

PARAMOUNT IN THE UK



# PAY GAP REPORT 2023

GENDER AND ETHNICITY



# INTRODUCTION

By law, all UK-based companies with more than **250 employees** are required to publish information annually about their gender pay gap – the difference between average pay for their male and female employees.

The report – comprising data from 5th April 2023 – must be published by 4th April 2024



## GENDER PAY IS NOT THE SAME THING AS EQUAL PAY:

The 'gender pay gap' is the percentage difference between average rates of pay for men and women. Equal pay refers to men and women being paid the same for carrying out similar roles.



### PLEASE NOTE

Last year, Paramount contracted approximately 1137 full-time and part-time staff, as well as freelancers across all of its subsidiary companies and joint ventures. The business voluntarily reported against this wider UK workforce and published a pay gap of 4.9% in 2022.

This year, the reports accounts for restructures within the business and is based on the 860 staff at VIMN UK Limited.

# 860

## EMPLOYEES

In the UK, Paramount operates a number of subsidiary companies and joint ventures. Only one of these companies – VIMN UK Limited (which comprises all Channel 5 employees as of 2022) – has more than 250 employees (860) and is therefore required by law to publish data on gender pay.



# THE GENDER PAY GAP

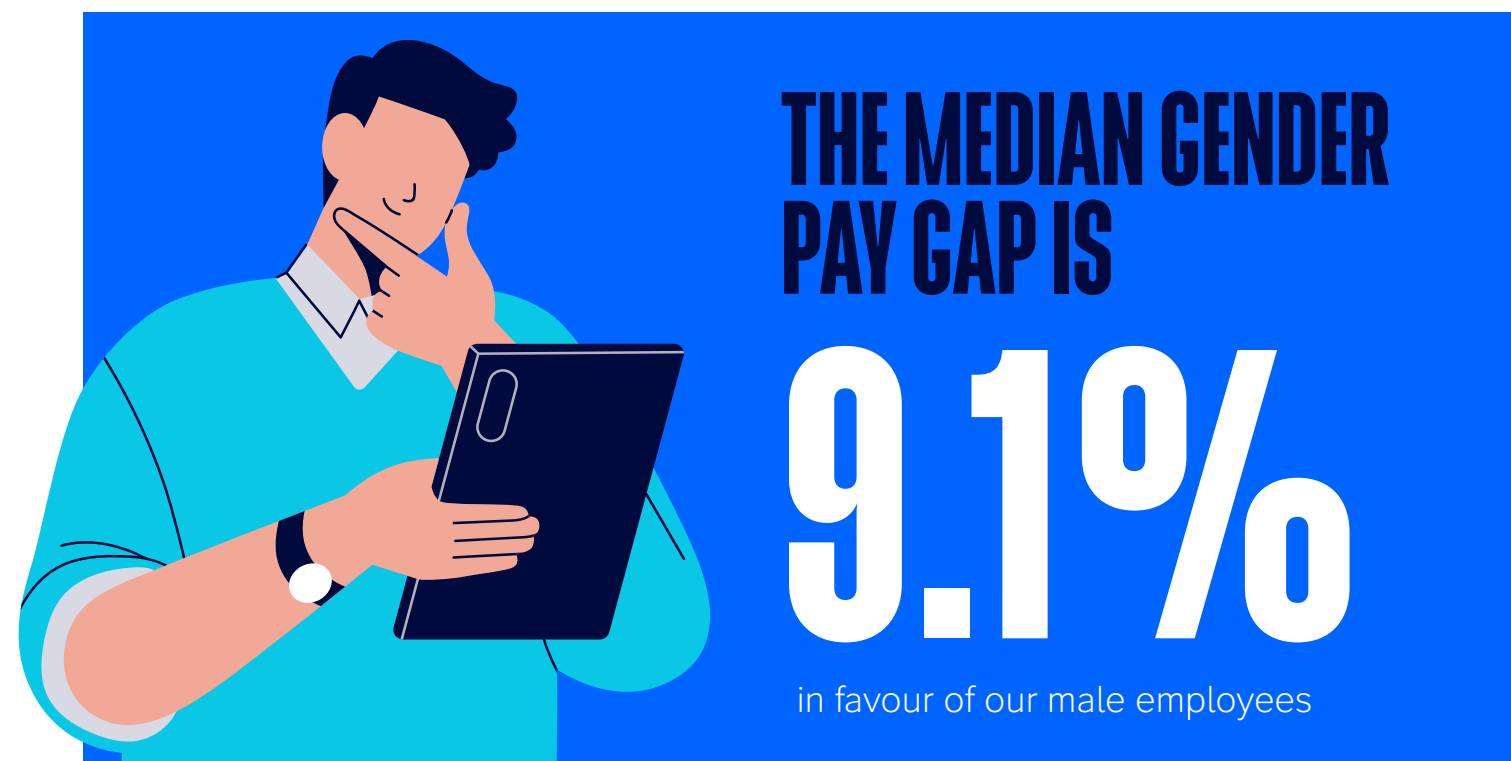
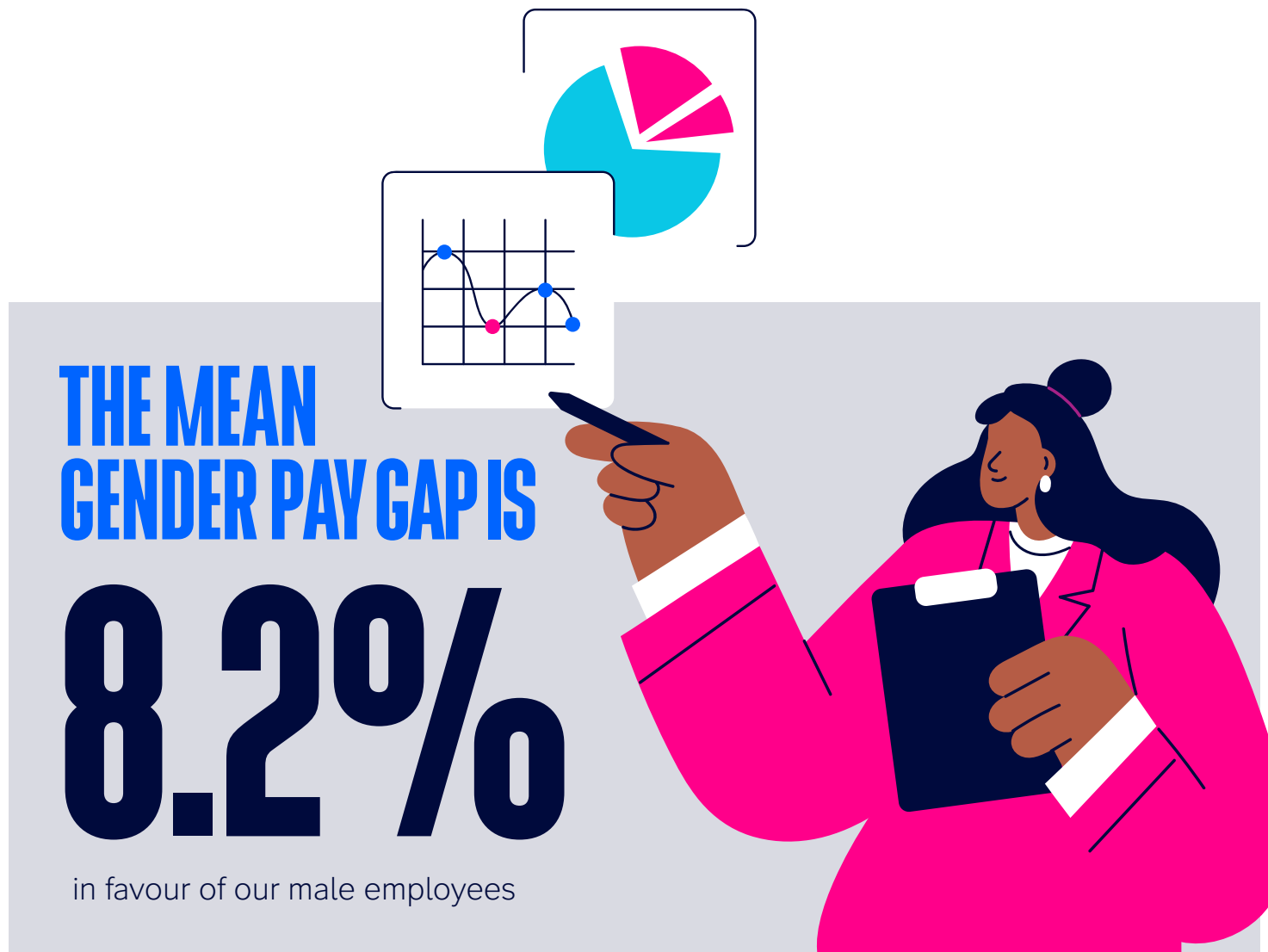
Paramount has a reasonably equal gender balanced workforce, with **50%/50% split** between male and female employees in the UK.

