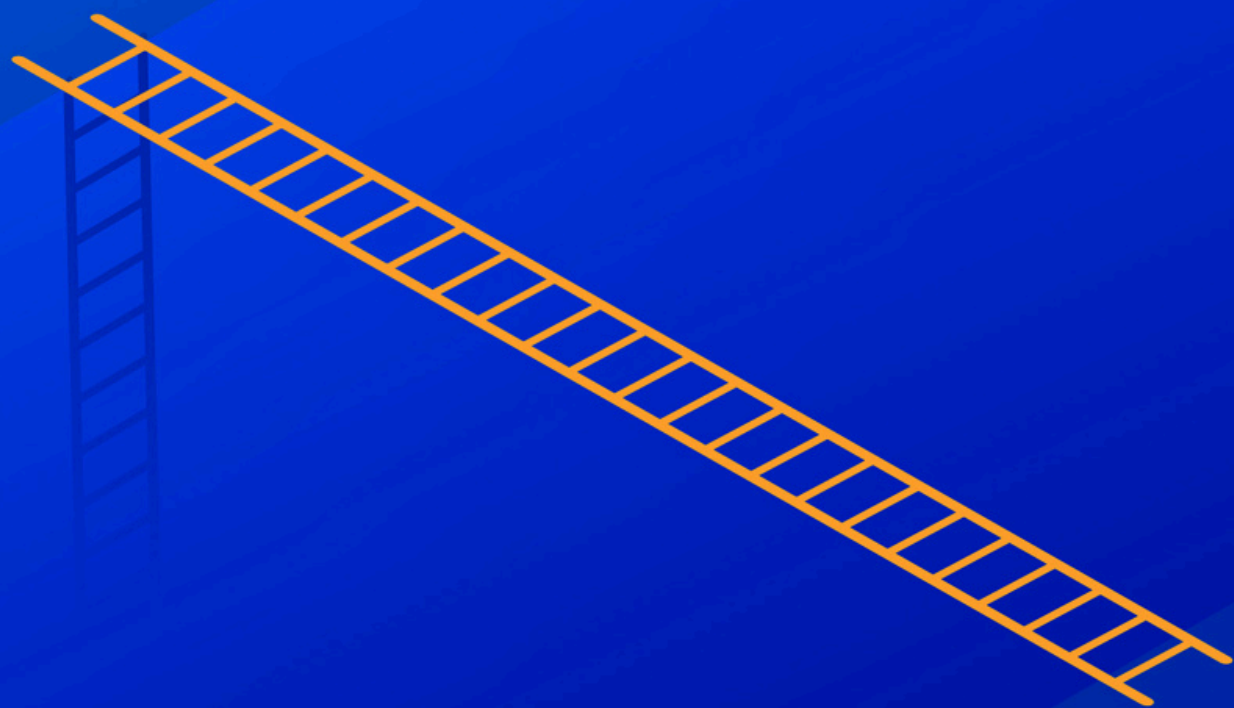


# PAY GAPS REPORT

2024



# Intro from our Leaders

This report sets out the Gender Pay Gaps (GPG) and Ethnicity Pay Gaps (EPG) in the UK at Warner Music Group. The data is pulled from WMG's three UK-based businesses, Warner Music UK (UK recorded music business), Warner Music International (formed of WMG's corporate shared services and UK-based global recorded music teams), and Warner Chappell Music UK (UK music publishing business).

We have listened to our employees and combined our reports so that they're clearer, more concise, and visual, increasing their accessibility so that everybody understands where we are and what we're doing about it.

It's important to highlight that while we have pay gaps, we don't have pay inequity. We ensure that men and women, and people of varying ethnicities, in comparable roles are not paid differently. The pay gaps are a result of representation; we are working to have fair representation across the organisation and therefore across all four pay quartiles.

At WMG, we believe that a diverse workforce of engaged people within an inclusive culture is imperative. We strive for our people to represent our artists, songwriters, and audiences, because ultimately an inclusive and empowering environment is where our cultures are celebrated and allows us to create incredible music and campaigns that connect us all.

We've made progress in our efforts; the median pay gap has reduced for both gender and ethnicity, on hourly pay, although the bonus distribution remains skewed by the representation in the upper quartiles.

We acknowledge that there's a lot more to do in certain areas; but by investing in our data capabilities, and using that to inform where we focus our efforts we are confident that we will make long-term change. We are encouraged to see that the representation of women and those from underrepresented ethnic groups has increased in our upper quartiles; an indication that the investment we have been making on our future pipeline is paying off.

We'd like to thank everyone who has contributed to the report and to WMG's workplace culture, particularly all of WMG's Employee Resource Groups (ERGs), who volunteer to ensure full engagement and inclusion of all our employees. We're always open to new ideas and look forward to achieving more progress in the months and years to come.

