



Channel Four Television Corporation

Pay Report 2024

This report sets out the gender pay gap and gender bonus gap at Channel Four Television Corporation, as well as other data required by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 and is published annually. The reporting covers the 12-month period ending at 31 March 2024.

Driven by our commitment to inclusion and diversity, we have also chosen to publish our ethnicity, disability and sexual orientation pay gaps and bonus gaps. This enables us to track our progress and set the actions to reduce the diverse groups' pay gaps in the organisation.

This report was prepared in accordance with our Basis of Preparation document (see annex).

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Foreword

Channel 4 was designed to be ahead of the curve and it has never stood still. At the heart of our remit is a duty to represent the underrepresented and reflect the diversity of the UK. We've led our industry in diversity and inclusion, both as a broadcaster and an employer.

After hitting our ambitious 2023 diversity targets, we're taking a fresh approach to workforce representation to support our focus on equity.

From 2024 onwards, we will stay in line with or ahead of general population and previous Channel 4 targets by setting baselines we won't fall beneath. These are: 51% women, 20% ethnically diverse, 18% disabled and 6% LGBTQ+. We're also setting a new goal for 'non-professional' socio-economic status for 2030 (40%) and will start monitoring representation of those with care responsibilities and care experience.

In 2024, the mean gender pay gap reduced by 2 percentage points year on year, to 16.2%. Within each of the four pay quarters, the gender pay gap ranges from 3.7% to -1.7%, demonstrating that hourly pay is comparable by job level, and underscoring our focus on progression for women within Channel 4.

In the last several years, we have focused on efforts on improving representation at senior levels. As of March 2024, we had 55 women in Channel 4's top 100 paid. This is a substantial improvement from when we started tracking this data in 2017, when women made up 34 out of the top 100, and it has had a positive effect to reduce the gender pay gap.

The remaining gap is driven by a slight underrepresentation of women in the top half of the organisation, and a higher proportion of women in the lower two pay quarters. If the lower half of the organisation were rebalanced to 50% male and 50% female, the mean gender pay gap would reduce by around 14 points, from 16.2% to around 1.8%.

We continue to voluntarily share our other key demographic pay gaps. In 2024, we saw the mean ethnicity pay gap reduce from 6.7% in 2023 to 6.6%. The disability pay gap has also continued to reduce, from 12.4% in 2023 to 11% in 2024, while the sexual orientation pay gap widened slightly in the last year, from 20.0% in 2023 to 21.2% in 2024. However, this increase was primarily driven by Channel 4 hiring a larger number of LGBTQ+ employees at the start of their careers, which we are proud to do.

We continue to provide opportunities for our people to progress their careers - wherever they are in the UK - from our bases in Leeds, London, Manchester, Bristol and Glasgow.

We are committed to removing any barriers to progression and increasing representation. This report includes the key actions we're taking to further close our pay gaps, which form part of a wider programme of work across the organisation.

The fight for equitable representation is the foundation of Channel 4. We believe that everyone, regardless of their background, ethnicity, sexuality or ability should be recognised for their unique skills and capabilities - and both enabled and supported to bring their true selves to work.

It's something I care deeply about and we're working hard to drive further positive change in our business, throughout the industry and across society.

Alex Mahon
Chief Executive
7 November 2024



The fight for equitable representation is the foundation of Channel 4. We believe that everyone, regardless of their background, ethnicity, sexuality or ability should be recognised for their unique skills and capabilities - and both enabled and supported to bring their true selves to work.



Our pay gap action plan

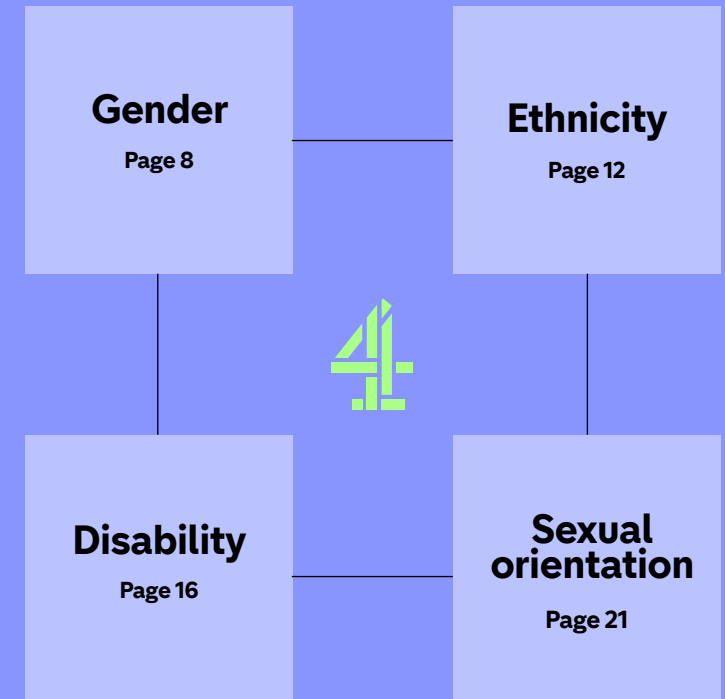
Everyone should have equal opportunity to develop and progress at work. Everyone should feel like they belong. Our action plan is centred on rebalancing our organisation to ensure that our diverse employees are represented fairly at all levels of seniority and pay.

This plan builds on our long track record of championing diversity and contains ambitious targets for the make-up of our own workforce. Our emphasis is on achieving inclusion.

If we get this right, we can create an environment that fully unlocks the creative potential of our people while enabling everyone to be who they are – and the best that they can be.

Exceeded

Channel 4 has exceeded all 2024+ baselines set for women (51%), ethnically diverse (20%), disabled (18%) and LGBTQ+ (6%) employees



Our pay gap action plan (continued)

Being transparent about our data and increasing the representation of women, ethnically diverse, disabled and LGBTQ+ people at Channel 4 is a priority and we will achieve this by:

1 Management information

Objective

Supporting all Hiring Managers, Executives and the wider organisation to ensure that there is a consistent understanding of the pay gaps, their causes and how we are addressing them.

Impact

This helps to drive accountability in our hiring decisions, reduces any unconscious biases and ensures that decisions are made based on real data.

2024 action

We continue to use quarterly tracking to monitor progress of how evenly we distribute our protected classes across the organisation to support pay parity. Quarterly dashboards are tracked against recruitment and retention practices to test that our targeted action plans are having a positive impact on the overall pay gap.

2 Performance management

Objective

Developing a clear and transparent performance management system across the organisation.

Impact

Employees are clear about expectations during the year and are given regular feedback in order to support their success. This also supports the link between reward and performance.