**The 8.2% mean gender pay gap in favour of our male employees – compared to 4.9% in 2022** – reflects a higher proportion of women than men in our lower paid roles and a higher proportion of men than women in our higher paid roles.

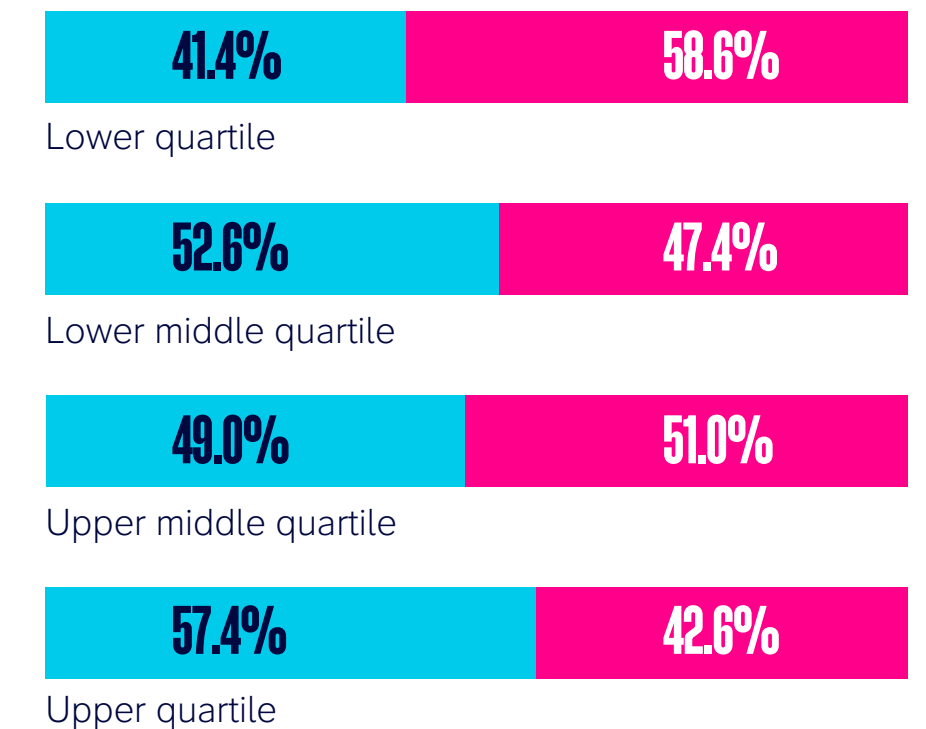
The inclusion of freelancers in this year’s analysis has also significantly impacted fluctuations in our pay gap reporting.

Across the UK, the gap between average or mean hourly pay for men and women – with all full and part-time employees taken into account – was 13.2% in 2023, according to the latest data from the Office of National Statistics. Our data remains better than the UK national average.

While we recognise that there will be fluctuations in our performance year-on-year, we believe Paramount’s commitment to recruiting, retaining and developing female talent will ultimately impact gender pay parity across our UK organisation.



## PROPORTION OF MEN AND WOMEN IN EACH PAY QUARTILE



Men Female

Although the mean and median salary levels are relatively consistent across our quartiles, male colleagues generally earn slightly more than their female counterparts in all quartiles. The upper quartile emerges as the primary contributor to the mean and median pay gap, largely influenced by the inclusion of freelancers.

# THE BONUS GENDER PAY GAP

Male and female employees **have received equal bonus payments (81.4%/82.1%)** and the average mean bonus pay gap is **16.7% (up from 10.3% in 2022)** in favour of men.

