



INDUSTRIAL UK
LIGHT & MAGIC

GENDER PAY REPORT

2020

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WHY DOES INDUSTRIAL LIGHT & MAGIC (ILM) HAVE TO REPORT GENDER PAY GAP?

This is the fourth year of gender pay gap reporting in the UK – a requirement for all legal entities with over 250 employees, for the period of May 2019 to April 2020.

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WHAT IS A GENDER PAY GAP?

The gender pay gap is the difference between the hourly rate of pay of male employees and female employees, expressed as a percentage of the hourly pay rate of the male employees. The gender pay gap is reported on both a mean (average) and median (mid-point on a distribution) basis.

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IS IT THE SAME AS EQUAL PAY?

No, equal pay compares the salaries of men and women doing the same or equivalent work. This is one of the primary measurements that ILM uses to ensure a fair and equitable workplace. A gender pay gap does not mean that women make less than their male counterparts doing the same job.

ILM takes a holistic approach to address and ensure gender equality in our workforce. We are proud that we compensate and promote people based on their roles, skills, experience, and performance.

However, it is apparent that we need more women to be involved in our sector and that ILM needs to do more internally. As a result, ILM has developed a committed strategy to increase female representation both within the business and industry as a whole.

At grassroots level, ILM is engaged in a broad range of outreach programmes to encourage and increase the visibility of careers in Visual Effects to young women. Through relationships with education and enterprise partnerships ILM offers numerous gender-diverse work experience placements, actively supports STEM school projects, sponsors, and provides speakers for female career events, as well as chooses university partners demonstrating strong a focus on gender diversity.

As a corporate sponsor of Animated Women, ILM enables all female employees free access to the support and learning offered by Animated Women and partners with other industry organisations committed to diversity such as Access VFX.

Whilst the impact of the above programmes will take time to affect the industry, more immediate returns should be seen internally through our strategy of increasing the opportunities and improving the experience for our existing female employees. We have or will be putting in place a number of initiatives such as:

- Ensuring job advertisements and job descriptions promote equal opportunities and include gender-neutral language.
- Clearly focusing on diversity as part of the high-quality training offered to employees during onboarding and throughout their career with us.
- Implementing gender-diverse interview panels when possible, and conducting blind selection for our graduate scheme.
- Empowering female employees and amplifying their voice at the Executive level through effective employee resource groups.
- Creating more formalised mentoring opportunities for female employees.
- Focusing on stronger representation of women when we look for successors of key roles.
- Identifying, developing, and fast-tracking high-potential female employees to improve representation at a senior level.
- Evolving our approach to flexibility at work to ensure employees and their personal circumstances are supported and enabled to be compatible with roles where possible.

At ILM, we believe the best workplace is a diverse and inclusive workplace, where the best-qualified candidate gets the job.

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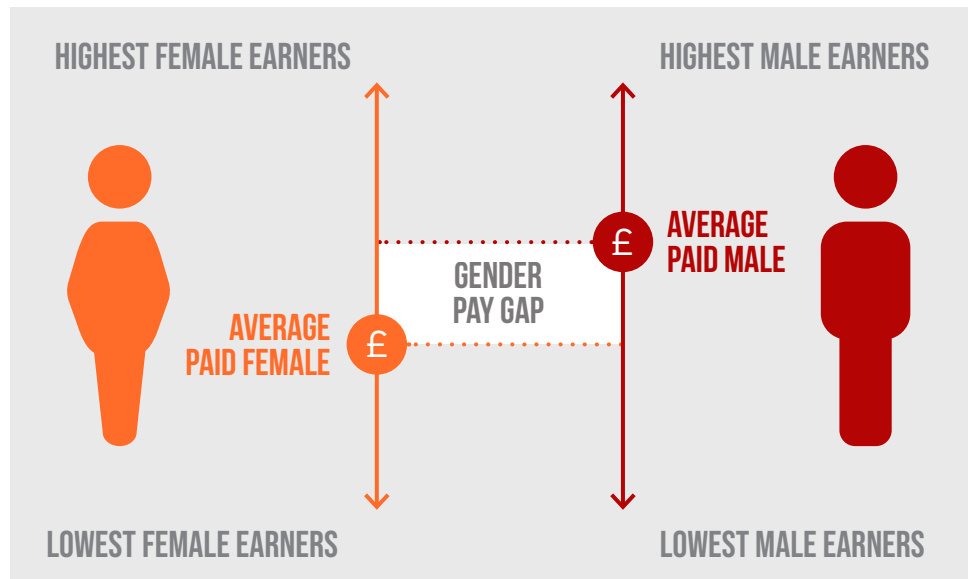
WHAT ARE MEAN AND MEDIAN PAY GAPS?

The mean (average) is calculated by adding together all values and dividing by the number of values.

MEAN PAY GAP

The mean is the overall average of the whole sample and can thus be subject to the influences of any extremely high or low salaries at the top or bottom of the sample. In other words, the mean is much more subject to skewing by a small number of outliers.

For example, a 25% mean pay gap means that the average pay of men is 25% more than women.