2024 action

We have introduced a system of quarterly conversations, while maintaining a formal annual performance review once a year at the end of the performance cycle. This ensures our employees receive continuous feedback throughout the performance year. We have implemented training for managers to support them with giving feedback and continue to calibrate our performance ratings.

3 Increased transparency

Objective

Putting into place an efficient transparent reward strategy, including developing best-practice policies and procedures.

Impact

This will help employees to better understand progression and promotion routes.

2024 action

Currently an employee can see their own grade and pay range in our people system, we have also shared full pay ranges from the job family in which employees sit, more widely. Managers can see the grade and pay range of their employees. We are also including grades on all new roles. As the organisation gets more familiar with the pay framework, we will increase transparency, supported by management training.

Our pay gap action plan (continued)

4 Balancing the organisation

Objective

Having identified under-indexed demographic groups in different areas of Channel 4, we are ensuring that our hiring activities have a positive impact on the mix of the organisation.

Impact

While the diversity of talent in the market has an impact on this action, we can ensure that, in the long term, we are changing the core composition of Channel 4 to have diverse employees spread across all areas and all levels of the business.

2024 action

To increase internal mobility and progression, we now advertise our roles internally for seven days. As of 1 June 2024, 42% of our vacancies have been filled with internal candidates (up from 33% in 2023). We have made career development webinars focusing on helping people plan and take control of their own careers. Additional actions include our flagship leadership development programme "Inclusive Leaders", mandatory training for hiring managers in inclusive recruitment, targeted training and career development for specific groups including women, ethnically diverse, and disabled employees, Safe Spaces peer support and Upstander training. Senior leadership have baselines to achieve and maintain as well as a new addition of a socio-economic target to support our drive to an inclusive culture.

5 Talent management

Objective

Identify top talent and understand risk to delivering the Fast Forward strategy where there is opportunity to broaden roles to move into senior leadership.

Impact

Place a diversity lens across our succession planning to develop a diverse talent pipeline. In 2023, 28% of our emerging talent were promoted into more senior positions.

2024 action

Continuing with targeted talent management to support our Fast Forward strategy, developing our talent pipelines internally and externally for future roles. Developing attraction and selection plans to engage key demographics into non-traditional roles.

6 Employee Disclosure

Objective

Encouraging our employees to confidentially and securely disclose their protected characteristics within 4People.

Impact

Increased disclosure to help make Channel 4 the most inclusive place to work.

2024 action

Through the recent sharing of our diversity campaigns, we have seen an increase in our overall disclosure rate. Encouraging our employees to disclose through clear communication and regular disclosure campaigns supported by a culture of openness.

Our pay gap action plan (continued)

We will also continue to support the actions outlined in our previous pay reports, which were targeted specifically at improving inclusion and representation:

- **Support:** Using the advice and expertise of our employee networks to create a two-way dialogue and integrate employees in the ways that we work and make decisions. Our networks include: our inclusive and allyship gender networks 4Womxn and The Shed; our 4Parents & Carers network for people with parenting or caring responsibilities; our ethnically diverse network The Collective; our LGBTQ+ network 4Pride; our disability network 4Purple; and our mental health network 4Mind.
- **Accountability:** Ensuring that each member of the CEO Committee has specific inclusion and diversity objectives for their departments against which they are measured and held to account. This includes objectives built into the Channel 4 corporate objectives, which factor into Executive remuneration. The CEO Committee also has retention targets.
- **Culture:** Continuing to drive inclusion through our culture and values to strengthen our inclusion and diversity structures and actively engage our employees with this work. This includes all employees having an inclusion objective, our recruitment framework, and inclusive leaders programmes.
- **Training and skills:** Consolidating and strengthening our training and development work to support a diverse talent pipeline under our Leeds-based 4Skills initiative and ongoing training programmes.
- **Employee lifecycle:** Better understanding and responding to the full employee lifecycle, including by looking at how we can continuously adapt our recruitment practices to improve the diversity of our shortlists, implementing a new mentoring scheme for diverse employees and creating wide-ranging development opportunities for our employees to support progression and inclusive training for hiring managers.



Channel 4 was designed to be ahead of the curve and has never stood still. At the heart of our remit is a duty to represent the underrepresented and reflect the diversity of the UK.

Alex Mahon
Chief Executive

Gender

Gender pay at Channel 4

Channel 4 has maintained the balance of its upper pay quarter, which stands at an almost 50-50 split between women and men. We have also seen a slight decrease in the proportion of women in the lower two pay quarters.

Channel 4 has reduced its mean gender pay gap by 2 percentage points year on year, to 16.2%, and our median gender pay gap has also decreased by 1.1 percentage points.

Overall, 57.1% of employees are women. Among our top 100 earners, the number of women increased to 55 as of March 2024, a significant increase from 34 women in 2017, when we introduced our action plan to improve the gender pay gap.

If the lower half of the organisation were rebalanced to 50% male and 50% female, the mean gender pay gap would reduce by around 14 points, from 16.2% to around 1.8%.

Two primary factors explain our gender pay gap:

- 1 The main driver is that we have more than twice as many women as men in the lowest two pay quarters. The higher number of women in the lower pay quarters reduces the average female earnings overall and, therefore, broadens our gender pay gap.
- 2 Although 55% of our top 100 paid are women, just under 50% of employees in the top half of the organisation are women. Therefore there is a slight underrepresentation of women in the top two pay quarters.

We will continue to support the progression of female employees into more senior roles, as this has the most substantial impact on reducing our gender pay gap. Tackling gender stereotypes and hiring more men into lower paid roles (Apprentice to P2 grades) would also help to address this imbalance.

Note: The data is based on over 99% of our workforce self-reporting their gender. The workforce who have not disclosed their gender (less than 1%) have been excluded from our calculations.

Equal pay

Gender pay is not the same as equal pay, which is a legal requirement to ensure that employees performing like work or work of equal value are treated the same.

55

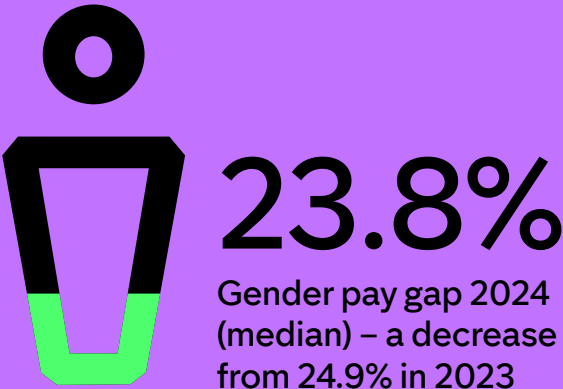
women were in the top 100 paid as of March 2024. Women make up 55% of this group – a significant increase from 34 women in 2017, when we started measuring the gender pay gap.