The bonus an employee receives is determined by their level as a percentage of salary, and both salary and bonus percentage increase with seniority. The figures for the bonus gap are consequently influenced by the same factors that impact our overall pay gap. **Only employees at the manager level and above are eligible for a bonus, making the lowest quartile where our employees receive the least amount of bonus pay.**

In 2023, we processed a one-time additional cost-of living payment to support our lower-earning employees. These payments have been included in the calculation of our bonus gap, which has impacted our reporting.



THE MEAN BONUS PAY GAP IS

16.7%

in favour of our male employees

THE MEDIAN BONUS PAY GAP IS

27.7%

in favour of our male employees

PROPORTION OF MEN & WOMEN RECEIVING BONUS

81.4%

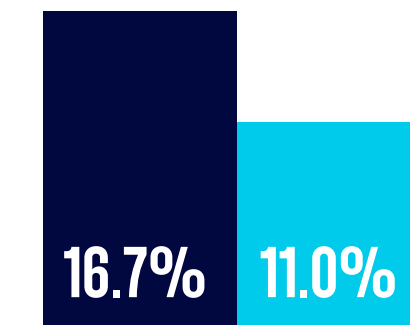
of men receiving bonus

82.1%

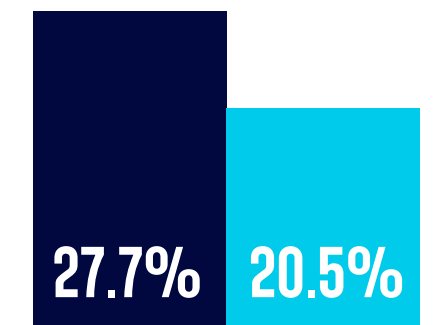
of women receiving bonus



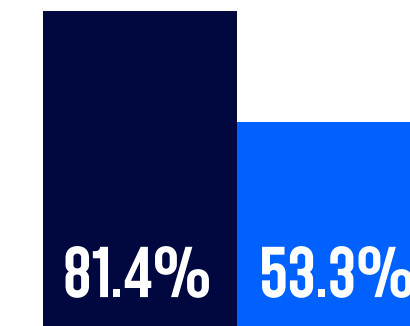
## BONUS GAP WITHOUT COST-OF-LIVING PAYMENT:



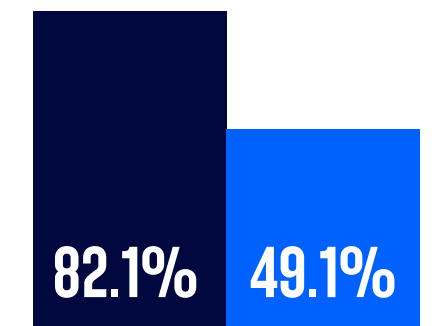
The bonus **mean** gap would decrease from 16.7% to 11.0%.



The bonus **median** gap would decrease from 27.7% to 20.5%.



The percentage of **men receiving a bonus** would decrease from 81.4% to 53.3%.



The percentage of **women receiving a bonus** would decrease from 82.1% to 49.1%.

As these figures show, the levels of men and women receiving bonus payments are broadly equal.