Shani Gonzales  
Managing Director, UK, Warner Chappell Music

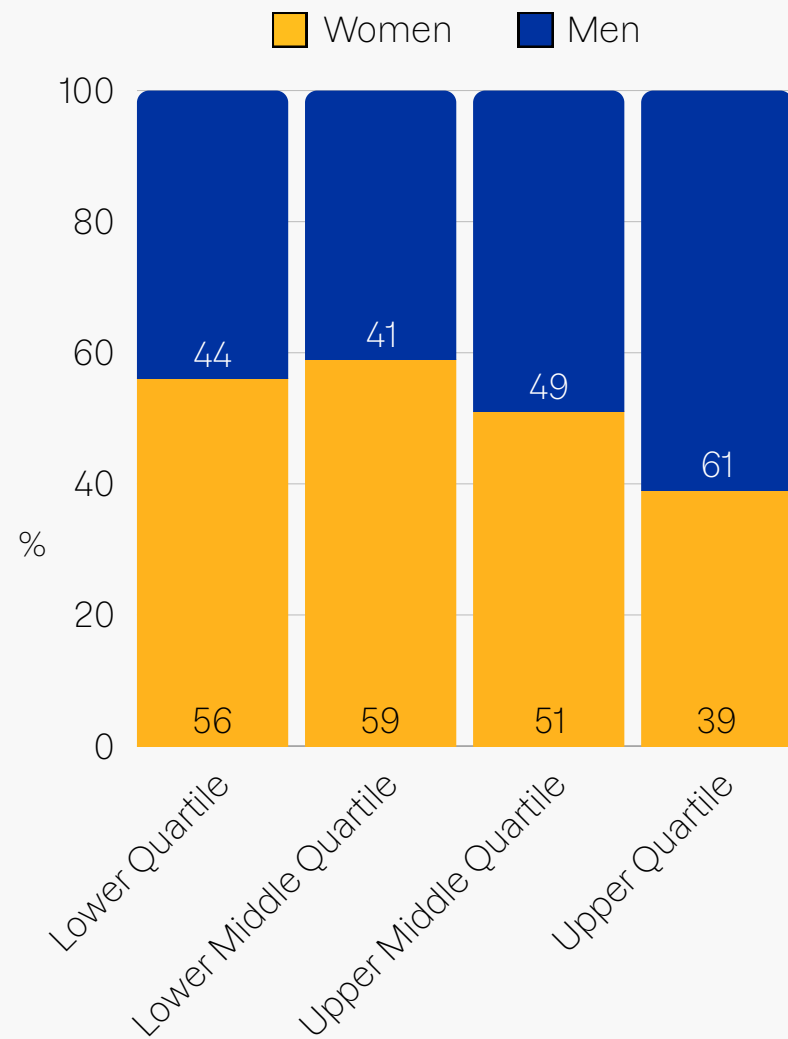
Tony Harlow  
CEO, Warner Music UK

Yrthya Dinzey-Flores  
SVP People, Engagement & Culture

# UK EMPLOYEES\* GENDER PAY GAP 2023/24

While we have a pay gap, we don't have pay inequity. We ensure that men and women in comparable circumstances are not paid differently. We are working to have equal representation across all 4 quartiles.

## Gender composition of each quartile



## Percentage of Employees Receiving a Bonus by Gender



84% Men

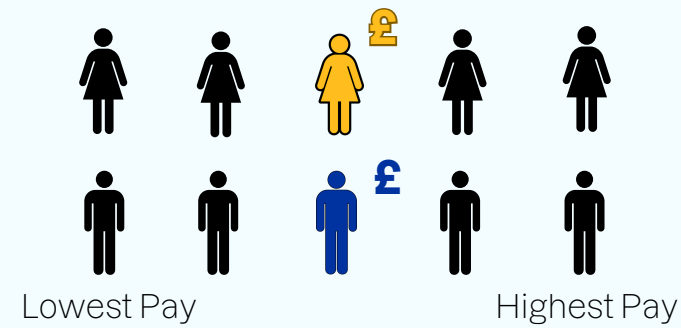


77% Women

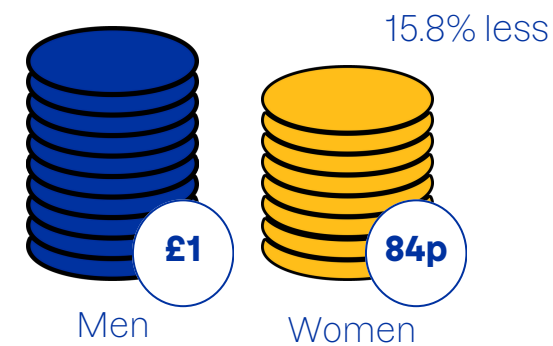
The largest factor of this was a higher proportion of women joining the organisation after the eligibility threshold

## CALCULATING THE MEDIAN

The median gap is a comparison between the pay or bonus of the woman and man at the exact midpoint of their gender's earning distribution.

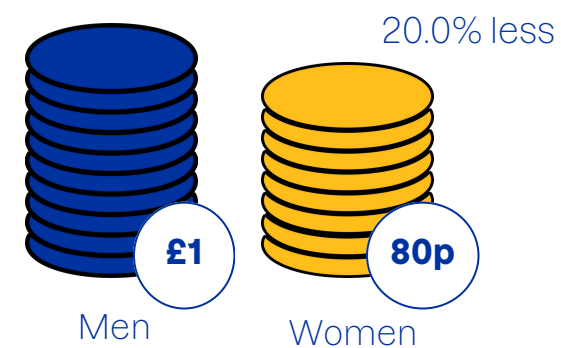


## MEDIAN SALARY



When comparing median salary, women earned 15.8% less than men.

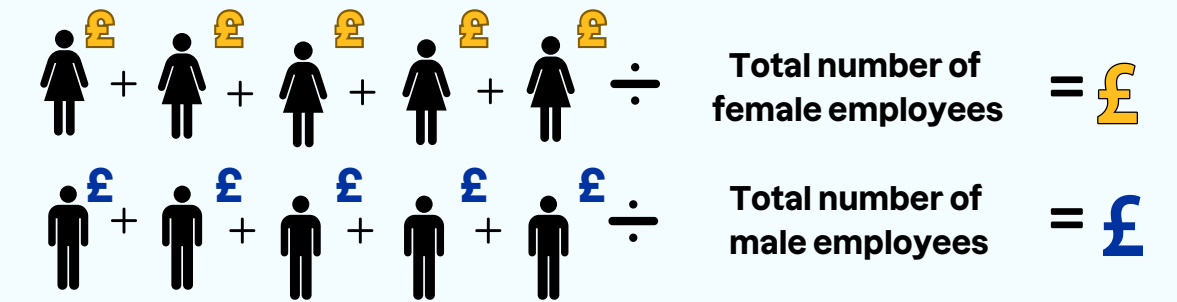
## MEDIAN BONUS



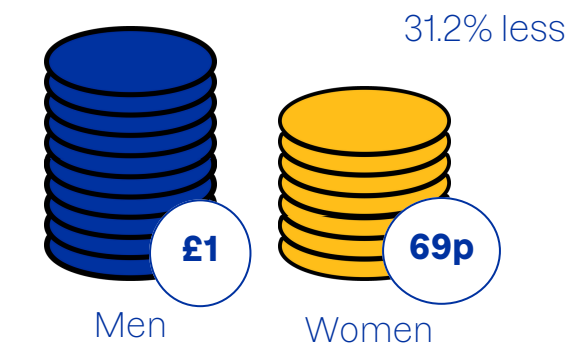
When comparing median bonus, women earned 20% less than men.