Exceeded

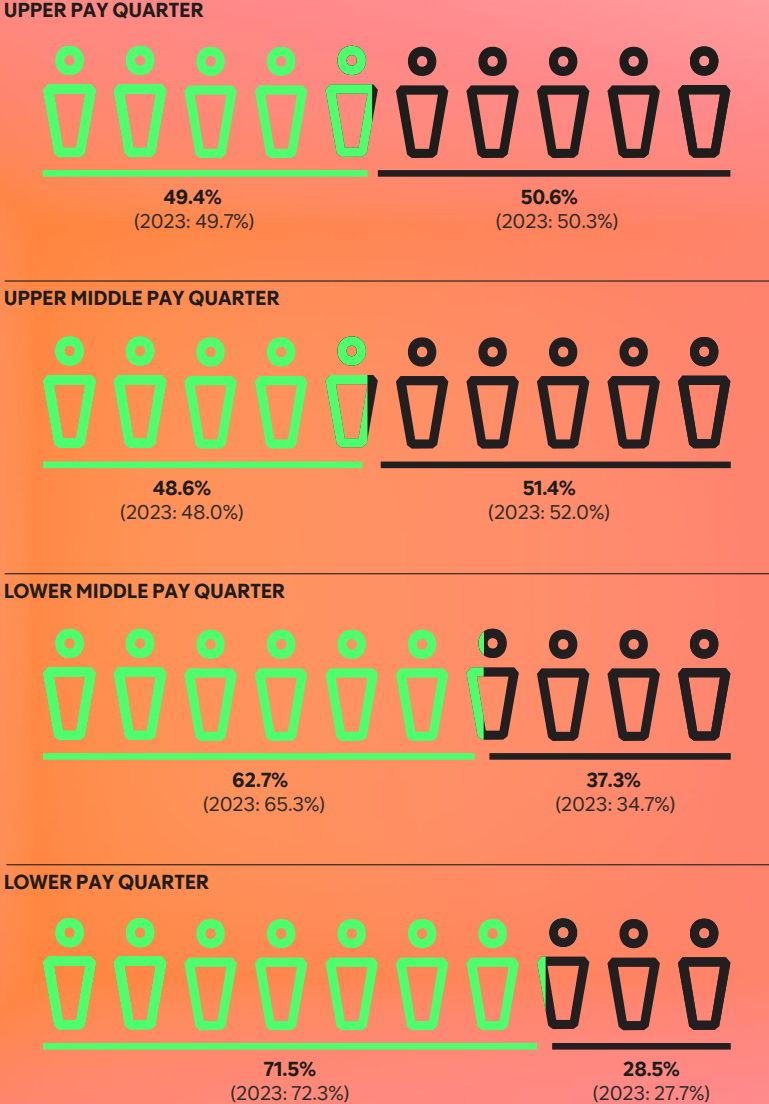
57.1% of women across Channel 4 – above the 2024+ baseline of 51%

Gender pay at Channel 4 (continued)



Proportion of female and male employees by pay quarter

● WOMEN ● MEN



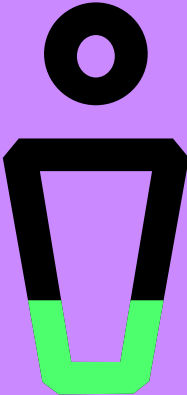
Gender bonus gap at Channel 4

Based on the average gross bonus paid, the mean gender bonus gap in 2024 was 24.2% and the median bonus gap was 21.8%.

Men and women at Channel 4 are offered the same opportunities to receive bonuses, but there continues to be proportionally more men in senior positions and within the Advertising Sales bonus plan, both of which offer a higher payout opportunity.

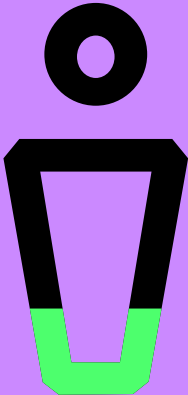
The presence of significantly more women in the lowest two pay quarters also affects the average bonus paid to women, as bonuses are based on a percentage of salary.

A higher proportion of women working part-time further exacerbates the gap (10% female headcount compared with 1.6% male headcount), as the reporting legislation does not take into account part-time working (bonus gaps are calculated on actual bonus paid, rather than on a full-time pro-rated equivalent amount).



24.2%

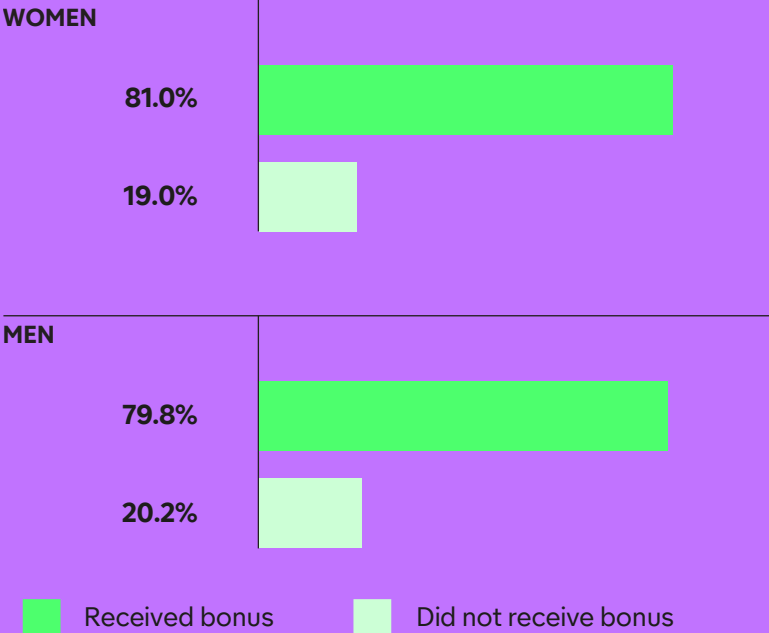
Gender bonus gap 2024 (mean) – a decrease from 33% in 2023



21.8%

Gender bonus gap 2024 (median) – a decrease from 34.1% in 2023

Proportion of Channel 4 employees that received a bonus



Ethnicity

Ethnicity pay

The mean ethnicity pay gap was 6.6% in 2024, compared to 6.7% in 2023.

Channel 4 significantly decreased its median ethnicity pay gap in 2024, reducing the gap by nearly two-thirds, from 9.5% in 2023 to 3.4% in 2024.

This is the result of an increase in the proportion of ethnically diverse employees across the majority of pay quarters – but most meaningfully in the upper and upper-middle pay quarters.

There are no significant pay gaps at any grade, with the vast majority of grades showing a slight pay gap in favour of ethnically diverse employees.

