

2020 Report

# Corporate Social Responsibility (CSR)



# **Investor Relations**

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## **About VIAVI**

# **Our Company**

VIAVI Solutions Inc. ("VIAVI") is a global provider of network test, monitoring, and assurance solutions for communications service providers, enterprises, network equipment manufacturers, government and avionics. We help these customers harness the power of instruments, automation, intelligence and virtualization to <a href="Command-the-network">Command-the-network</a>. VIAVI is also a leader in light management solutions for 3D sensing, anti-counterfeiting, consumer electronics, industrial, government, automotive, and defense applications.

#### **Our Vision**

VIAVI is a global company with over 50 international locations. We are committed to a culture of excellence, guided by exemplary conduct, high standards and respect for our employees, customers, investors, partners and the local communities in which we operate.

### **Our Values**

The six VIAVI business values below articulate the cultural identity for VIAVI and provide shared understanding of expectations across the company. These values were identified through global workshops to understand the foundational components of working at VIAVI, as well as the guiding principles that will help us to achieve our objectives globally. These values clarify the desired operating environment of the employees and management. The values reinforce the importance of how we approach working together in service of our stakeholders and creating a winning company strategy.



Exhibit Business Acumen



Manage Complexity and Ambiguity







Culture



# **VIAVI Corporate Data**





instruments in use around the world









service provider networks



global offices



2,271 patents issued



# August 2020

Just a few months ago, it would have been hard to imagine the way our lives and how we work would be transformed by the emergence of COVID-19. Despite the tragic loss of life in the world today, we continue to be inspired by the strength, adaptability, and resilience of our employees, as well as the selflessness exhibited by health care and essential workers in each of our communities across the globe.

Preservation of the health and safety of our employees, customers and partners is of the utmost importance to VIAVI and continues to drive our business decisions. During the pandemic, health and safety has come into even sharper focus and our decisions around travel, work from home, safety practices, and reopening sites have been formed based upon the guidance of leading public health authorities, local government regulations, and the expertise of our global Human Resources, Employee Health and Safety, Information Technology, Operations, Legal, and Communications teams.

During this year, we have also seen the continued struggle for social justice and equality and are mindful of the real impact it has had on our employees and our communities.

In the same way we hope for a healthier and more just world, VIAVI also continues to do its own part to make our planet more livable, our workforce more inclusive, our business more sustainable, and our communities more engaged, by maintaining strong corporate governance and oversight. To underscore our commitment, in 2020 VIAVI renewed our affiliation with the Responsible Business Alliance ("RBA"), a highly respected consortium of industry leaders committed to ethical and sustainable business practices. We have adopted the RBA Code of Conduct. We also established an internal task force committed to enhancement of our environmental, social and governance ("ESG") practices. We are also mapping our key ESG practices to the SASB framework to provide greater transparency. It is through this lens that we share with you VIAVI's inaugural Corporate Social Responsibility Report and our vision for the years ahead.





# **Environmental Stewardship**

VIAVI promotes environmentally friendly practices and strives to conduct our business in a sustainable manner. VIAVI embraces its shared responsibility to protect our planet. While our facilities and operations have a relatively modest environmental footprint, we continually engage in and improve preservation, conservation, recycling and waste reduction practices.

#### **Carbon Footprint**

VIAVI continues to focus on energy efficiency, both in our products and business practices – which has resulted in a significant reduction of our carbon footprint over the years

Type of Emission	2018 CO <sub>2</sub> Emissions (Tonnes)	2019 CO <sub>2</sub> Emissions (Tonnes)
Direct Emissions (Scope 1)	1,528	1,514
Purchased Electricity (Scope 2)	20,561	18,918
Total	22,089	20,432

#### Reducing Our Footprint

Since 2012, VIAVI has reduced its CO<sub>2</sub> emissions by 31%. 2015 is VIAVI's base year with a target year of 2025 to establish a 20% reduction. VIAVI has reduced its CO<sub>2</sub> by 13% since its base year.