## CALCULATING THE MEAN

The mean pay or bonus gap is a comparison of the average pay or bonus of women to the average pay or bonus of men.

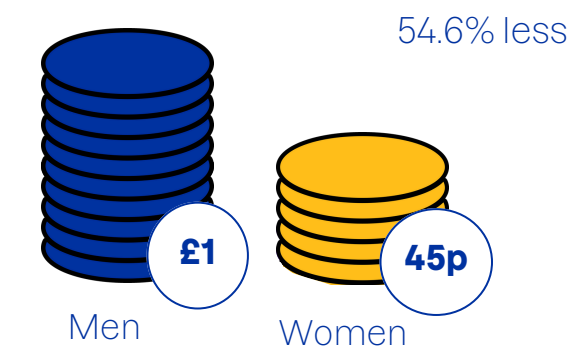


## MEAN SALARY



When comparing mean salary, women earned 31.2% less than men.

## MEAN BONUS



When comparing mean bonus, women earned 54.6% less than men.

\*This data includes any employee that is based in the UK across all of our entities (WCM / WMI / WMUK).

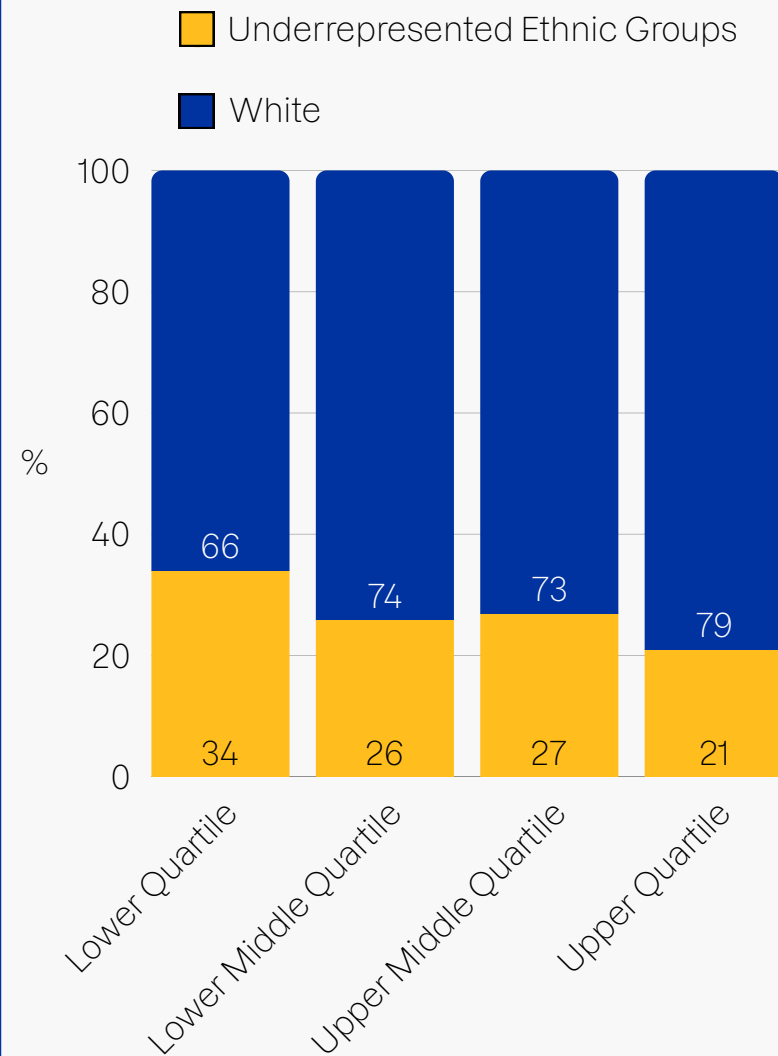
# UK EMPLOYEES\* ETHNICITY PAY GAP 2023/24

We have had to break the numbers down between white employees and employees from Underrepresented Ethnic groups (which includes Arab, Asian, Black, multiple ethnicities, and other).

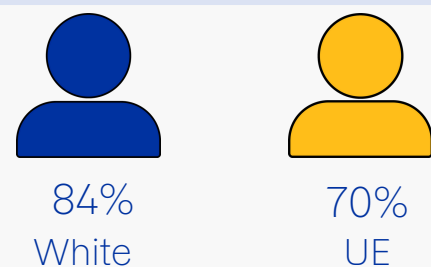
We recognise that this aggregation is not ideal and that people from different racial/ethnic groups can have very different experiences and outcomes.

However, if we go more granular than this and disaggregate the ethnicity data, there is a risk that individuals could be identified.

## Ethnicity composition of each quartile



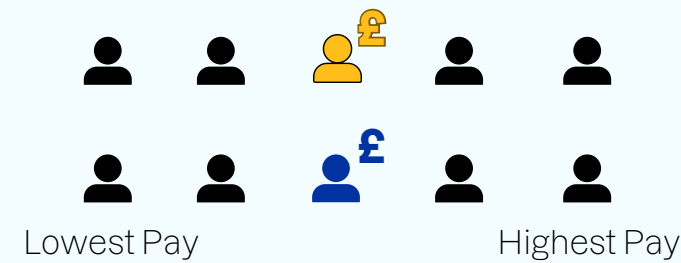
## Percentage of Employees Receiving a Bonus by Ethnicity



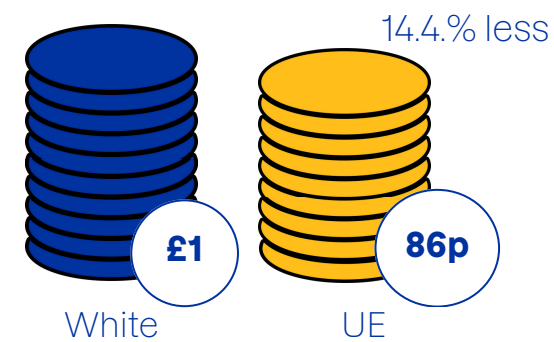
The largest factor of this was a higher proportion of UE employees joining the organisation after the eligibility threshold

## CALCULATING THE MEDIAN

The median gap is a comparison between the pay or bonus of the ethnically underrepresented colleague and the white colleague at the exact midpoint of their ethnicity's earning distribution.