It remains a priority for the organisation to remove any barriers to progression and we continue to fully support increasing representation of ethnically diverse people at senior levels, which will help to further reduce our ethnicity pay gap.

Note: In May 2023, the UK Government issued guidelines on ethnicity pay gap reporting, which sets out a recognised methodology for 2023 onwards:

The ethnicity pay/bonus gap calculation measures the difference between 'Non-ethnically diverse' and 'Ethnically diverse' employees, but the pay quarter distribution now includes non-disclosure ('Prefer not to say' ['PNTS'] and 'No Data'). As such, the pay quarter distribution is comprised of three categories:

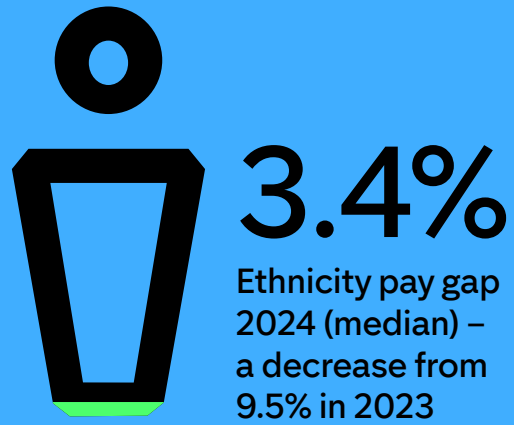
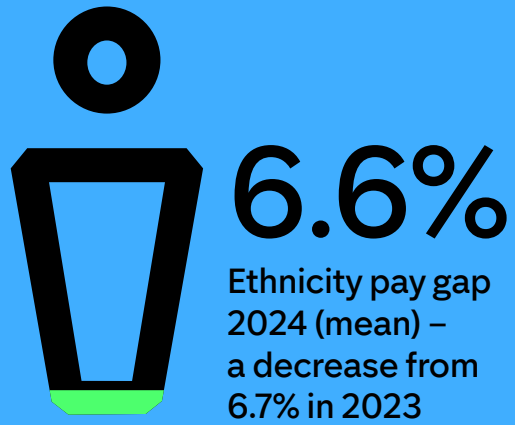
- Non-ethnically diverse
- Ethnically diverse
- Non-disclosure

As at the snapshot date, 95% of our workforce had self-reported their ethnicity, with the remaining 5% choosing not to disclose.

21.4%

of ethnically diverse employees across Channel 4 – above the 2024+ baseline of 20%

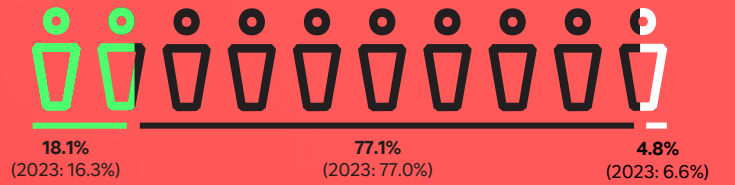
Ethnicity pay at Channel 4 (continued)



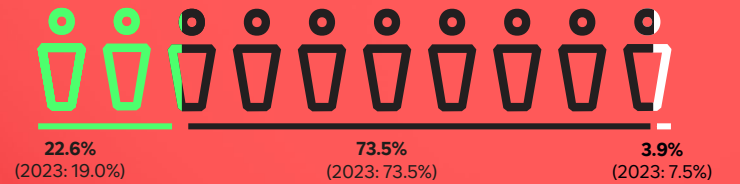
Proportion of ethnically diverse and non-ethnically diverse employees by pay quarter