#### Implemented Sustainability Projects

- · Manufacturing equipment upgrades
- · Lighting improvements
- HVAC upgrades
- Smart energy purchasing
- Water conservation
- Removal of steam at a manufacturing site

#### **Carbon Disclosure Project**

In 2020, VIAVI resumed submission of carbon and water sustainability reporting with the Carbon Disclosure Project. View our submission <u>here</u>.





# **Corporate and Global Citizenship**

VIAVI endeavors to practice good corporate citizenship with our customers, suppliers and partners, in our local communities, and with our employees. As an international company, the diversity of our workforce is particularly important to VIAVI. We also appreciate our role in and responsibility to the broader community. To that end, our CEO recently established a grass-roots initiative seeking input from employees worldwide on social topics of key importance to them and recommendations for organizations we can more actively support. As a result of that feedback, VIAVI has made a \$50,000 donation to the NAACP Legal Defense and Education Fund and is establishing a program through which regional offices will receive annual philanthropic funding and committees of local employees will decide where and how to allocate those funds. We also encourage our employees to volunteer their time in local communities. Over the years, teams of VIAVI employees have volunteered at food banks, in local schools and throughout their communities.

## **Human Capital Management**

We strive to provide a supportive environment where each individual is valued and contributions are recognized, rewarded and honored. You can read about our People Strategy and Talent Development Programs <a href="here">here</a>. Equally important, at VIAVI we strive to support the next generation of talent and have established several outreach programs to engage recent engineering and computer science graduates from diverse countries and backgrounds. VIAVI is committed to equal pay for equal work. Please see our <a href="https://example.com/statement-on-pay-Equity">Statement-on-pay-Equity</a>.

# **Diversity and Inclusion**

We are committed to promoting and maintaining an inclusive work environment free of unlawful discrimination, retaliation and harassment in any form and offering equal opportunities to everyone. Our <u>Diversity and Inclusion Statement</u> maps out our guiding principles in this mission-critical area.





# A Culture of Ethics and Compliance

VIAVI is dedicated to conducting business in an ethically responsible manner. Our practices represent our commitment to the highest standards of corporate responsibility and ethics. Our strategic and operational policies, procedures and values support transparency, sustainability and legal compliance.

Continuing to develop and implement best practices throughout our corporate governance structure is a fundamental part of our strategy to enhance performance by creating an environment that increases operational efficiency and ensures long-term productivity growth. Good corporate governance practices also ensure alignment with stockholder and stakeholder interests by promoting fairness, transparency and accountability in business activities among employees, management and our Board of Directors.

# **Governance Highlights**

- Independent Board Chair, Committee Chairs and Committee members
- Appointed two highly respected female industry experts to our Board of Directors in the past two calendar years
- Consistently score top rating of 1 on ISS Governance Score
- Board members elected on an annual basis; average board tenure is approximately 7 years with two Board members with less than 3 years tenure
- CEO and CFO recognized as industry leaders, ranked as #1 CEO and CFO in 2019 for MidCap Technology, Media and Telecommunications Sector by Institutional Investors LLC (Institutional Investor Magazine Survey)



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This 2020 Corporate Social Responsibility Report contains forward-looking statements about Viavi Solutions Inc.'s future activities, plans, objectives and expectations. Forward-looking statements can be identified by words such as "hope," "committed to," "endeavor to," "continue(s)," "will," and similar references to future periods. Forward-looking statements are not based on historical facts, but instead represent our current expectations and assumptions regarding our business, the economy, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. You are urged to not unduly rely on forward-looking statements, as actual results could differ materially from expectations. Forward-looking statements speak only as of the date made, and we do not undertake to update them to reflect changes or events that occur after that date. For more information about factors that could cause actual results to differ materially from expectations, please refer to our reports filed with the Securities and Exchange Commission (SEC), including the discussion under "Forward-Looking Statements" and "Risk Factors" in our Annual Report on Form 10-K, Form 10-Q, Form 8-K and other filings we make with the SEC from time to time. All statements contained in this report are made only as of the date of the report. These documents are available on the SEC Filings section of the Investor Relations section of the company's website at: <a href="https://investor.viavisolutions.com/financials/sec-filings/default.aspx">https://investor.viavisolutions.com/financials/sec-filings/default.aspx</a>

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