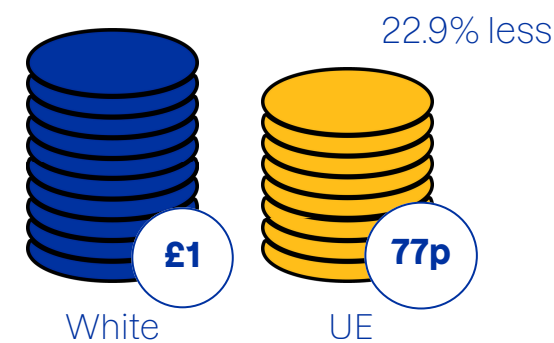


## MEDIAN SALARY



When comparing median salary, an employee from an **Underrepresented Ethnic** group, earned 14.4% less than a white employee.

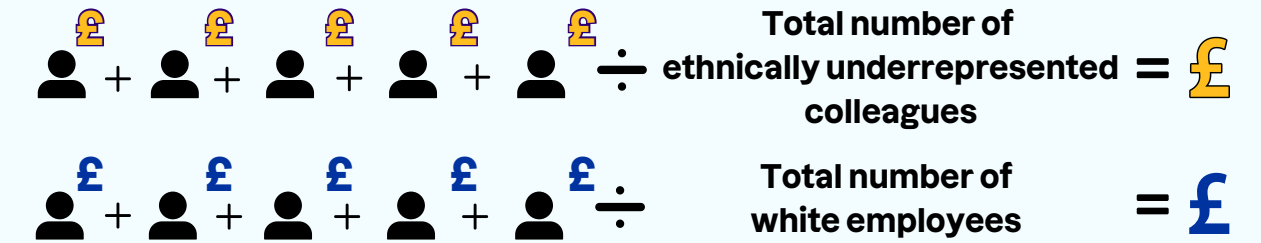
## MEDIAN BONUS



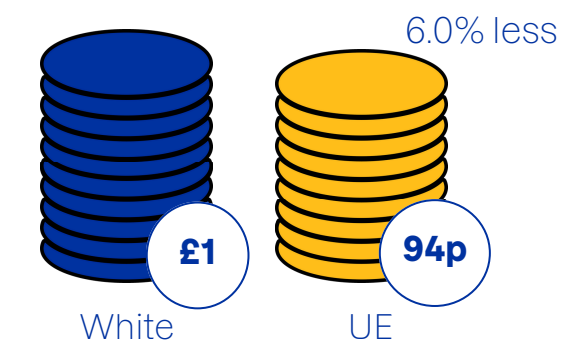
When comparing median bonus, an employee from an **Underrepresented Ethnic** group, earned 22.9% less than a white employee.

## CALCULATING THE MEAN

The mean pay or bonus gap is a comparison of the average pay or bonus of the ethnically underrepresented colleague to the average pay or bonus of the white colleague

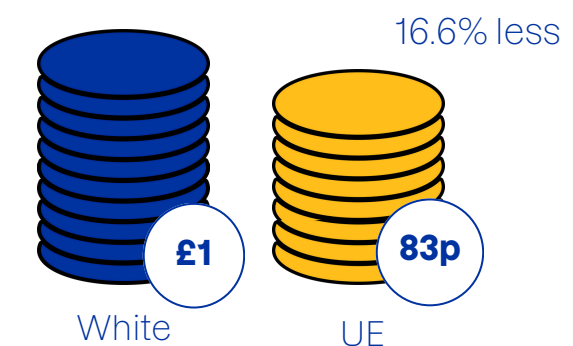


## MEAN SALARY



When comparing mean salary, an employee from an **Underrepresented Ethnic** group, earned 6% less than a white employee.

