
than that for women

The average gender pay gap for smaller technical companies is 30% (Mercer 2017) and although ARRIS Global Ltd mean gender pay gap of 29.99% is anticipated, it is not where we want to be.

Bonus Pay Gap

All current ARRIS UK employees are eligible to participate in the company corporate bonus or sales incentive plan. As with last year's report, some employees were not eligible for a bonus during the reporting period as they may have had an employment start date after the bonus plan year close, although they will be entitled to be participate in the scheme the following year.

The bonus pay gap is more favourable to males. There is a higher representation of males in leadership and management roles which also correlates with higher bonus targets and equity.

MEAN BONUS PAY FOR MEN



54.68% higher
than that for women

MEDIAN BONUS PAY FOR MEN



52.51% higher
than that for women

It is important to note that ARRIS is a company which has grown through acquisition. In 2016 ARRIS acquired Pace which is the ARRIS Global Limited entity. Due to the acquisition of Pace, equity was not granted to ARRIS Global Limited employees until six months after the acquisition date. Therefore, there is no taxable income on any equity data included in the bonus analytics for ARRIS's first gender pay gap report, published in April 2017. In comparison, the current data set does include equity and as a result, shows an increase in the bonus pay gap which is of significance.

AGL is just one of three UK entities. If we look at the bonus data across the UK*, we have seen a reduction in the mean bonus gap from 46.76% to 42.91% and the median bonus gap has reduced by 8% which is an encouraging step.

Managing the gender pay gap



ARRIS employees are key to our past and future successes and women at ARRIS are inventing broadband network and video solutions that are changing the industry. They are designing customer premises products that meet the demands of today's consumer and manufacturing the highest quality products that our customers rely on everyday.



We strive to attract, retain, and develop a strong and diverse global workforce. However, we continue to face the technical industry challenge of attracting and retaining a diverse workforce. ARRIS employs best practices to attract a diverse mix of candidates globally, however we acknowledge that we need to do more to attract and develop a pipeline of future female talent

ACTIONS

In 2016, we established the ARRIS Women's Business Network (AWBN) to champion meaningful diversity and inclusion across the organisation. AWBN works closely with organisations to promote STEM education and careers, particularly to young women and girls. This has included partnering with and supporting organisations such as "Girls who code" and "Girls Inc" (North America) and the "Time to Code" pilot scheme (Europe).

It is estimated that AWBN has engaged with more than 3,000 students about education and careers in STEM. The network also works to bring visibility to senior management of talented women within the organisation and provide them with leadership and development opportunities. AWBN also launched its first formal mentoring program designed to help women within ARRIS develop their professional capabilities and build their profiles.

ARRIS's commitment to the development of talented female leaders continues through the ongoing sponsorship and participation in leadership development programs; Women in Cable Technologies (WICT), Half the Sky, the Quattro Programme, Leaders Edge, Women Unlimited, and the Women's Tech Connect mentoring programme. In 2017 ARRIS also committed to trialling the Windsor Leadership Trust: Women in Leadership programme.

These programmes help target high-potential women and focus on developing core leadership competencies. They also promote women in technology by offering educational and networking opportunities.

Managing the gender pay gap

The Grace Hopper Celebration (GHC) is the world's largest annual gathering of women technologists, hosted around 20,000 participants from across 90 countries with several thousands of students participating from universities around the world. ARRIS had a presence at the conference with a booth to recruit new and upcoming talent.

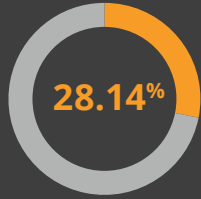
The AGL site in the UK is establishing a STEM committee and currently supports numerous STEM activities including school visits, work experience placements, working with universities for career events and internships and the Ahead Partnership, a charity focused on providing young people with the skills they need for work.

ARRIS has also become a signatory of the Tech Talent Charter (TTC). The TTC was supported in the government's March 2017 policy paper on the UK Digital Strategy as a collective commitment by organisations to have a set of undertakings that aim to deliver greater diversity in the tech workforce of the UK with a focus on collaboration and practical solutions.

APPENDIX

Gender Pay Gap for ARRIS Global Ltd relevant employees

Median Hourly Pay Gap



Mean Hourly Pay Gap

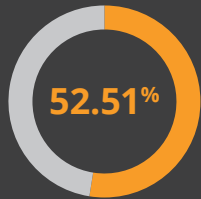


Males receiving a bonus*

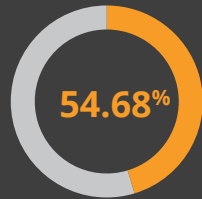


96.96%

Median Bonus Pay Gap



Mean Bonus Pay Gap



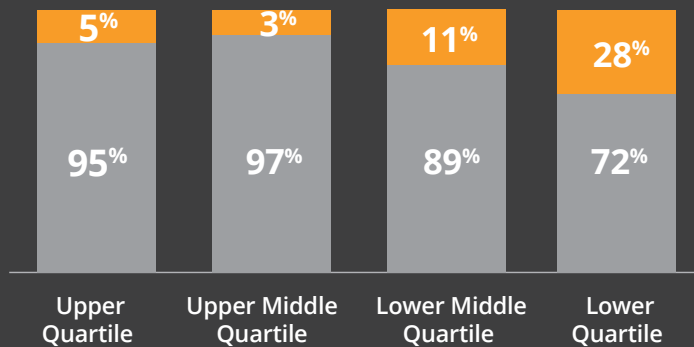
Females receiving a bonus*



98.36%

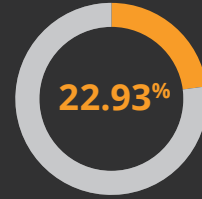
ARRIS Global LTD.

● Female % ● Male %

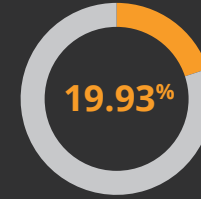


Gender pay gap for all relevant employees across all UK entities', ARRIS Global Ltd, ARRIS Solutions UK Ltd and Ruckus Wireless Uk Ltd

Median Hourly Pay Gap



Mean Hourly Pay Gap

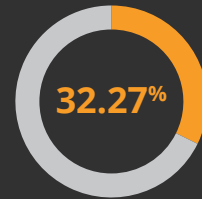


Males receiving a bonus*

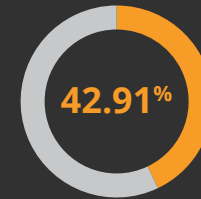


96.42%

Median Bonus Pay Gap



Mean Bonus Pay Gap



Females receiving a bonus*



97.22%

ARRIS Overall

● Female % ● Male %

