

ViacomCBS UK'S Ethnicity Pay Gap Report 2020

Underscoring a culture of transparency underpinned by data, VCN UK has chosen to voluntarily publish information about its Ethnicity pay gap.

Similar to our gender pay gap, which outlines the difference between average pay for male and female employees – a legal requirement for all UK-based companies with more than 250 employees – our Ethnicity pay gap report seeks to establish and understand the difference in average pay and bonuses between white and non-white employees.

Ethnicity pay is not the same thing as equal pay

The 'Ethnicity pay gap' is the percentage difference between average rates of pay for white and non-white employees.

Equal pay refers to white and non-white employees being paid the same for carrying out similar roles.

ViacomCBS remains committed to fostering an

Inclusive workplace in the UK & elsewhere.

We believe that all our employees should have equal opportunities

to develop and progress a successful and rewarding career at ViacomCBS based on their abilities.

In the UK, ViacomCBS operates five subsidiary companies and two joint ventures – Comedy Central UK Ltd and Nickelodeon UK Ltd – which between them contract approximately 970 full and part-time employees.

Following the same template it has used to report its gender pay data, ViacomCBS UK will break out ethnicity pay data for two of its wholly-owned subsidiaries – Channel 5 Broadcasting Ltd and VCNI UK Ltd – as well as publishing data for its UK workforce in its entirety.

ViacomCBS UK'S Consolidated data for UK workforce

ETHNICITY PAY GAP:

Mean ethnicity pay gap
23.1%
IN FAVOUR OF WHITE EMPLOYEES



Median ethnicity pay gap
12.2%
IN FAVOUR OF WHITE EMPLOYEES



During the 2020 tax year, black, Asian and minority ethnic employees made up **19%** of the workforce across ViacomCBS UK's various subsidiaries and joint ventures in the UK (Black – 6%; Asian – 6%; mixed – 7%) compared to an average across the UK population of 14% (Black – 3%; Asian – 8%; mixed – 3%). White employees made up **75%** of the workforce compared to the national figure of 86%. 9% of VPs at ViacomCBS UK in London are black, Asian and minority ethnic.

NB: 6% of employees declined to disclose their data.

The 23.1% mean pay gap in favour of our white employees reflects a lower percentage of black, Asian and minority ethnic employees than the average across our workforce in our highest paid roles and a higher proportion of black, Asian and minority ethnic employees than the average across our workforce in our lowest paid roles.

During the 2020 UK tax year, the proportion of our black, Asian and minority ethnic workforce receiving a bonus was 34% compared to 50.3% for white employees, highlighting a higher number of black, Asian and minority ethnic employees in administrative, assistant and coordinator roles. The average bonus payment to white employees was 39.5% higher on average, which again reflects the lower proportion of black, Asian and minority ethnic employees at senior management level.

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 ViacomCBS 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 minority ethnic pay distribution throughout our organisation, particularly at manager level and above.

RECEIVING BONUSES:

Proportion Receiving bonus

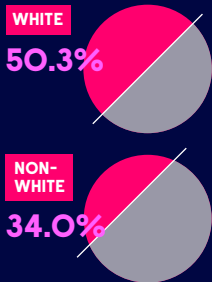
WHITE
50.3%

NON-WHITE
34.0%

BONUSES PAY GAP:


Mean ethnicity bonus gap
39.5%
IN FAVOUR OF WHITE EMPLOYEES

Median ethnicity bonus gap
19.0%
IN FAVOUR OF WHITE EMPLOYEES



WHITE & NON-WHITE EMPLOYEES IN EACH PAY QUARTILE

Quartile	White	Non-White
TOP	83%	17%
UPPER MIDDLE	83%	17%
LOWER MIDDLE	82%	18%
LOWER	68%	32%



What are we doing about this?

ViacomCBS is committed to employing a workforce that is representative of UK society at large. We have made huge strides towards making VCN UK an inclusive place to work and we can feel proud of our workplace culture.

Yet cultural initiatives alone are not enough. Whilst we believe these initiatives, and others, contribute towards narrowing our Ethnicity pay gap,

with a particularly low turnover amongst employees in 2020, having a meaningful impact will take time and we must therefore strive to be even more proactive and transparent.

Following 2020's senior leadership changes, the organisation embarked on a strengthening of its commitment to diversity and inclusion with a series of new initiatives, compelling activities and progressive policies and practices designed to create meaningful, lasting change and balanced representation in the long-term:

Recruitment

Our data-supported, intentional focus in this area over the last 12-months is yielding strong results; **32%** of all job vacancies in 2020 were offered to black, Asian or minority ethnic new joiners

A suite of training options with inclusive leadership at its heart is available to all individuals involved in management and recruitment.