● ETHNICALLY DIVERSE ● NON-ETHNICALLY DIVERSE ● PNTS & NON-DISCLOSURE

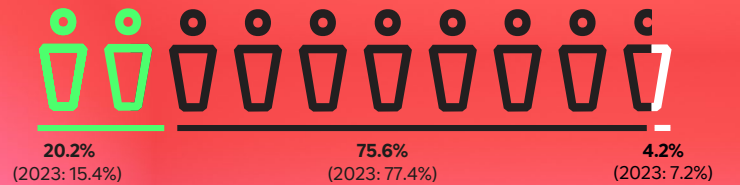
UPPER PAY QUARTER



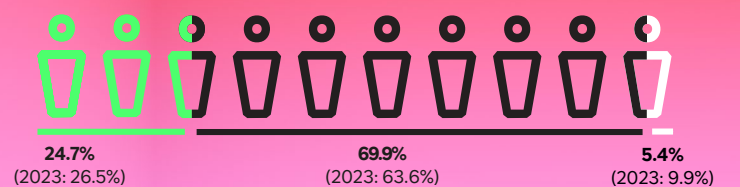
UPPER MIDDLE PAY QUARTER



LOWER MIDDLE PAY QUARTER



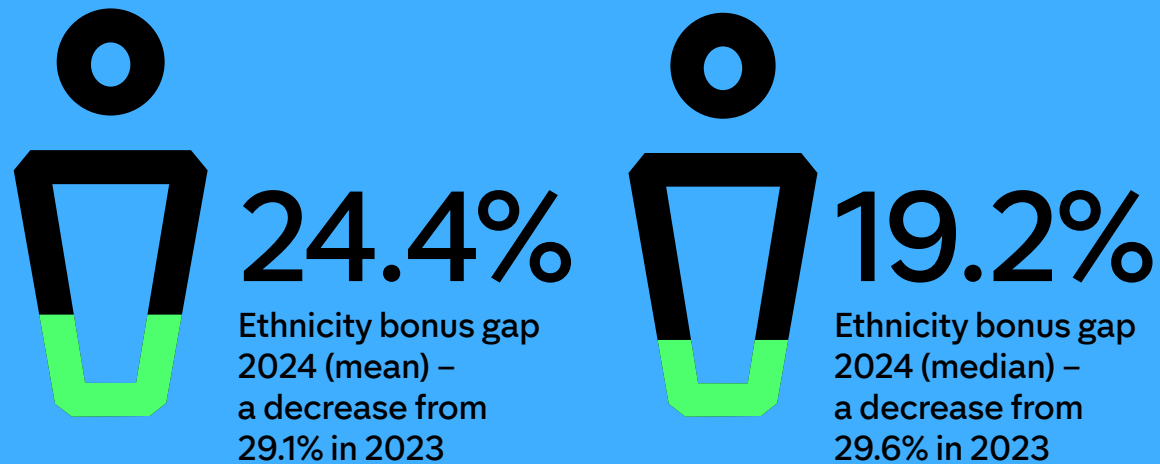
LOWER PAY QUARTER



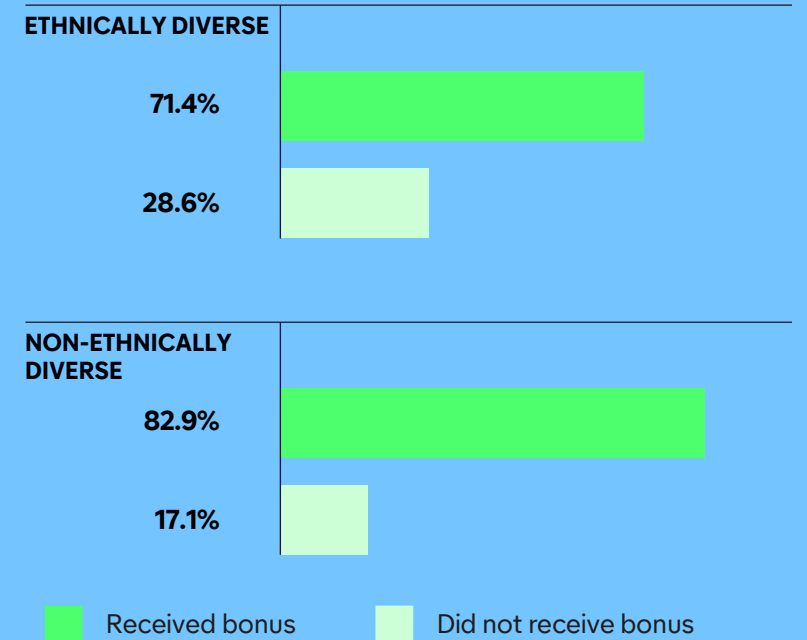
Ethnicity bonus gap at Channel 4

Based on the average gross bonus paid, the ethnicity bonus gap at Channel 4 is 24.4% (mean) and 19.2% (median) in 2024.

The ethnicity bonus gap is primarily due to the lower representation of ethnically diverse people in senior positions, and within the Advertising Sales bonus, that attract higher bonus rates.



Proportion of Channel 4 employees that received a bonus



Disability

Disability pay at Channel 4

The mean pay gap for disabled employees has decreased from 12.4% in 2023 to 11.0% in 2024. The median pay gap has increased, from 11.8% in 2023 to 15.1% in 2024.

As with the other demographic groups we report on, the over-representation of disabled employees in the lowest two pay quarters is the primary driver behind these gaps, with 75% of our new hires (excluding apprentices) since 31 March 2023 being recruited into roles within the lowest pay quarter.

Channel 4 launched a data disclosure campaign in September 2023, and expanded disability categories to include mental health and neurodiverse conditions. The increase in employee disclosure has had negligible impact on overall pay gap numbers, except for the median disability pay gap. Our disabled headcount has increased by 65% since 2023, with a 4 percentage point increase on disability disclosure due to the campaign.

With disabled employees making up a relatively small population of Channel 4's overall employee composition (21.6%), changes in headcount can have a significant impact on the pay gap.

Note: There is no official guidance in place regarding the calculation of a disability pay gap; therefore, we have used the same methodology as for our ethnicity pay gap.

As at the snapshot date, 91% of our workforce had self-reported whether they have a disability or do not have a disability. The remaining 9% have not disclosed this information.

Disability pay at Channel 4 (continued)

Valuable 500 commitments

As part of our ongoing commitment to disability inclusion, Channel 4 is a signatory of **The Valuable 500**, with three specific commitments to action:

1 **Disability leadership reporting and workforce targets**

We report our disability data, as well as other diversity data, to the Channel 4 Board on a quarterly basis and have introduced a new real-time diversity reporting tool at leadership level which looks at representation, attrition, and pay gaps broken down by departments, which allows for greater transparency and accountability.

2 **New awareness and data sharing campaign to ensure our staff data is up to date**

It is important that we continue to have accurate data to inform our approach to disability and ensure we can provide adjustments where needed. A key part of that is raising awareness and creating a culture where Channel 4 employees feel able to share a disability. Channel 4 has created an internal disclosure campaign to help achieve that, which also has had the positive additional impact of creating more role models within the workforce.

3 **4Skills initiatives**

Our Leeds-based 4Skills initiative is promoting social mobility and economic growth, helping to break down barriers so that more people from all places and all backgrounds can join the industry, addressing skills gaps and helping those who are already in broadcasting and production to progress their careers. It is building upon existing talent schemes and is increasing Channel 4's overall impact further. In addition, in 2023 Channel 4 launched a refreshed 'Engage and enable' disability strategy, focused on driving structural shifts across the industry to increase disabled representation on and off-screen.

Disability pay at Channel 4 (continued)



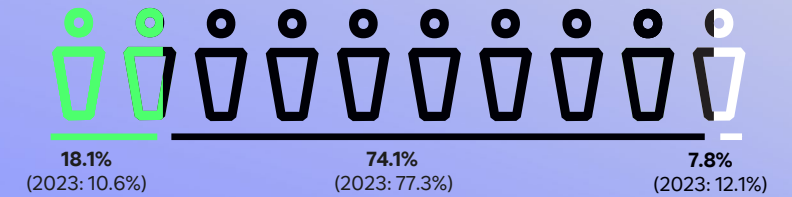
Exceeded

21.6% of disabled employees across Channel 4 – above the 2024+ baseline of 18%

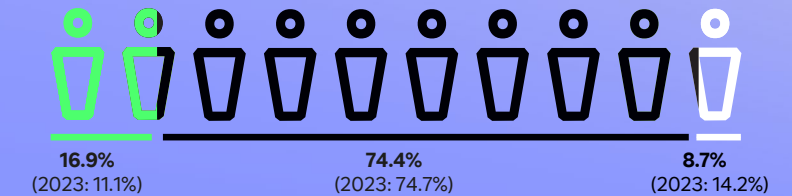
Proportion of disabled employees and employees with no disability