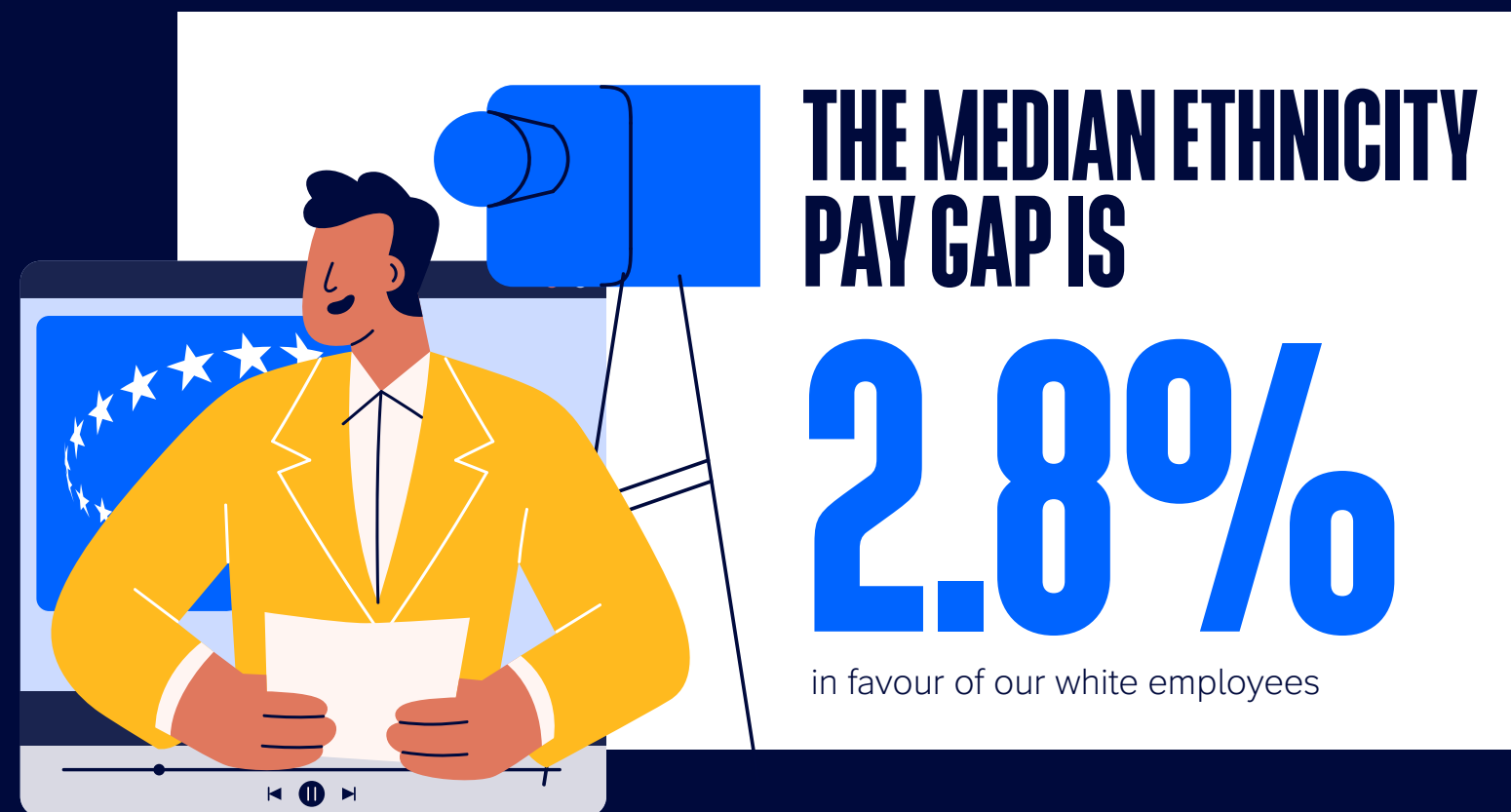
# THE ETHNICITY PAY GAP

Driven by a deep commitment to diversity and inclusion, Paramount in the UK has chosen to voluntarily publish consolidated data relating to its Ethnicity pay gap.

The overall mean ethnicity pay gap has **reduced from 14.5% in 2022 to 9.4% in 2023**. However, the gap remains in favour of white employees and it arises due to the underrepresentation of Black, Asian, and minority ethnic colleagues in our senior positions, which are higher-paid, compared to their prevalence in early career and mid-level roles.

This leads to an overall average salary disparity, with white colleagues earning higher salaries than their Black, Asian, and minority ethnic counterparts, resulting in a pay gap.

In the UK the national average ethnicity pay gap ranges between -3.8% to 11.9% (depending on the ethnic group) based on latest available data from Office for National Statistics.



