We’re a company that’s committed to achieving full gender equality at every level of our business. As the figures in this report show, we’re still a long way from achieving that aim, but we’re travelling in the right direction and making progress.

Building a modern music company that’s as equal and diverse as possible is not just the right thing to do; it’ll also make us a more impactful player in the world of culture that we seek to influence.

This report sets out our gender pay gap on 5th April 2018, as legally required. To add context to the steps we’re taking, we’ve also compared the figures to those from April 2017.

“ We want to develop a Warner Music UK that’s as diverse and vibrant from top to bottom as the artists we support and the fans we’re connecting them to.”

MARIA OSHEROVA
EVP and Chief Human Resources Officer,
Warner Music Group

MAX LOUSADA
CEO, Recorded Music, Warner Music Group
and Chairman & CEO, Warner Music UK

“Equal pay for equal work is a fundamental principle for us, as well as the law of the land. WMUK is fully compliant with the equal pay criteria set out in the Equality Act (2010). In other words, men and women doing the same job get paid the same salary. The gender pay gap is fuelled by the fact there are more men than women in senior positions, not because men are paid more than women for doing the same job.”
SALARIES

Our median* Gender Pay Gap remains relatively static, with a small increase in the reporting period of 2017-18.

Our mean* Gender Pay Gap has narrowed by 10%. This is a metric we pay especially close attention to as it reflects salaries across all levels of the business, rather than providing a snapshot of the male and female employees who stand in the middle of the pay scale. What the mean pay gap shows very clearly is the impact of the relative lack of women at the most senior levels of the company.

Our indicative figures for January 2019 suggest the trend has continued to improve with a further 4% reduction, but we must do more and we’re committed to making the changes needed to achieve lasting change.

*MEAN V MEDIAN

The mean is calculated when you add up the wages of all employees and divide the figure by the number of employees. The mean gender pay gap is the difference between mean male pay and mean female pay. It’s a better calculation for understanding the impact of outliers – such as a few, highly paid men – on the overall gender pay gap.

The median is the figure that falls in the middle of a range when everyone’s wages are lined up from smallest to largest. The median gender pay gap is the difference between the employee in the middle of the range of male wages and the middle employee in the range of female wages.
BONUSES

All permanent employees are eligible for a bonus payment in January, provided they started work before 1st July that year.

In this reporting year, the proportion of female employees receiving a bonus increased because a significant number of additional women joined the company before the 1st July deadline.

The bonus pay gap narrowed in both the mean and median metrics. Again, this is a metric that reflects the weighting of males in senior roles and should improve over time as we address this imbalance.

GENDER DISTRIBUTION BY QUARTILE

Our gender balance figures broken down by quartile confirm the current dominance of men at the top of the company – the major driver of our gender pay gap. The picture is similar in the upper middle quartile, but more balanced in the lower two quartiles, which is where the next generation of the industry’s leadership will be grown from.
1. To help increase the number of female candidates coming through for high paying, senior roles we’re focused on both developing our existing, internal talent, as well as casting the net more widely and outside of the music industry where historically there have been fewer women applying for leadership roles.

- Three years ago, women accounted for 25% of participants on Top Line, our global leadership programme. This year, almost 40% were women.

- All our job descriptions are now being passed through a tool called Textio, which helps make sure that all our roles are gender neutral. We’re very much in the early days of using this tool, but it’s already helping to attract a more diverse range of applications.

- Between last year’s report and now, a number of our key leadership roles have been filled by female leaders. At VP level and above we’ve hired seven execs and the majority of them were women.

2. We can help female career progression by supporting women through and beyond maternity leave, to help them balance career and family responsibilities.

- We’ve increased our enhanced equal benefits to 20 weeks’ shared parental leave on full pay, to take within the first year of childbirth or adoption, and one month’s flexible working before and after such leave (paying people a full-time salary for a four-day week), and for employees up to a certain salary threshold we make a contribution towards childcare over the first two years. We’ve seen a significant increase in the proportion of people returning from maternity leave.

- We offer everyone returning to work after parental leave tailored, collective and individual career coaching and advice on work/life balance. We’ve also established a Parenting Network that offers both practical and emotional support.

3. We’ll only create long-lasting impact if everyone in the company is part of the solution and this issue remains at the top of the agenda.

- To help drive inclusivity and challenge stereotypes, all members of WMUK have attended, or are scheduled to attend, Unconscious Bias training. This is followed by a Challenging Behaviours workshop, which equips employees with practical communication tools to challenge unhelpful attitudes and have a positive impact.

- Two members of the WMUK senior leadership team are representing inclusion issues at the highest level and supporting the Diversity & Inclusion Task Force and other employee groups. One of these roles is held by a senior leadership team member on a rotating basis to ensure maximum input from leading executives.

WHAT’S NEXT

To take our efforts to the next level and make each initiative we undertake as targeted and effective as possible, we’ve increased the expertise and resource dedicated to our inclusion agenda, while simultaneously seeking an even greater understanding of the challenges we face so we can really move the needle.

- Recruitment of a dedicated Head of Inclusion and Diversity. Nina Bhagwat joins us from Channel 4 to help set the next phase of our strategy and help accelerate our ability to make lasting, impactful change. Nina will further develop and deliver our strategy of increasing the diversity of the workforce at all levels of the business, maintaining an inclusive environment and culture, and driving the attraction, retention and engagement of talent.

- We’ve recently undertaken a data collection project that’ll give us a greater understanding of the makeup of our employees and their experience at Warner. These learnings will help inform the next phase of our programme of change.