● WITH A DISABILITY ● NO DISABILITY ● PNTS & NON-DISCLOSURE

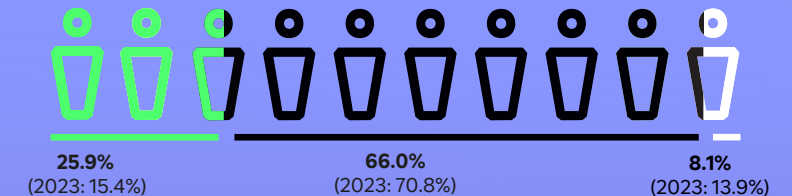
UPPER PAY QUARTER



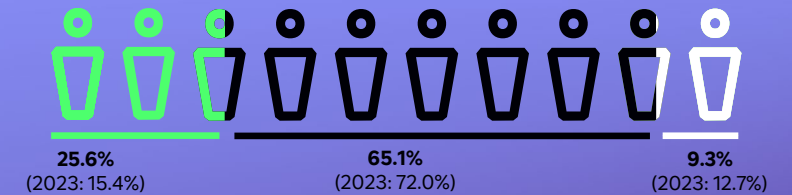
UPPER MIDDLE PAY QUARTER



LOWER MIDDLE PAY QUARTER



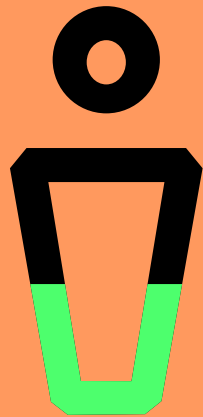
LOWER PAY QUARTER



Disability bonus gap at Channel 4

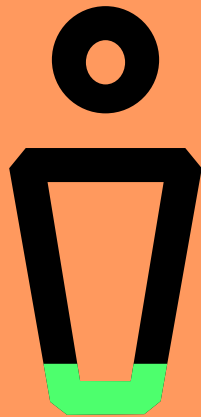
Based on the average gross bonus paid, the disability bonus gap at Channel 4 is 31.8% by mean and 12.5% by median.

The bonus gap is primarily due to the lower representation of disabled people in senior positions, and within the Advertising Sales bonus, which attracts the highest bonus rates.



31.8%

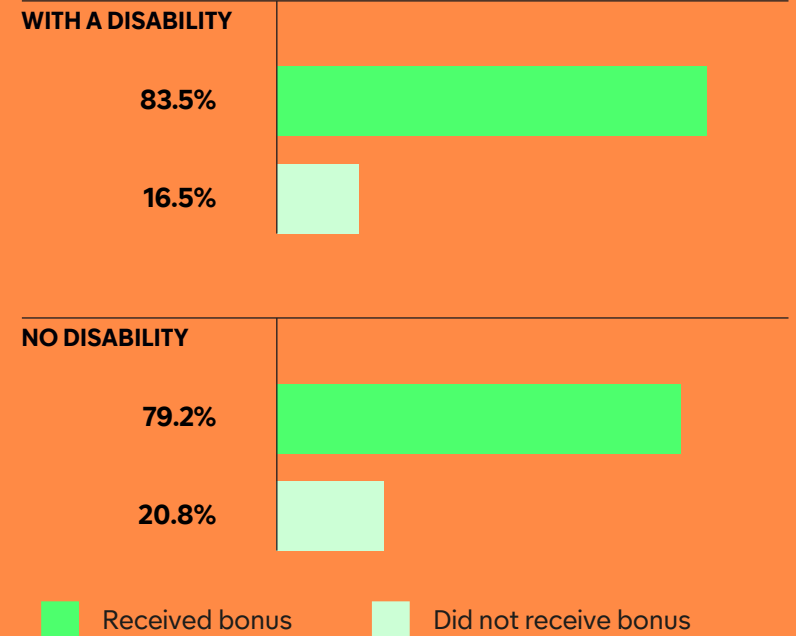
Disability bonus gap 2024 (mean) – a decrease from 40.7% in 2023



12.5%

Disability bonus gap 2024 (median) – a decrease from 23.2% in 2023

Proportion of Channel 4 employees that received a bonus



Sexual orientation

Sexual orientation pay at Channel 4

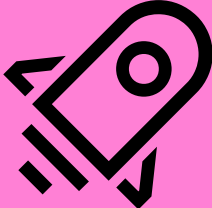
Channel 4 has a sexual orientation pay gap of 21.2% by mean and 24.7% by median in 2023. This is an increase from 20.0% by mean and 22.8% by median in 2023.

Relative to 2023, there has been a significant increase of LGBTQ+ employees in the lowest two pay quarters, which is the primary driver behind these pay gaps. Channel 4 has had proportionally more LGBTQ+ hires over the past 12 months (18.2%) than it has within the overall organisation (13.2%). These employees are typically a younger age demographic and at the start of their career, which attracts a lower pay grade.

As LGBTQ+ employees make up a relatively small population of Channel 4's overall employee composition (13.2%), changes in headcount can have a significant impact on the pay gap.

Note: There is no official guidance in place regarding the calculation of a sexual orientation pay gap; therefore we have used the same methodology as for our ethnicity pay gap.

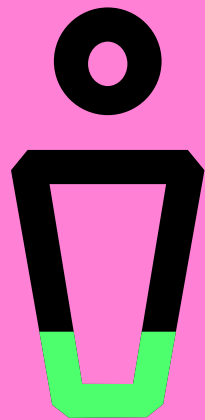
As at the snapshot date, 91% of our workforce had self-reported their sexual preference. The remaining 9% have not disclosed this information.



Exceeded

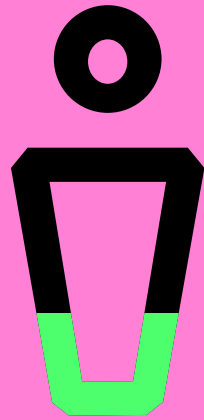
13.2% of our employees report themselves as LGBTQ+ - above the 2024+ baseline of 6%

Sexual orientation pay at Channel 4 (continued)



21.2%

Sexual orientation pay gap 2024 (mean) – an increase from 20.0% in 2023



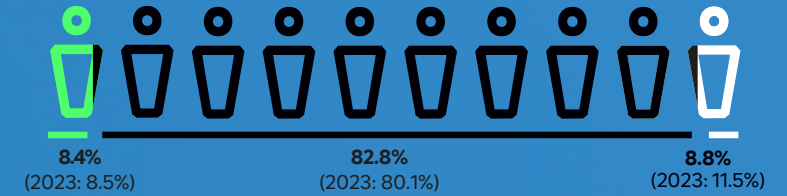
24.7%

Sexual orientation pay gap 2024 (median) – an increase from 22.8% in 2023

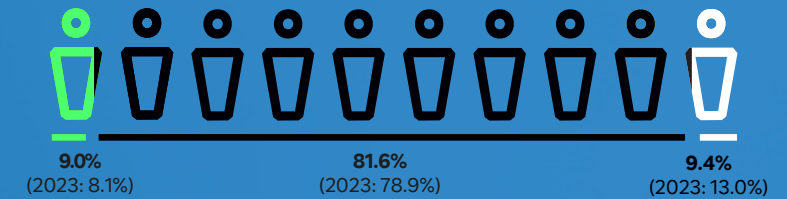
Proportion of LGBTQ+ and non-LGBTQ+ employees by pay quarter