## PROPORTION OF WHITE AND B.A.M.E IN EACH PAY QUARTILE

Lower quartile	70.3%	29.7%
Lower middle quartile	83.5%	16.5%
Upper middle quartile	76.4%	23.6%
Upper quartile	79%	21%

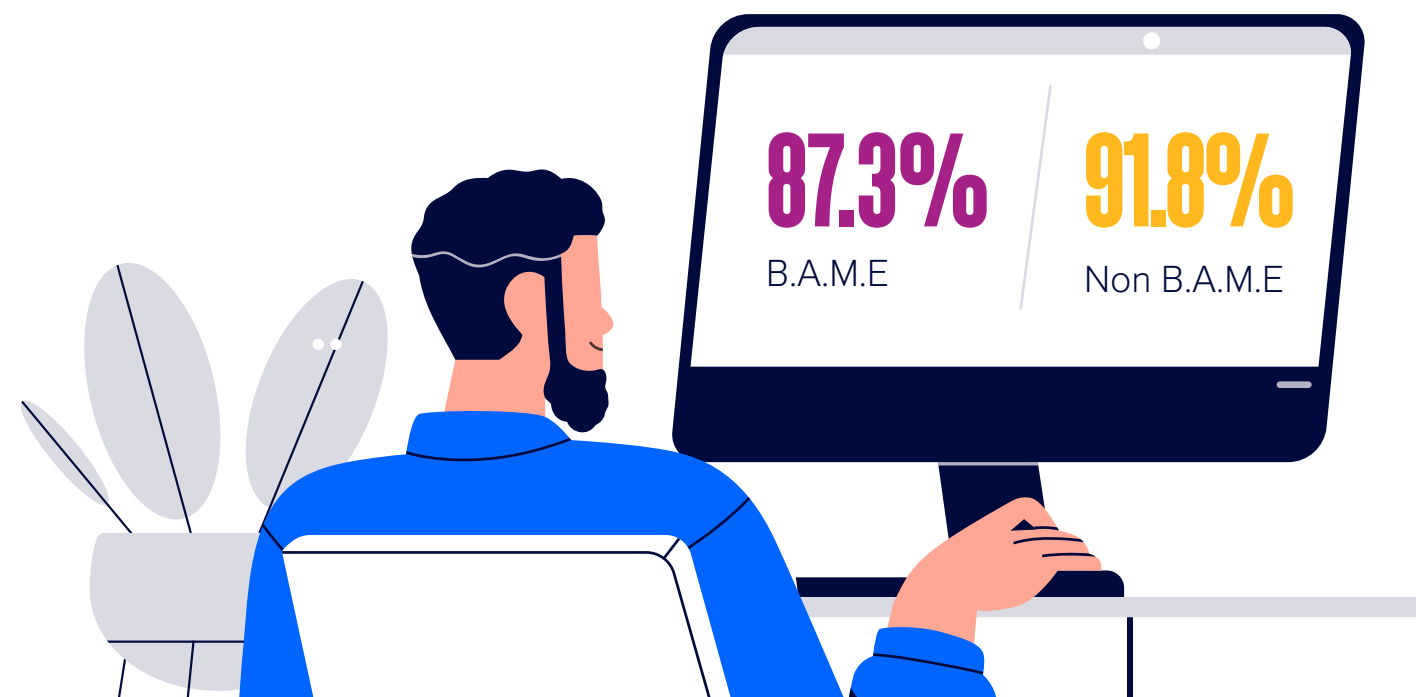
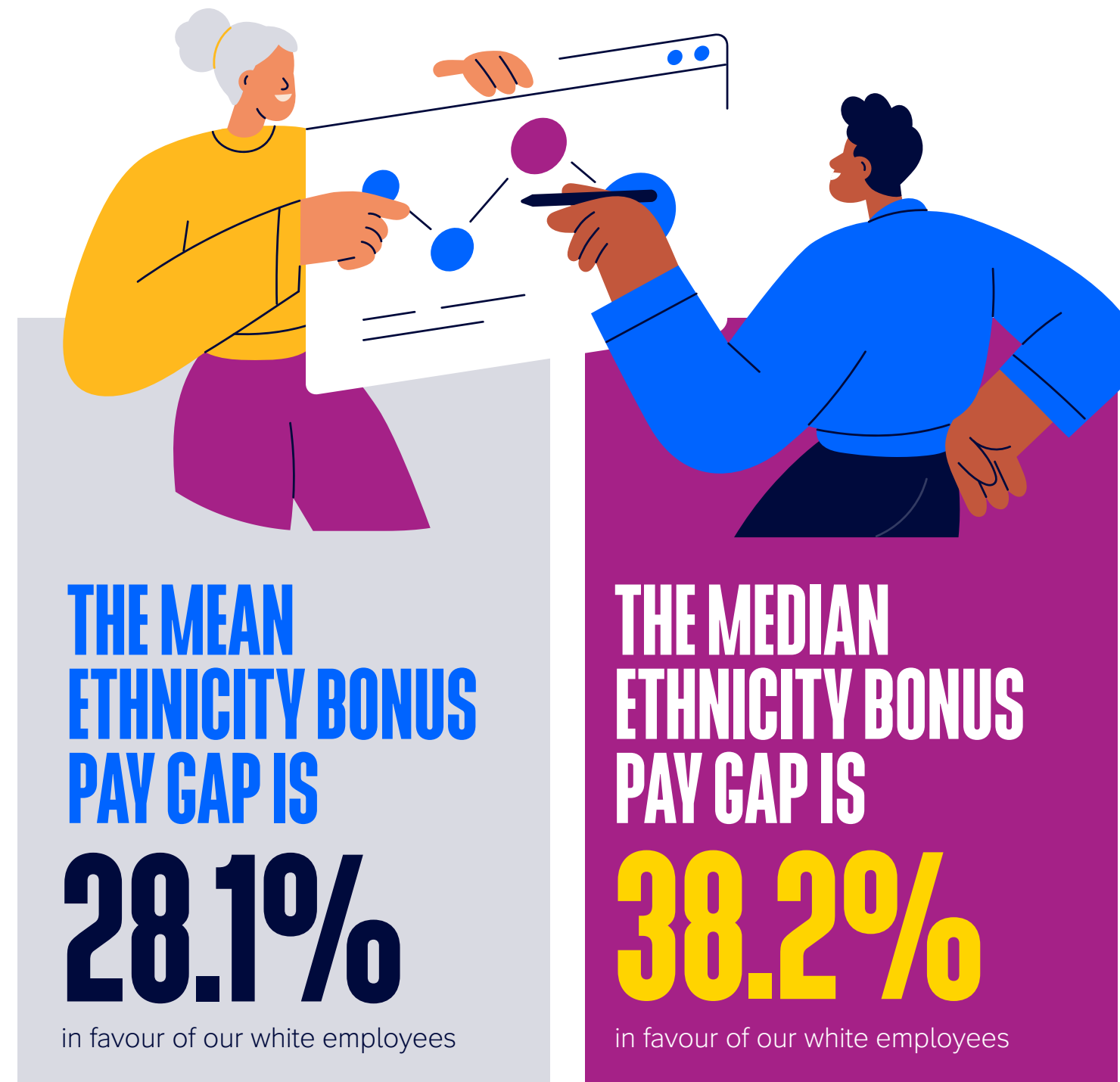
White B.A.M.E



