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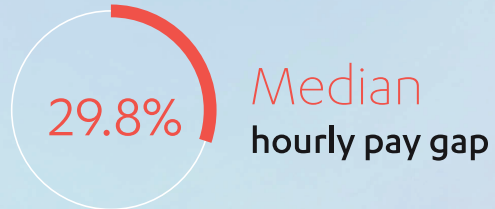
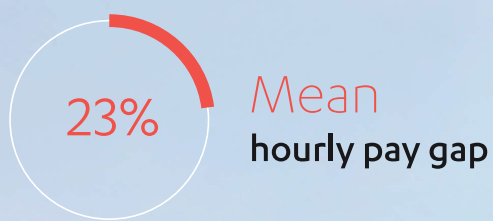
UK PAY GAP REPORT

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# WHAT IS OUR GAP?

DNEG's mean gender pay gap in the UK is 23%. This figure is calculated in line with UK Government guidelines using a snapshot date of the 5th April 2018 and shows the difference in average hourly pay between men and women at DNEG. This should not to be confused with equal pay, which refers to paying male and female employees the same amount for the same role. DNEG pays men and women equally for the same or equivalent roles across the business, globally.







# Quartiles



♂ 59.8% ♀ 40.2%



♂ 72% ♀ 28%



♂ 82% ♀ 18%



♂ 83.5% ♀ 16%

# Bonus

Mean -61%  
Median -179.8%

Proportion of males and females receiving a bonus payment (last 12 months)

Male 7.60%  
Female 5.97%



# WHAT DOES OUR PAY GAP DATA TELL US?

The make-up of our business remains largely the same as in 2017, with more males than females in senior level roles. Since 2017, however, we have seen a 3% increase in the proportion of females in the overall employee population, which is reflected in the quartile breakdown. This is a significant and positive step which we believe is a direct result of our efforts to encourage more females to consider careers in our industry.

We have seen a small increase in our mean and median gender pay gap since 2017. In analysing and comparing our data from last year, we believe the main cause of this is in the upper quartile band. Given that women are a smaller size of our employee population than men, any new joiners, promotions and leavers have a more marked impact on pay data, especially at senior levels, where there is currently a higher proportion of males than females in these roles. As a result, a small number of male joiners and female leavers in the upper quartile in 2018 has directly impacted our gender pay gap for this year. Additionally, proportionately more women are part of the pension and childcare voucher salary sacrifice schemes, which contributes to the gender pay gap. We remain committed to engaging with women at the early stages of education to encourage more to consider a career in VFX, as well as supporting them in the business with career progression and personal development opportunities.





# WORKING TO CLOSE THE GAP



Taking positive action to encourage more women to consider jobs in VFX

As part of our commitment to encouraging people from all backgrounds into the industry, we have opened up opportunities to apprentices across a number of departments at DNEG. Within this we always aim to engage with people from underrepresented groups, including females. This past year we saw an increase in the number of applications from females. Moreover, in contrast to our first two apprenticeship schemes (held in 2016 and 2017), which had cohorts of 100% male apprentices, in 2018 there was an equal split of male and female apprentices. We believe this was a direct positive result of the work done by DNEG and the wider industry to inform and educate a diverse range of people about career opportunities in the VFX industry.

By looking at our quartiles, we can see an increase in the percentage of women in more junior roles in our UK office. This is evident in our lower quartile band where the gender split decreased from 25.8% in 2017 to 19.6% in 2018. This is encouraging and in line with the work that DNEG has been doing to encourage more women into the industry and our commitments made in 2017.

Our commitment is also evident in our recruitment; we saw a 9% increase in female hires in 2018, with a split of 40% female and 60% male hires, compared with a split of 31% female and 69% male hires in 2017. Additionally, women have filled 55% of the entry-level roles that were hired over the last 12 months. This is consistent with our dedication to championing for an industry where there are more women choosing VFX as a career and an equal gender split in all levels of roles.

Similar to 2017, we had the opportunity to connect with young people at the Skills Show 2018 at the Birmingham NEC, which attracted over 70,000 UK students. The aim was to raise awareness of VFX career opportunities to a wider and more diverse population, including reaching more female students.



## Championing Diversity and Inclusion at an industry level

After the success of 2017, ACCESS:VFX (an industry initiative to promote diversity and inclusion in the VFX industry, which DNEG is a part of) launched a month of events throughout October 2018 to reach out to students and promote diversity and inclusion within the VFX industry. Events were held across the UK, including Northern Ireland, and as part of this outreach ACCESS:VFX held an 'Industry Connect' event that gave anyone with an interest in VFX an opportunity to meet and talk with representatives from different areas of the VFX industry. The event aimed to give attendees an opportunity to build their network and leave feeling inspired. Also in October, DNEG participated in an ACCESS:VFX 'Power Panel Event', which featured six representatives from underrepresented groups in the creative-tech industries. This panel included one of DNEG's senior women, who shared her advice for getting into the VFX industry and promoted the new mentorship scheme. In October 2018, DNEG participated in 17 ACCESS:VFX events, and the company supported 12 other events throughout the rest of the year.





## Supporting Employees in Career Progression at DNEG

DNEG is committed to training and progressing all of our employees throughout their careers. In 2018 we enrolled 10 employees (an equal ratio of females and males) on a Leadership Accelerator course. This is a 13-month course that includes training workshops and online distance learning. The course provides a structured route to leadership, with a syllabus that covers managing and developing team members, planning and monitoring workloads, and building professional relationships. We are looking at offering this to more employees over the coming year and hope that this will support employee retention by providing them with skills needed to progress their careers. Ultimately, this leadership training will lead to a more balanced gender ratio at a senior level.

In 2017, DNEG launched its in-house leadership training with the aim of delivering it to all managers and employees with leadership potential. So far, we have offered the training course to 253 employees and we are in process of expanding this further. We hope that by ensuring a good proportion of course places are offered to women we will contribute to closing DNEG's gender pay gap further, supporting our female employees to reach their full potential and move into more senior roles.

We celebrated International Women's Day globally on March 8th 2019. As part of this, in the UK we announced DNEG's diversity working group. This is an employee-led group that will focus on topics including recruitment and education, career progression and returners to work from extended periods of leave, including maternity leave. The group consists of male and female employees from different parts of the business and it will work to promote and actively engage in activities to encourage greater diversity and inclusion at DNEG.

This report contains an overview of a number of efforts and achievements that we have undertaken over the past year in order to promote diversity and inclusion in all areas, including gender, at DNEG. Although we acknowledge that there is more to be done, we remain committed to taking positive action to further close our gender pay gap, and to encourage and support women through every stage of their careers at DNEG.

I confirm the figures in this report to be accurate.

A handwritten signature in black ink, appearing to read 'Namit Malhotra', is positioned above the printed name.

**Namit Malhotra**  
Chairman and Chief Executive Officer  
DNEG