

2023 Gender Pay Gap Report Western Digital Israel

Western Digital thrives on the power and potential of diversity. As a global company, we believe that the most effective way to embrace the diversity of our customers and communities is to mirror it from within. By taking into account various perspectives, we get the best outcomes for our employees, our company, our customers and the world around us. We are committed to an inclusive environment where every individual can thrive through a sense of belonging, respect and contribution.

One component of our commitment to diversity is our yearly pay equity assessment, which is part of Western Digital's efforts to ensure that men and women receive equal pay for equal work. Our global pay equity review takes into consideration various, non-discriminatory drivers of pay, such as seniority, experience, skills, performance, location, track, hiring and promotion dates, as well as other objective factors. We use the results of this analysis to make pay adjustments as needed.

In accordance with recent Israeli legislative requirements, this year we conducted an additional review of pay averages by gender within groups of employees performing similar work known as a pay gap analysis. A gender pay gap analysis groups all employees together to review pay differences between women and men. The pay gap can be explained by various non-discriminatory factors, such as seniority, skills, experience or performance.

To prepare the report, we reviewed the pay averages by gender within groups of employees that were defined by career tracks and job levels. The results of that analysis identified 10 comparison groups with gender pay differences across all groups ranging from -10 percent (favoring males) to +6 percent (favoring females).

- Six of the 10 groups had a pay difference of up to 4 percent.
- Across all groups, the average pay difference was -1.7 percent.
- In 5 groups, the wage difference was in favor of females (representing ~ 47 percent of the company).

In addition to this pay gap analysis, Western Digital will also continue to review pay equity globally as part of our commitment to creating a workplace where there are equal opportunities for all.

The report below outlines the status in each one of the groups. A (+) symbol indicates a difference in favor of females and a (-) symbol indicates a difference in favor of males.

The segmentation to 10 groups was done according to career path and level:

Groups	1	2	3	4	5	6	7	8	9	10
The Average Monthly wage difference in % between female and male (All):										
Gross Wage	-10%	0%	-3%	2%	-5%	6%	-3%	3%	-8%	2%
The Average Monthly wage difference in % between female and male (PT):										
Gross Wage	-	-	-	-	-	-	-	-	-	-
The Average Monthly wage difference in % between female and male (FT):										
Gross Wage	-10%	0%	-3%	2%	-5%	6%	-3%	3%	-8%	2%
Average Employment % in group:	99%	100%	99%	100%	100%	98%	100%	98%	100%	99%

(+) symbol indicates a difference in favor of female and a (-) symbol indicates a difference in favor of males

The groups with the higher pay differences are those groups that, due to their smaller population, further clustering was utilized.

Percentage of female and male employees whose gross wage is lower than the monthly average gross wage for a full-time job in the workplace, according to the segmentation selected, by gender:

	Female	Male		Female	Male
1	58%	37%	6	25%	70%
2	58%	54%	7	64%	50%
3	48%	49%	8	46%	55%
4	55%	51%	9	75%	63%
5	58%	52%	10	27%	56%

- The analysis was performed using gross salary, with no capital taxes component.
- The analysis was performed according to career path and Level, e.g., technological and non-technological roles and level (reflecting experience and role complexity).
- To maintain employees' privacy, inclusion threshold criteria are at least 10 employees in a group and at least 4 Female / male. Groups not meeting threshold were excluded.
- Partial Salary was normalized to reflect full year/ full time position. However, the weight of employees working part of the year is lower.
- There are no employees who are paid below minimum wage.