## MEAN BONUS

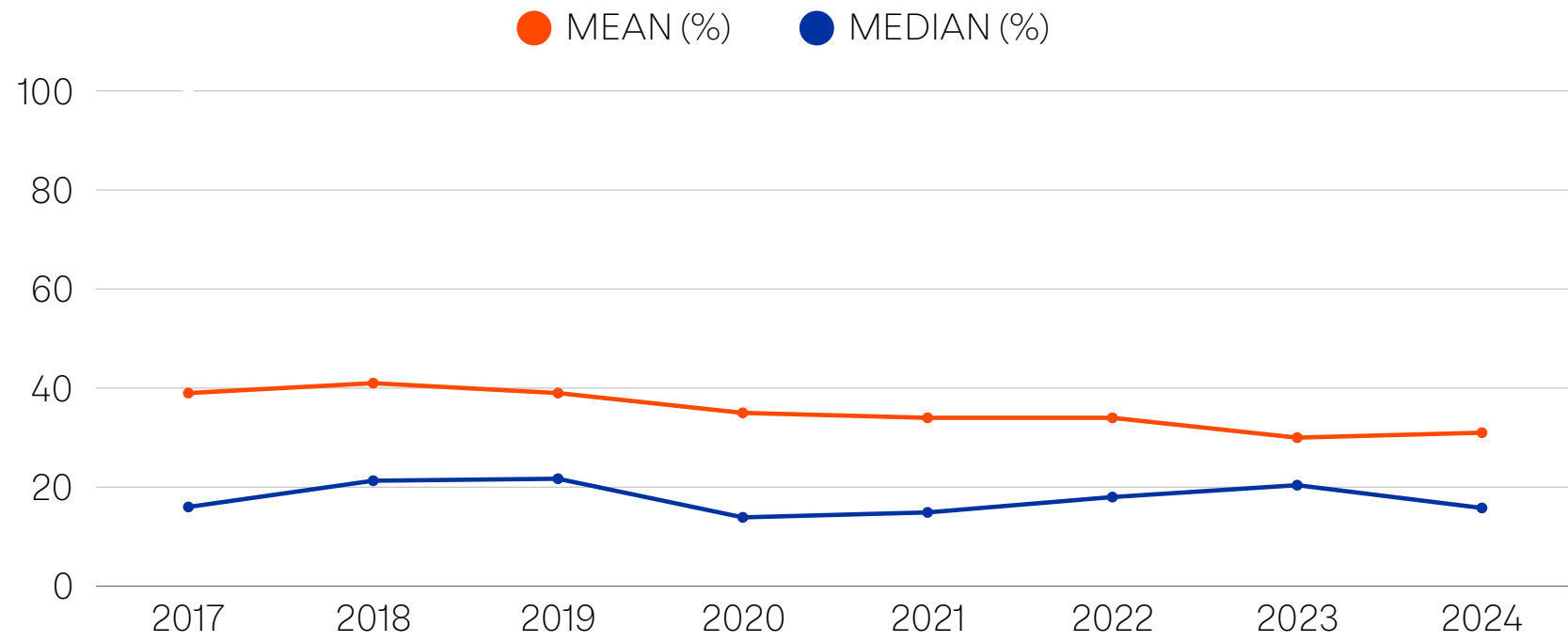


When comparing mean bonus, an employee from an **Underrepresented Ethnic** group, earned 16.6% less than a white employee.

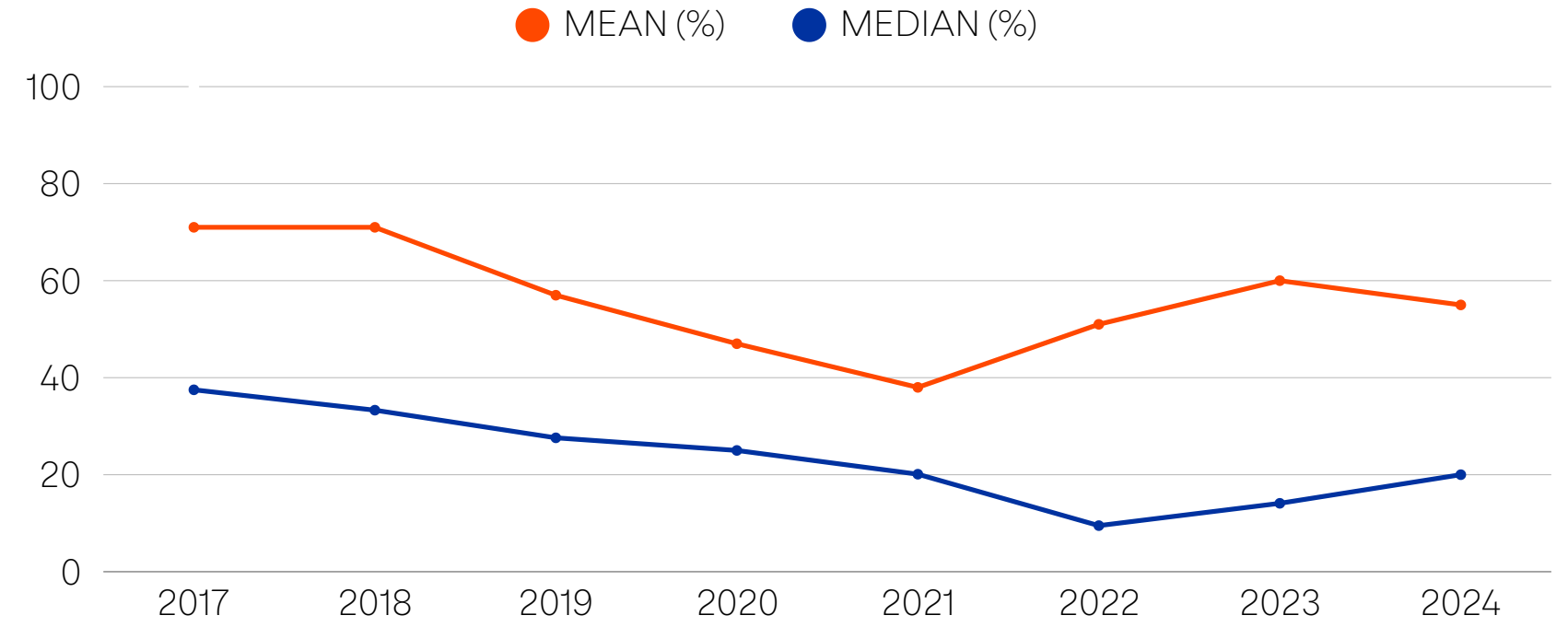
\*This data includes any employee that is based in the UK across all of our entities (WCM / WMI / WMUK).