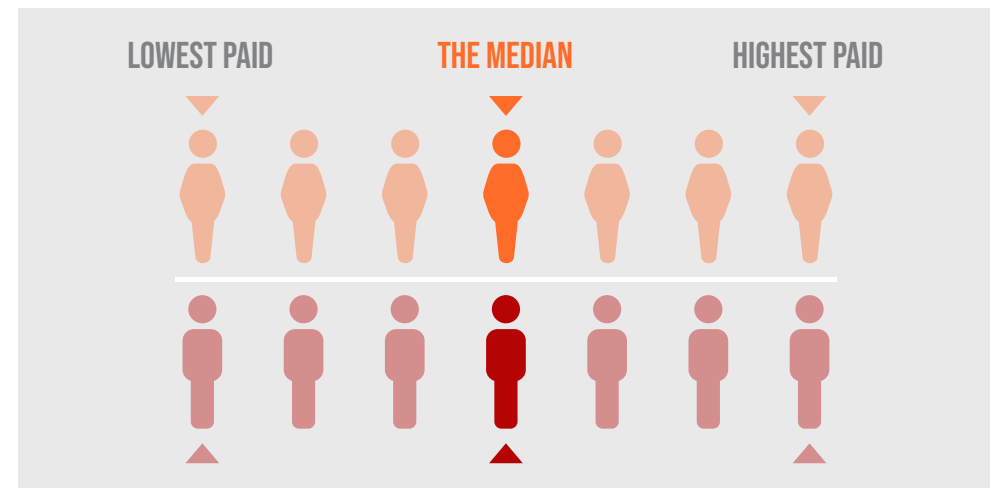


The median is the middle value in a list sorted from lowest to highest.

MEDIAN PAY GAP

The median is a statistic commonly used in analysing both internal pay tendency and external market norm, because it looks at the central tendency of the market or sample, showing the middle-most salary of a sample. Calculating the median involves taking all salaries in a sample, lining them up in order from lowest to highest, and picking the middle-most salary.

For example, a 28% median pay gap reflects that the average pay of women by this measurement is 28% less than men. Because the median measurement is less impacted by the highest and lowest outliers, it is closest to the experience of the typical man and the typical woman in a workforce.



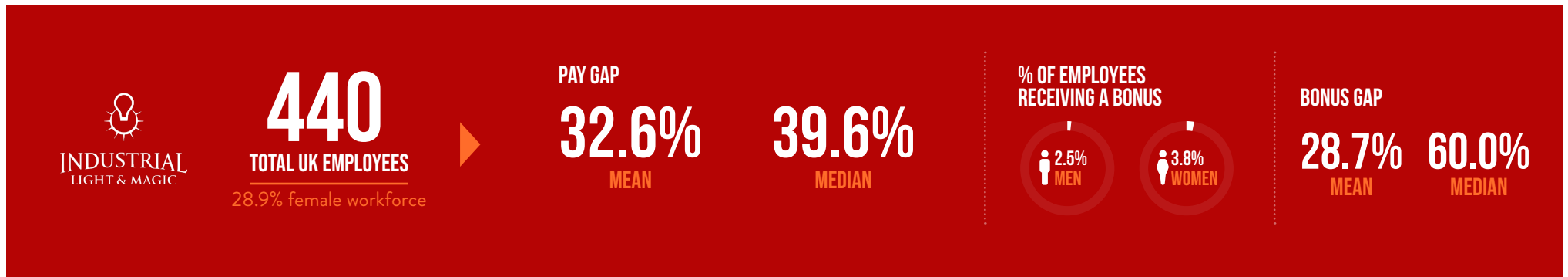
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GENDER PAY GAP

The gender pay gap figures outlined below show the percentage difference between the average pay for men collectively and the average pay for women collectively across the entire organisation, irrespective of roles. The mean and median gap figures are based on hourly rates of pay for all UK employees.

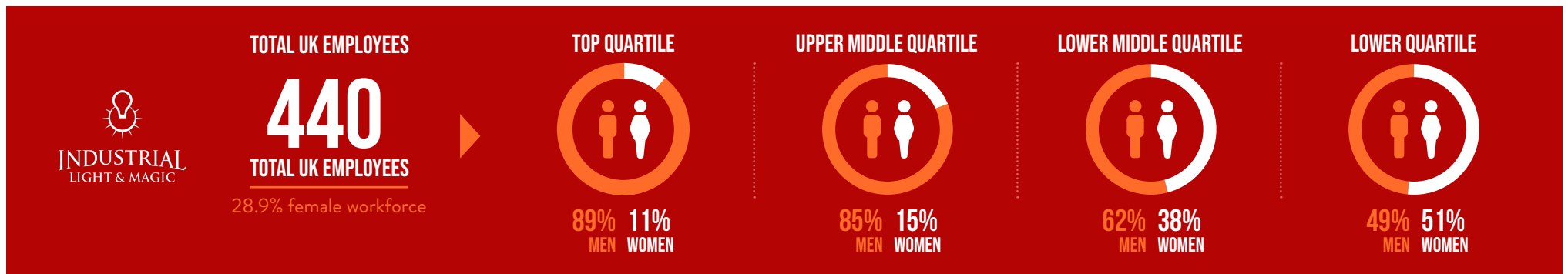
BONUS PAY GAP

The bonus gap figures outlined below show the percentage difference between the average bonus pay for men collectively and the average bonus pay for women collectively across the entire organisation, irrespective of roles. The figures also reveal the percentage of male and female UK employees receiving bonus pay in the reporting time period.



GENDER POPULATION WITHIN QUARTILES

This shows how many men and women are in each quartile of the payroll based on hourly rates.





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