# THE BONUS ETHNICITY PAY GAP

This Ethnicity pay gap data indicates the difference in average rates of pay for white employees and those that are across our workforce, but it does not suggest that black, Asian and minority ethnic employees at Paramount in the UK are paid less than white employees in equivalent roles. It does, however, show that we have more to do to achieve a better, more balanced black, Asian and ethnic minority pay distribution throughout our organisation, particularly at Manager level and above.

*In 2023, we processed a one-time additional cost-of-living payment to support our lower-earning employees. These payments have been included in the calculation of our bonus gap, which has impacted our reporting.*



**PROPORTION OF B.A.M.E AND WHITE EMPLOYEES RECEIVING A BONUS PAYMENT**

## THE BONUS GAP IS DRIVEN BY SIMILAR FACTORS AS THE PAY GAP:



- 1** Substantially fewer Black, Asian, and minority ethnic colleagues hold the most senior and highest-paid roles.
- 2** Uneven representation across pay quartiles, particularly a lower presence of Black, Asian, and minority ethnic colleagues in the upper quartile, compared to other quartiles.
- 3** Since bonuses are a percentage of salary, the lower representation of Black, Asian, and minority ethnic colleagues in senior roles and higher representation in early career roles leads to lower average bonuses compared to white colleagues.

The mean and median bonus gap, along with the difference between the mean and median bonus gap, is a consequence of the underrepresentation of Black, Asian, and minority ethnic colleagues in our leadership team and senior manager positions.

PARAMOUNT IN THE UK

# WHAT HAVE WE DONE ABOUT THIS?

**At Paramount we are committed to building a truly inclusive culture and an environment where all our employees can thrive.** We celebrate our difference and have a range of ongoing projects, partnerships and initiatives to address the needs of our diverse workforce.