# WMG UK PAY GAP TRENDS

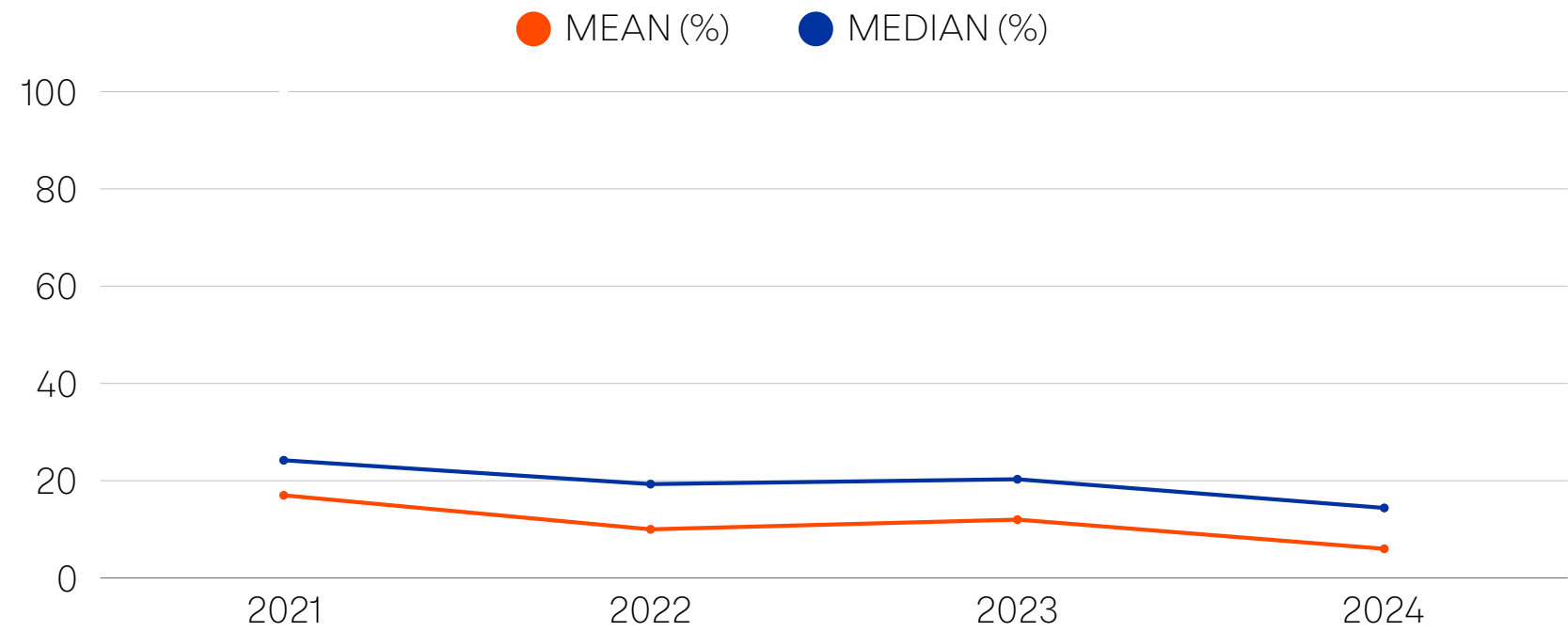
## GENDER PAY GAP - HOURLY PAY



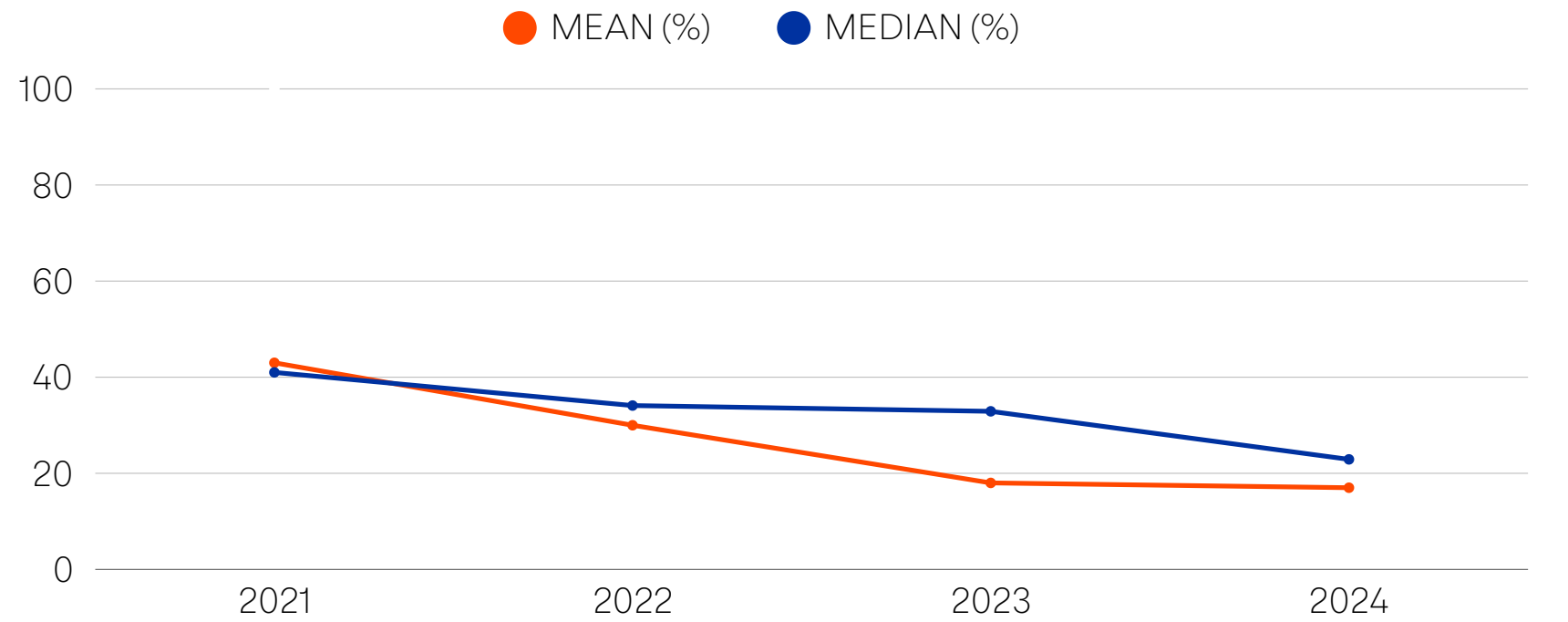
## GENDER PAY GAP - BONUS PAY



## ETHNICITY PAY GAP - HOURLY PAY



## ETHNICITY PAY GAP - BONUS PAY





# ACTIONS

## ACCOUNTABILITY & MEASUREMENT

At WMG we recognise the importance of efforts that contribute to reducing the pay gap directly, alongside those that impact indirectly, through fostering a strong culture. We believe that establishing an inclusive environment also drives equitable pay.

