

# GENDER PAY GAP REPORT 2018

## WHAT IS THE GENDER PAY GAP?

Legislation introduced in April 2017 requires all employers of 250 or more employees to publish their gender pay gap – for this year as of 5th April 2018. The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings, in an organisation.

Gender pay gaps are common across many industries, and are widely reported to be driven by fewer women than men holding senior roles within their respective organisations.

### MORNA COOK, MBE

Senior Director, HR at Universal Music UK

"At Universal Music we value and celebrate the diversity, in all its forms, of the teams across our business. It's not an overstatement to say the success of our company depends on our teams reflecting the incredible diversity of our artist roster and society. We recognise however that there is still more to do.

Today we publish our second gender pay report which, while showing an improvement on 2017, again indicates a gender pay gap. This is despite the fact that, on average, women earned more than men of similar seniority in three out of the four quartiles – including the upper quartile of our most senior staff.

In short, the overall pay gap largely results from the fact that we have fewer women than men in senior positions, something we are determined to address. We already have a significant number of female senior executives – including the presidents of two of our five frontline record labels – and we will continue to add to these numbers through bespoke coaching and mentoring to support the development of all our future leaders. Our family-friendly policies are also regularly reviewed.

In practice some of our work to increase diversity has actually worsened the reported pay gap figures. For example, the proportion of women in our more junior roles (lower quartile) has increased on last year, a shift which statistically challenges our headline figures in the short term. But as those new female entrants progress through the company this strategy will create positive results in years to come.

While a higher proportion of our staff overall received bonuses in 2018, our headline figures are influenced by bonuses paid to senior A&R staff, an area of the music business which continues to include more men than women. To help address that, we are proactively recruiting more female A&Rs with a view to making our A&R teams better reflect the overall 50:50 gender splits in our frontline labels.

We regularly send members of our teams out to speak to young people about career opportunities in the music business and to spread the word about our industry-leading paid intern scheme which is now in its 10th year. We are ramping up this activity with a particular focus on targeting the next generation of female A&Rs.

This outreach strategy forms part of our broader work to support and encourage diversity in all of its forms at our company.

Eradicating our gender pay gap will take time but remains at the top of our agenda alongside our wider diversity and inclusion work."

### OUR RESULTS

#### GENDER PAY GAP

Universal Music gender pay gap figures

##### MEAN:

The difference between the average of men's and women's pay

**29.1%\***

Mean hourly pay gap

**24.4%\***

Mean bonus gap

##### MEDIAN:

The difference between the midpoints in the ranges of men's and women's pay

**20.9%\***

Median hourly pay gap

**39.9%\***

Median bonus gap

\*in favour of men

### PAY QUARTILES

The proportion of employees in each quartile pay band

#### Lower



#### Lower middle



#### Upper middle



#### Upper



### GENDER RATIO

The gender ratio across Universal Music in the UK



### BONUS PAY

The proportion of men and women at Universal Music in the UK who receive bonus pay



## DECLARATION

We confirm the Gender Pay Gap data contained in this report is accurate



**DAVID SHARPE**  
Chief Operating Officer



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Senior Director, HR