● LGBTQ+ ● NON-LGBTQ+ ● NON-DISCLOSURE

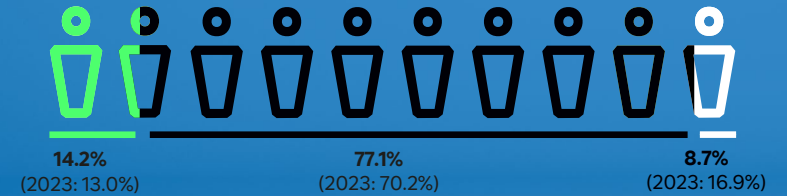
UPPER PAY QUARTER



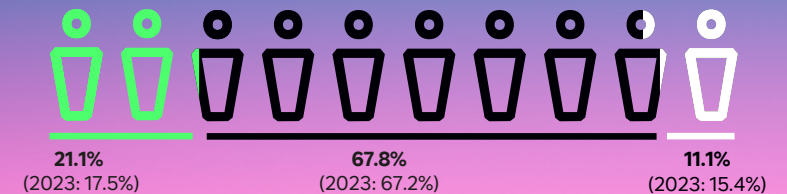
UPPER MIDDLE PAY QUARTER



LOWER MIDDLE PAY QUARTER



LOWER PAY QUARTER

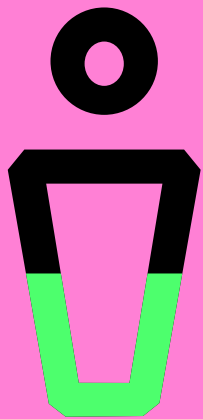


Sexual orientation bonus gap at Channel 4

Based on the average gross bonus paid, the sexual orientation bonus gap at Channel 4 is 35.3% by mean and 23.1% by median.

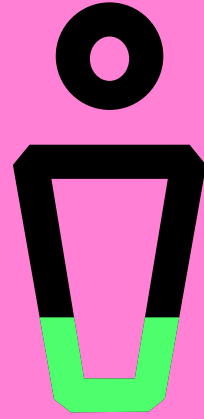
However, the bonus gap is also due to:

- a significant representation of LGBTQ+ employees in the lower pay quarters;
- and a lower representation in senior positions and within the Advertising Sales bonus that attract the highest bonus rates.



35.3%

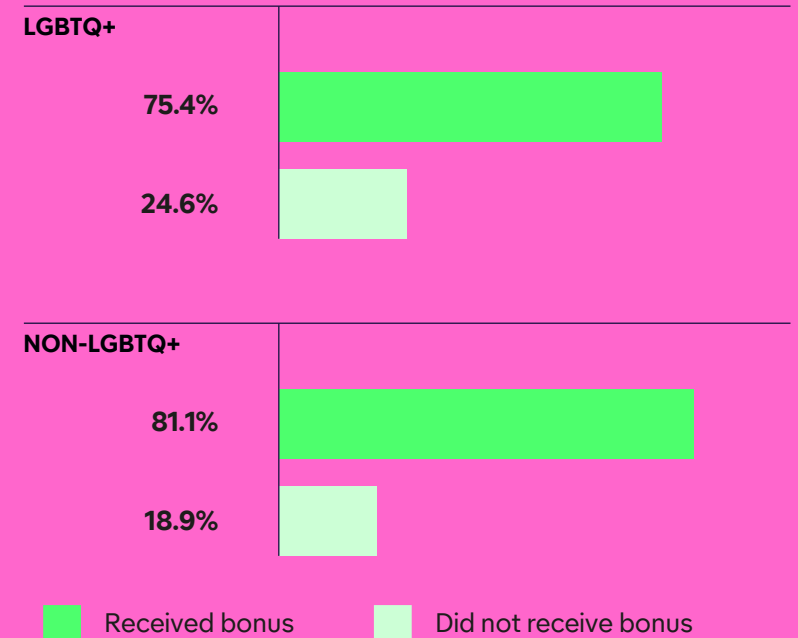
Sexual orientation bonus gap 2024 (mean) – a decrease from 43.4% in 2023



23.1%

Sexual orientation bonus gap 2024 (median) – a decrease from 32.3% in 2023

Proportion of Channel 4 employees that received a bonus





Channel Four Television Corporation

Basis of Preparation
for Pay Report 2024

Introduction

This Basis of Preparation document sets out how Channel Four Television Corporation ('Channel 4') has prepared and reported upon various pay gap calculations as set out in Channel 4's Pay Report 2024. The reporting covers the 12-month period to 31 March 2024.

The approach taken to prepare and report upon Channel 4's pay gap calculations takes into account the requirements set out in The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017. Channel 4 has also been informed by the guidelines issued by [Acas Gender pay gap reporting, March 2022](#), [Acas Ethnicity pay gap reporting, May 2023](#), plus the Government's guidance on [Gender pay gap reporting](#) and [Ethnicity pay gap reporting](#).

Scope

Unless otherwise indicated, the pay gap calculations include all of Channel 4's operations covering the 12-month period to 31 March 2024.

Channel 4 ensures that appropriate procedures are in place to report pay gap data in all material respects, as set out in this document. These procedures ensure that:

- The accounting and calculation methods are clearly described including any assumptions;
- Any specific exclusions are stated clearly and explained;
- The data is meaningful and is consistent with the stated scope and definitions;
- The reported information reflects Channel 4's performance; and
- The level of transparency is sufficient to enable users to have confidence in the integrity of Channel 4's reporting.

Definitions

This section contains the key definitions used to determine the pay calculations that are set out in Channel 4's Pay Report 2024.

1. Employees

The pay gap reporting covers all relevant employees of Channel 4 on the snapshot date of 31 March 2024. Relevant employees are defined as:

- Individuals who have a permanent or fixed term contract of employment (full or part-time) with Channel 4 and are paid through Channel 4's payroll system.

A number of individuals are excluded from the definition of relevant employee. This includes the majority of the individuals who appear in Channel 4's programmes and production staff as they are employed by Channel 4's suppliers, as all programmes are commissioned from external production companies.

Non-Executive Directors are also excluded from the calculations as they are office-holders, and not employees, of Channel 4. They are selected, appointed by and accountable to Ofcom. Freelancers (contractors) were outsourced to a third-party agency and as such are not considered relevant employees for the purposes of the pay gap calculations.

2. Diversity

Diversity is wide-ranging, however for the Channel 4 Pay Report 2024, the following diversity characteristics have been used. In all instances, it is the individual's choice in notifying/recording specific characteristics within Channel 4's systems.