### In the next year, we are focusing on:

All people

#### **Understanding our workforce**

Continuing our work to improve data accuracy as a critical step to impacting diversity representation  
Reviewing results from our Employee Engagement Survey to identify key areas for change to inform our strategy

#### **Investing in and empowering our ERGs**

Ensuring our ERGs have the appropriate leadership, structural, and financial support to achieve their goals  
Learning & Development initiatives are embedded into ERG strategies, including leveraging our wide network of diverse coaches for bespoke internal development

#### **Reviewing Wellbeing policies and benefits**

Continue to evolve parental leave policies  
Encouraging all new parents to take our equal parental leave and providing support upon their return to work  
Providing continuous mental health support and informing our employees about flexible work options

All  
cultures

#### **Attracting & recruiting diverse talent**

Offering tailored internships (eg. Women in A&R internship) to target parts of the industry that we know lack diversity  
Regularly reviewing and making appropriate updates to our recruitment process to increase equitable outcomes  
Establishing strategic partnerships to expand the diversity of our talent pool

#### **Empowering managers & leaders to drive inclusion**

Reviewing learning and development opportunities to continue to embed engagement and culture programmes across our learning suite  
Launch of Inclusion 101 Boss session open to all

Music for  
all

#### **Amplifying underrepresented voices across regions for a more inclusive music industry**

Decreasing the entry barrier to music by creating opportunities across the UK, with ongoing internships in Newcastle, Manchester & Liverpool  
Continuing to support the emerging talent showcased during the BLIM Classically Black Symposium  
Developed a music-industry access course targeting underrepresented students in partnership with the Rio Ferdinand Foundation

#### **Creating positive social impact**

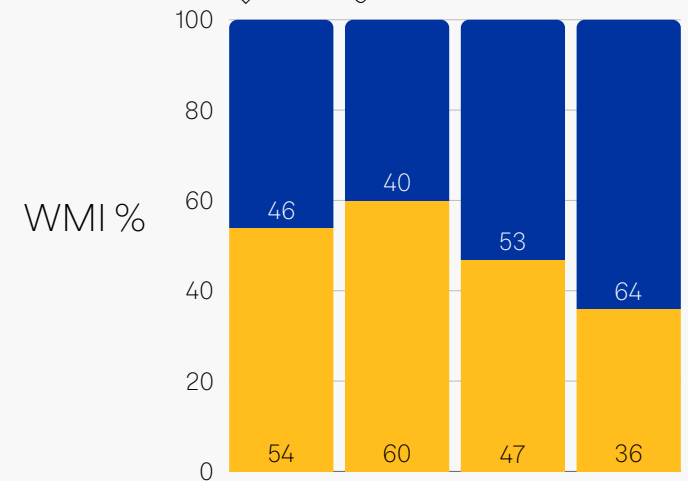
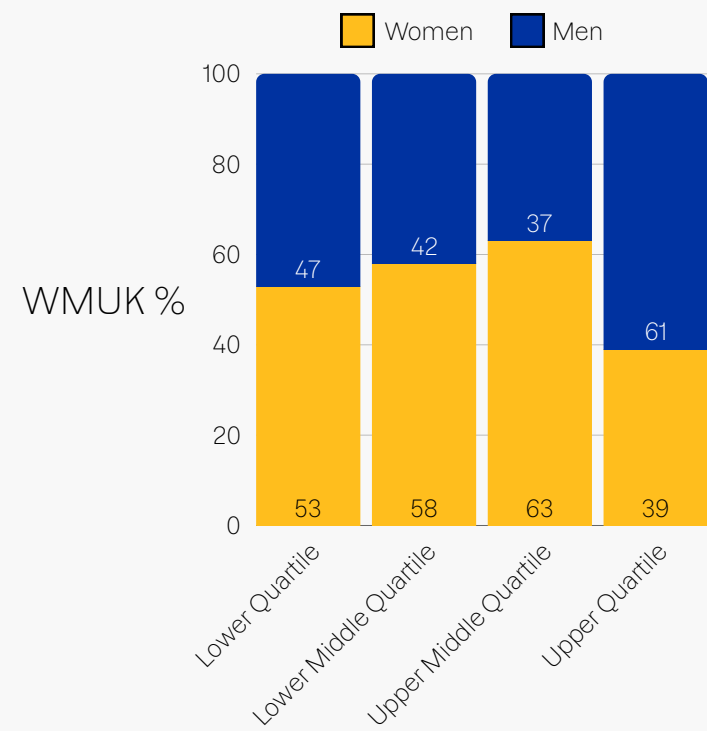
Supporting grassroots community initiatives and mission-driven charities

# APPENDIX I

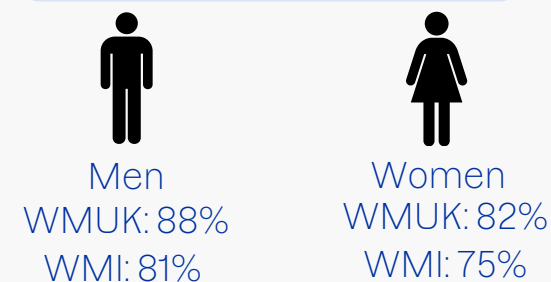
# UK EMPLOYEES\* GENDER PAY GAP 2023/24

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## Gender composition of each quartile