Progression

Whilst data is less rich and instructive in this area, tightening up internal progression opportunities is a priority for 2021/2 as we continue to build a pipeline of internal talent through a number of bespoke internal leadership and development schemes such as the **VCN UK Accelerator Programme** and **BAME Talent Sponsorship Programme**. In addition, we will once again offer places on the **Investing in Ethnicity 'Future Leaders'** development track to black, Asian and minority ethnic employees.

What are we doing about this?

Policy & practice

Inclusive leadership and Anti-bias training for all senior leaders and people managers.

A review is underway relating to the regular sharing of staffing updates provided by an HR analytics specialist aimed at measuring progress against action plans, promoting transparency, building trust and fostering equity.

Culture

ViacomCBS-funded cultural diversity Employee Resource Group, **Fusion**, has been in place since 2014. The group aims to promote inclusion by celebrating cultural diversity in the workplace via speaker sessions with positive role models to celebrating cultural awareness days.

First conceived by the ViacomCBS London team, the company's annual **Global Inclusion Week** took place virtually in 2020 involving a global network of +40 offices. Guest speakers include Afua Hirsch and John Amachi.

ViacomCBS UK signed up to the "Race at Work Charter" and is an active member of relevant organisations and support networks including, Runnymede Trust, Blueprint for All and Investing in Ethnicity, as well as being a sponsor and a Top 10 employer at the Ethnicity Awards.

Policies and practices are constantly reviewed and updated, with new initiatives introduced in 2020, beginning to make an impact in 2021:

BAME Talent Sponsorship Programme.

UK Inclusion Board, providing closer alignment between employees, the ERGs and VCN UK's Senior Management Team.

Establishment of International Equality Task Force.

Let's Talk About Race listening sessions.

"2020 was a significant year during which we reaffirmed our commitment to diversity and inclusion at ViacomCBS UK by strengthening our policies and practices, introducing a new Inclusion Board and continuing to foster a culture of equality and belonging through initiatives such as our 'no diversity, no commission' mantra, all of which we believe are effective means of narrowing the Ethnicity pay gap."



Maria Kyriacou, President & CEO, ViacomCBS UK

SUPPORTING PARTNER



INVESTING
ETHNICITY

Ethnicity Pay by key subsidiary

Channel 5 broadcasting Ltd.



ETHNICITY PAY GAP:

MEAN PAY IS
7.5%

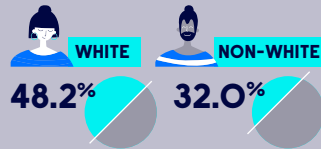


MEDIAN PAY IS
-1.6%



BONUSES:

PROPORTION RECEIVING BONUS



ETHNICITY BONUS GAP

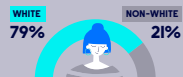


BONUSES:

TOP



UPPER MIDDLE



LOWER MIDDLE



LOWER



VIMN UK Ltd.



ETHNICITY PAY GAP:

MEAN PAY IS
27.6%

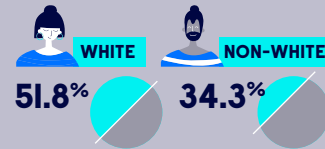


MEDIAN PAY IS
16.1%



BONUSES:

PROPORTION RECEIVING BONUS



ETHNICITY BONUS GAP



BONUSES:

TOP



UPPER MIDDLE



LOWER MIDDLE



LOWER



Independent assurance statement by Deloitte LLP to Viacom International Media Networks UK Limited regarding the Ethnicity Pay Gap disclosures for 2020

WHAT WE LOOKED AT: SCOPE OF OUR WORK

We were also engaged to provide limited assurance over Viacom’s voluntary Ethnicity Pay Gap (“EPG”) disclosures for the two legal entities of Viacom in scope of the Regulations as well as one consolidated Group-level disclosure.

The assured indicators and entities comprise:

KPIs in scope	Entities in scope
Mean ethnicity pay gap (%)	Viacom International Media
Median ethnicity pay gap (%)	
Mean ethnicity bonus gap (%)	Networks UK Limited
Median ethnicity bonus gap (%)	Channel 5 Broadcasting Limited
Proportion of non-white and white employees receiving a bonus payment (%)	All UK entities
Proportion of non-white and white employees in each pay quartile of the organisation (%)	

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 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 (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 assurance¹ engagement.

The evaluation criteria used for our review was the “The Equality Act 2010 Regulations 2017”, as described at: <http://www.legislation.gov.uk/ukdsi/2017/9780111152010>

¹ The levels of assurance engagement are defined in ISAE 3000 (Revised). A reasonable level of assurance is similar to the audit of financial statements; a limited level of assurance is similar to the review of a half year financial report.

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 team and those with operational responsibility for the assured indicators listed above;
- Evaluated the approach for measurement, calculation and reporting of each indicator (including voluntary EPG disclosures) as set out in the reporting criteria at: www.legislation.gov.uk/ukdsi/2017/978011152010;
- 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 voluntary EPG indicators; 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
22nd January 2021