## CULTURE AND LEADERSHIP

### Women+ & Fusion

Employee Resource Groups play a critical role at Paramount and are essential in helping to foster a diverse, inclusive and equitable culture. Active since 2014, Women+ inspires and supports women at Paramount to achieve their full potential. Meanwhile Fusion champions cultural diversity and representation in the workplace, while also providing a diverse lens for business decisions.

### People Leader Expectations Framework

2024 will see Paramount continue to work on its leadership development initiatives aimed at upskilling and educating senior leaders in DEI. Our aim is to build a truly inclusive place of work, through leaders' role-modelling equitable practices and creating an environment of belonging.

## RECRUITMENT AND RETENTION

### Partnerships

We are proud to have created partnerships and embedded technology into our hiring processes to challenge our practices, create inclusive advertising and establish an authentic inclusive voice to engage and attract diverse talent.

### Accreditation

We are engaged with 'Careers After Babies' the first formal accreditation for companies aspiring to provide the best support and opportunities to individuals returning from parental or care-giving leave.

### Transparent Hiring

Following the success of our inclusive entry-level schemes focused on socially disadvantaged talent, we have developed a company aligned assessment tool for all entry-level roles, based on aptitude & potential, to remove bias in selection. We aim to roll out methodology for manager roles and above.

## PROGRESSION AND DEVELOPMENT

### Activate Programme

Building on the success of our DEI talent initiative, Activate, we will repeat this programme in 2024 focusing on our ethnically diverse talent at Below Manager level. This will equip these employees with the confidence, mindsets and capabilities to progress within the organisation through developmental workshops, coaching and executive sponsorship.

## REPORTING

### Data Transparency

This continues with leaders through quarterly reporting on all aspects of the employee lifecycle to enable informed decision making and impact assessment.



# OUR PAY GAP ACTION PLAN



## Increase representation in all levels

### We will:

- ★ Continue to review talent acquisition data with our Employee Resource Groups (ERGs) to gauge feedback on talent acquisition practices and continue to build & improve upon recruitment approach.
- ★ Review our leadership development programmes to ensure inclusive leadership is a fundamental part of the syllabus.
- ★ Continue to address under-representation of ethnic employees at Director+ levels through targeted talent development to create a focus to improve representation at senior levels.
- ★ Review and implement HR policies, particularly family friendly polices, to ensure their competitiveness within the industry and that our female employees feel valued during their time out and encouraged to return.

## Pay Transparency and data quality

### We will:

- ★ Establish a job architecture and job evaluation methodology applicable to all positions within Paramount.
- ★ Increase pay transparency to aid managers in making fair pay decisions, fostering informed and confident discussions about compensation among colleagues.

## Leveraging our Employee Resource Groups

### We will:

- ★ Encourage greater membership of our existing groups, across all of our UK businesses.
- ★ Seek further opportunities for our ERGs to deliver initiatives highlighting issues and tackling areas of inequality within the broader UK market.
- ★ Bring our ERGs, HR and Management teams closer together to collaborate more on areas such as policy development, identification of core KPIs and opportunities to enhance the employee experience.

## DISCLOSURE

*At Paramount, we are committed to ensuring that we create a truly equitable and inclusive environment for everyone who works with us. Pay gap reporting in the UK is an important metric that helps us measure our progress and understand where we need to work harder to tackle barriers to true equity.*

*I'm particularly pleased to see that our mean Ethnicity Pay Gap reduced by 5.1% to 9.4%, which means that our efforts to close the gap between white and culturally diverse employees is focused in the right direction.*

*We want to continue to effect positive change in our organisation and to increase the representation of women and minority ethnic colleagues through the company. That's why we have invested in new initiatives such as the Activate Programme; and it's also why we work incredibly closely with our Employee Resource Groups to challenge and ensure that we are doing all we can to accelerate progression and tackle inequality across our business.*

**Sarah Rose**  
President, Channel 5 and  
Regional Lead, UK





**Declaration**

We confirm that Paramount in the UK's gender pay gap report is accurate and meets the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Sarah Rose, President, Channel 5 and Regional Lead, UK