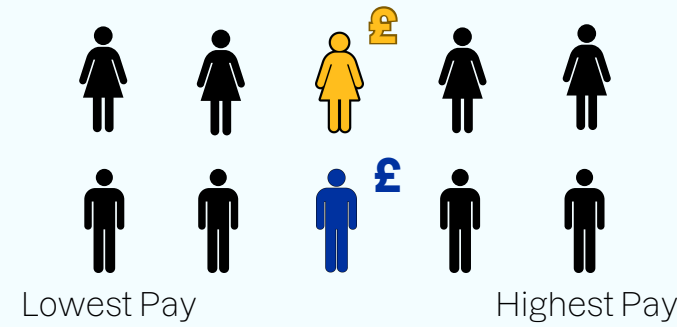


## Percentage of Employees Receiving a Bonus by Gender



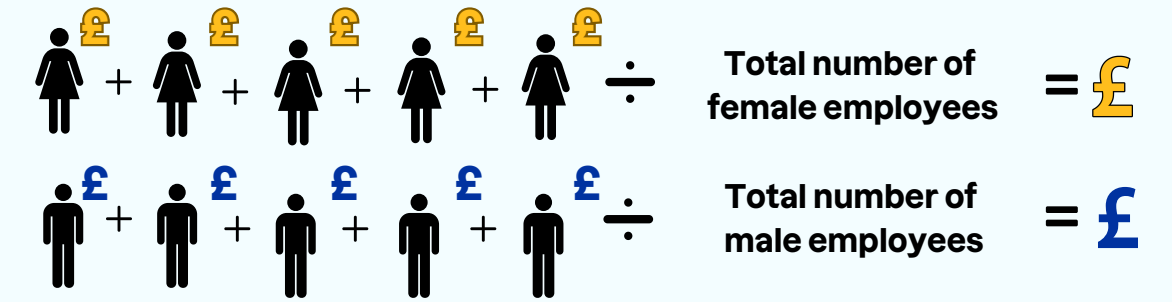
## CALCULATING THE MEDIAN

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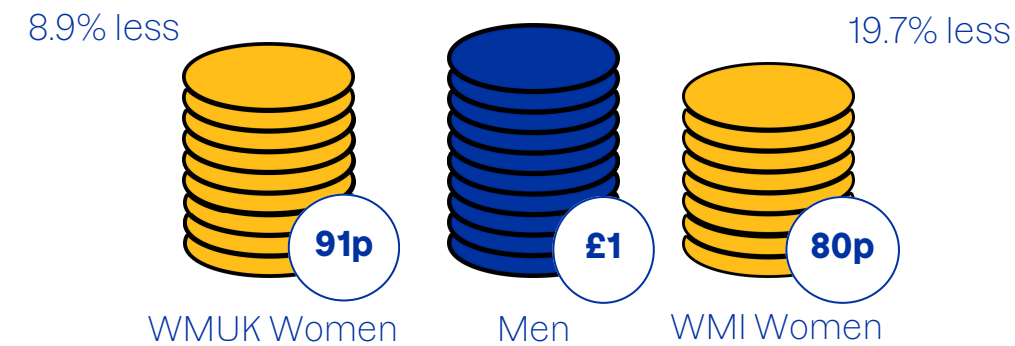


## CALCULATING THE MEAN

The mean pay or bonus gap is a comparison of the average pay or bonus of women to the average pay or bonus of men.

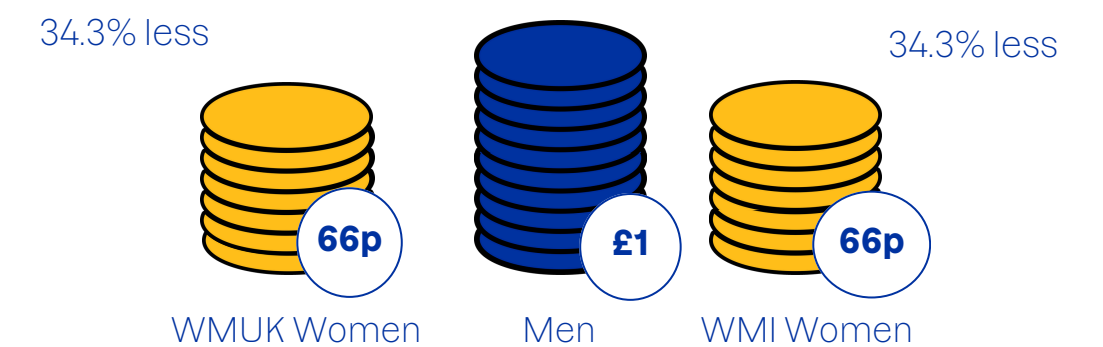


## MEDIAN SALARY



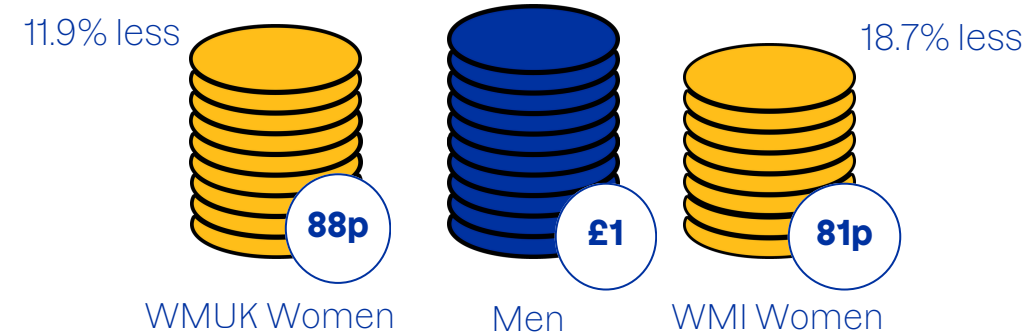
When comparing median pay, a WMUK woman earned 8.9% less than a man, and WMI woman earned 19.7% less.

## MEAN SALARY



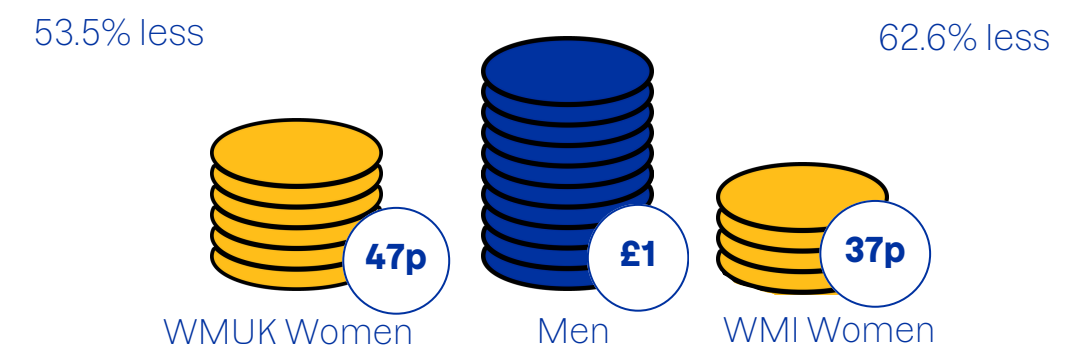
When comparing mean salary, a WMI woman and a WMUK woman earned 34.3% less than a man.

## MEDIAN BONUS



When comparing median bonus, a WMUK woman earned 11.9% less than a man, and a WMI woman earned 18.7% less.

## MEAN BONUS



When comparing mean bonus, a WMUK woman earned 53.5% less than a man, and a WMI woman earned 62.6% less.

\*This data shows the breakdown between the entities that we are reporting (WMUK - Warner Music UK / WMI - Warner Music International).