

VIACOM UK'S GENDER PAY GAP REPORT

A new law requires all UK-based companies with more than 250 employees to publish information on an annual basis about their **gender pay gap** – the difference between average pay for their male and female employees.

The first annual disclosure required under this new law – for the 2017 tax year –

**MUST BE
PUBLISHED BY
4TH APRIL 2018.**

Across the UK, the gender gap between mean hourly pay for men and women – with all full and part-time employees taken into account – was **17.4%** in 2017, according to the Office of National Statistics, with a median gender pay gap of **18.4%**.

Viacom is committed to fostering an

**INCLUSIVE
WORKPLACE
IN THE UK AND
ELSEWHERE.**

**OUR AIM IS FOR
ALL**

Employees to have equal opportunities to develop and progress a successful and rewarding career at Viacom based on their abilities.

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 the legal requirement that men and women be paid the same for carrying out

similar roles – Viacom has reviewed salary levels for job 'families' across our UK workforce and is confident female employees are being paid at a similar level to their male counterparts for carrying out roles with similar levels of responsibility.

In the UK, Viacom operates five subsidiary companies and two joint ventures, which between them contract approximately **1,050** full and part-time employees. Only two of these companies – **VIMN UK Ltd** and **Channel 5 Broadcasting Ltd** – have more than 250 employees and are required to publish data on gender pay. Viacom has taken the decision, however, to publish consolidated data for our entire UK workforce to give a more complete picture of gender pay across our UK operations.



The gender pay gap data throughout this report is published as both mean and median. The mean is calculated by adding up the total pay received by employees of each gender and dividing by the total number of employees. Calculating the median involves taking all payments for employees of each gender, lining them up in order from lowest to highest, and picking the middle-most payment.

VIACOM UK

GENDER PAY ACROSS VIACOM'S GROUP OF UK COMPANIES*

GENDER PAY GAP*:



2.8%
MEAN PAY IS 2.8% IN FAVOUR OF MEN



9.0%
MEDIAN PAY IS 9.0% IN FAVOUR OF MEN

Viacom has a gender balanced workforce. Just under 50% of employees across its various subsidiaries and joint ventures in the UK are female and just over 50% are male.

The overall mean gender pay gap of 2.8% in favour of our male employees reflects a higher proportion of women than men in our lowest paid roles and a higher proportion of men than women in our highest paid roles. This also explains the difference in mean bonus payments with men receiving an average payment that was 33% higher than the average for our

female employees.

Slightly more than one third of our female employees (33.6%) received a bonus payment during the 2017 tax year compared to 31.6% of their male counterparts.

This gender pay gap data indicates the difference in average rates of pay for men and women across our workforce, but it does not indicate that women at Viacom are paid less than men in equivalent roles. Having carried out a benchmarking exercise across our various UK subsidiaries we are confident we do not have a problem with equal pay.

BONUSES:

PROPORTION RECEIVING BONUS

Female
33.6%

Male
31.6%

GENDER BONUS GAP

33.0%
Mean bonus in favour of men

22.5%
Median bonus in favour of men

MALE & FEMALE EMPLOYEES IN EACH PAY QUARTILE

Top



Upper Middle



Lower Middle

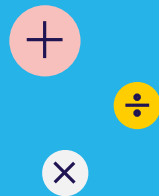


Lower



GENDER PAY

BY KEY SUBSIDIARY



CHANNEL 5 BROADCASTING LTD.

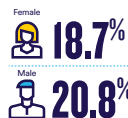
5

GENDER PAY GAP:



BONUSES:

PROPORTION RECEIVING BONUS



GENDER BONUS GAP



PAY QUARTILES:



VIMN UK LTD.

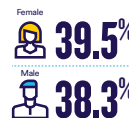
VIACOM
INTERNATIONAL
MEDIA NETWORKS

GENDER PAY GAP:



BONUSES:

PROPORTION RECEIVING BONUS



GENDER BONUS GAP



PAY QUARTILES:



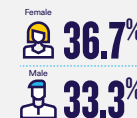
OTHER VIACOM UK SUBSIDIARIES*

GENDER PAY GAP:



BONUSES:

PROPORTION RECEIVING BONUS

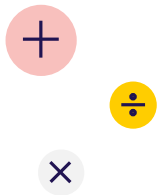


GENDER BONUS GAP



PAY QUARTILES:





WHAT WE'RE DOING ABOUT THIS

Making progress against this objective will be a key measure of performance for our senior management team, both individually and collectively, in 2018 and beyond.

Viacom is committed to achieving and maintaining an appropriate gender balance across our UK workforce, with a particular focus on senior management roles – we believe this is the most effective means to continue to minimize our gender pay gap.

WE HAVE ADOPTED A RANGE OF EMPLOYMENT PRACTICES THAT ARE DESIGNED TO ENSURE BALANCED GENDER REPRESENTATION ACROSS OUR WORKFORCE AND A FAIR AND CONSISTENT APPROACH TO PAY.

RECRUITMENT

- > Gender balanced candidate pools for every role recruited, with a focus on gateway roles
- > Transparent and formal internal recruitment processes
- > Gender balanced interview panels
- > Unconscious bias training for everyone involved in recruitment



FLEXIBLE WORKING

- > Flexible working policy – encouraging take-up across our UK workforce
- > Parental leave paid at same level to either parent to promote shared childcare
- > Additional development support for anyone returning to work after a career break
- > Raising awareness of family friendly policies amongst male employees

DEVELOPMENT

- > Gender balanced approach to internal succession planning allied to development plans for female employees to present credible candidacy for senior roles



Additionally, we are benchmarking pay grades across our UK workforce to ensure consistent entry levels and have reviewed job 'families' throughout our organization to ensure all roles are appropriately graded and benchmarked against others carrying similar levels of responsibility.

We are confident long-term adherence to all these practices, particularly in areas of our UK business where gender pay discrepancies are more marked, will allow us to continue making progress towards eradicating meaningful differences between what we pay our male and female employees.

James Currell
President, Viacom UK

INDEPENDENT ASSURANCE STATEMENT BY DELOITTE LLP TO VIACOM INTERNATIONAL MEDIA NETWORKS UK LIMITED REGARDING THE GENDER PAY GAP DISCLOSURES FOR 2017



WHAT WE LOOKED AT: SCOPE OF OUR WORK

Viacom International Media Networks UK Limited ("Viacom") engaged us to provide limited assurance over the Gender Pay Gap ("GPG") disclosures ("the subject matter") as per The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 ("the Regulations") for the reporting period ending 5 April 2017. Our assurance procedures were applied to the two legal entities of Viacom in scope of the Regulations, as well as two voluntary, consolidated Group-level disclosures for Viacom. The assured indicators and entities comprise:

KPIs in scope	Entities in scope
Mean gender pay gap (%)	Group total of all Viacom's UK companies (consisting of Viacom's seven wholly owned and joint venture subsidiaries in the UK)
Median gender pay gap (%)	
Mean gender bonus gap (%)	Group total of Viacom's UK companies (as above) excluding Channel 5 and VIMN UK Ltd ("other Viacom UK subsidiaries")
Median gender bonus gap (%)	
Proportion of men and women receiving a bonus payment (%)	Viacom International Media Networks UK Limited
Proportion of men and women in each pay quartile of the organisation (%)	Channel 5 Broadcasting Limited

WHAT WE FOUND: OUR ASSURANCE OPINION

Based on the scope of our work and the assurance procedures we performed, nothing has come to our attention that causes us to believe that the subject matter, as listed in the table above, is not prepared, in all material respects, in accordance with the applicable criteria.

WHAT STANDARDS WE USED: BASIS OF OUR WORK AND LEVEL OF ASSURANCE

We carried out limited assurance on the selected indicators in accordance with the International Standard on Assurance Engagements 3000 (Revised) (ISAE 3000 (Revised)). To achieve limited assurance ISAE 3000 (Revised) requires that we review the processes, systems and competencies used to compile the areas on which we provide assurance. This is designed to give a similar level of assurance to that obtained in the review of interim financial information. It does not include detailed testing of source data or the operating effectiveness of processes and internal controls. This provides less assurance and is substantially less in scope than a reasonable assurance' engagement.

The evaluation criteria used for our review was the "The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017", as described at: www.legislation.gov.uk/ukdsi/2017/9780111152010

WHAT WE DID: OUR KEY ASSURANCE PROCEDURES

To form our conclusions, we undertook the following procedures:

- Interviewed management at Viacom, including the Compensation and Benefits and HR teams, and those with operational responsibility for the assured indicators listed above;
- Evaluated the approach for measurement, calculation and reporting of each indicator as set out in the reporting criteria at: www.legislation.gov.uk/ukdsi/2017/9780111152010;
- Understood, analysed and tested on a sample basis the key structures, systems, processes, procedures, and controls relating to the aggregation, validation, and reporting of the mandatory GPG indicators set out above; and
- Reviewed the content of the draft disclosure against the findings of our work and made recommendations for improvement where necessary.

LIMITATIONS

In relation to our work performed on the subject matter, we note that our scope of work did not include examinations of the underlying data systems, or the accuracy of the underlying data in systems operated by Viacom.

RESPONSIBILITIES OF DIRECTORS AND INDEPENDENT ASSURANCE PROVIDER

VIACOM'S RESPONSIBILITIES

The Directors are responsible for determining which legal entities fall within the scope of the required disclosures. They are also responsible for the preparation of the subject matter and statements contained within any voluntary narrative disclosure. They are responsible for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived and for calculation of the required indicators.

DELOITTE'S RESPONSIBILITIES, INDEPENDENCE AND TEAM COMPETENCIES

Our responsibility is to independently express conclusions on the subject matters as defined within the scope of work above to Viacom in accordance with our letter of engagement. Our work has been undertaken so that we might state to Viacom those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Viacom for our work, for this report, or for the conclusions we have formed.

The maintenance and integrity of Viacom's websites is the responsibility of the Directors; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported subject matter when presented on Viacom's website.

We complied with Deloitte's independence policies, which address and, in certain cases, exceed the requirements of the International Federation of Accountants' Code of Ethics for Professional Accountants in their role as independent auditors, and in particular preclude us from taking financial, commercial, governance and ownership positions which might affect, or be perceived to affect, our independence and impartiality, and from any involvement in the preparation of the subject matter. The firm applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our team consisted of a combination of Chartered Accountants with professional assurance qualifications, professionals with a combination of responsible business experience, including many years' experience in providing non-financial assurance, and remuneration specialists with expertise in identifying and classifying different reward systems.

We have confirmed to Viacom that we have maintained our independence and objectivity throughout the year and in particular that there were no events or prohibited services provided which could impair our independence and objectivity.



Deloitte LLP
London, United Kingdom
26 March 2018