Gender:

Within Channel 4's systems the following categories are used to define gender:

- Man
- Non-binary
- Woman
- Prefer not to say
- Prefer to self-describe

Ethnicity:

Within Channel 4's systems the following categories are used to define ethnicity:

- Arab*
- Asian – Bangladeshi*
- Asian – Chinese*
- Asian – Indian*
- Asian – Pakistani*
- Asian – Other (please describe)*
- Black – African*
- Black – Black Scottish or Black British*
- Black – Caribbean*
- Black – Other (please describe)*
- Jewish*
- Mixed – White and Asian*
- Mixed – White and Black African*
- Mixed – White and Black Caribbean*
- Mixed – Other (please describe)*
- White – British
- White – English
- White – Gypsy or Irish Traveller
- White – Irish
- White – Northern Irish
- White – Polish
- White – Romanian
- White – Scottish
- White – Welsh
- White – Other (please describe)
- Prefer not to say
- Other ethnic group
- Other

* Individuals who have used categories above marked with an asterisk are considered to be ethnically diverse for the purposes of Channel 4's ethnically diverse pay gap calculations.

All other individuals, except for 'Prefer not to say' are considered to be non-ethnically diverse for the purposes of the pay gap calculations.

Those who 'Prefer not to say' are excluded from the pay gap calculation, but are included within the pay quarter distribution.

Definitions (continued)

Sexual orientation:

Overall this is defined as Lesbian, Gay, Bisexual and Trans (LGBTQ+). Individuals can choose from the following:

- Asexual*
- Heterosexual/Straight
- Gay*
- Lesbian*
- Bisexual*
- Pansexual*
- Queer*
- Other*
- Prefer not to say
- Prefer to self-describe

* Individuals who have used the categories above marked with an asterisk are considered to be LGBTQ+ for the purposes of Channel 4's LGBTQ+ pay gap calculations.

All other individuals, except for 'Prefer not to say' are considered to be Non-LGBTQ+ for the purposes of the pay gap calculations. Those who 'Prefer not to say' are excluded from the pay gap calculation, but are included within the pay quarter distribution.

Disability:

The definition of disability is the same as that set out in The Equality Act 2010 – if an individual has a physical or mental impairment that has a 'substantial' or 'long-term' negative effect on their ability to do normal daily activities. The term 'disability' includes, but is not restricted to, anyone who has trouble with:

- Cognitive or neurodiverse conditions
- Hearing
- Learning disabilities
- Long-term health conditions
- Mental ill-health

- Physical dexterity
- Physical mobility
- Social interaction and visible difference
- Vision
- Prefer to self-describe

The above definitions of disability are provided to Channel 4's employees together with the question:

"Do you have a disability, long-term injury or health condition that affects your day-to-day life?"

In response to the above question, employees can choose from any of the following answers:

- Yes*
- No*
- Prefer not to say

* Individuals who have used the categories above marked with an asterisk are included within Channel 4's disability pay gap calculations.

Those who 'Prefer not to say' are excluded from the pay gap calculation, but are included within the pay quarter distribution.

Collecting diversity information is voluntary, and all employees have the option to leave any response blank. Those employees who have not self-declared (left the response blank) for each of the characteristics are not included in the pay gap calculations.

3. Pay and Bonuses

The definition of pay and bonus is in accordance with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, however where Channel 4 has made specific judgements on pay or bonus categorisation, they are explained in the relevant section below.

Ordinary pay includes:

- Basic pay
- Cash allowances
- Acting up payments
- Bonus payments (on a prorated basis)

Ordinary pay excludes:

- Expenses
- Benefits in kind
- Back pay
- Holiday pay
- Overtime

Bonus pay is:

- Any remuneration that is in the form of money and relates to productivity or performance

Bonus pay includes:

Annual bonus, quarterly and spot awards

Bonus pay excludes:

Ordinary pay, overtime, pay relating to termination of employment/redundancy and allowances

The amount of any salary sacrifice deductions reduce an employee's pay for the purposes of the pay gap calculations. The hourly pay gap is only calculated for 'full

pay relevant employees'. The regulations define this as: 'A relevant employee who is not, during the relevant pay period, being paid at a reduced rate or nil as a result of the employee being on leave.' This means that any employees not receiving full pay, due to being on maternity or paternity leave for example, are not included in the hourly pay gap calculations. All relevant employees (even those not on full pay) are included in the bonus gap calculations.

4. Hourly rate

Hourly rate for pay in March

The hourly rate is calculated by using the pay over the relevant period (weekly, monthly or annually) and then dividing by the number of contractual hours in that pay period.

Hourly rate for bonus amounts paid in March

Where any bonus payments are made in March, these have been included in the hourly pay gap calculation. Where a bonus payment relates to a longer period than the March pay period, the bonus amount has been prorated so that only the amount which is attributable to March is included in the hourly pay gap calculation. Where a bonus payment relates to a part-time employee, the bonus is calculated on actual bonus paid, not on a full-time prorated equivalent amount.

Data sources

Channel 4's objective is to gather and report reliable and robust data. We are committed to providing transparency on the quality of the data where we consider there are matters that are material to users of the information. The information we report is subject to internal review processes.

Our employee database is maintained internally whereby only HR teams are authorised to make changes to employment status, pay and bonus, however, certain aspects of diversity, home address, emergency contact information is self-service which allows Channel 4 employees to go into the system and make changes as appropriate.

1. Diversity characteristics information

Employees' diversity characteristics are captured within Channel 4's HR system. All new joiners are asked to provide this information as part of their onboarding process. This request is not mandatory, and the employee has the option to leave responses blank or choose 'Prefer not to say'. The information is retained in the Channel 4 HR system and employees have access to amend their diversity characteristics through employee self-service whenever they wish.

If Channel 4 were to change any of the terminology or start to capture new information, Channel 4 would communicate this through our internal communications team to all employees and also through our employee networks.

2. Pay and bonus data

The pay and bonus data is maintained in Channel 4's payroll system. Channel 4's Pay Principles document sets out the details of pay and bonuses. The pay data is subject to regular reconciliations and approval. The payroll data is reconciled each month and signed off by the internal senior management team from Finance and HR, prior to pay day.

Pay gap calculations

The data used for reporting purposes is as of 31 March 2024, 'the snapshot date'. In accordance with the regulation's guidelines, we have calculated each of the KPIs noted below and presented the results in the Pay Report 2024:

Gender (male/female):

- Mean gender pay gap in hourly pay
- Median gender pay gap in hourly pay
- Mean bonus gender pay gap
- Median bonus gender pay gap
- Proportion of males and females receiving a bonus payment
- Proportion of males and females in each pay quarter

Ethnically diverse/Non-ethnically diverse:

- Mean ethnicity pay gap in hourly pay
- Median ethnicity pay gap in hourly pay
- Mean bonus ethnicity pay gap
- Median bonus ethnicity pay gap
- Proportion of ethnically diverse and non-ethnically diverse receiving a bonus payment
- Proportion of ethnically diverse and non-ethnically diverse in each pay quarter

LGBTQ+/Non-LGBTQ+:

- Mean sexual orientation pay gap in hourly pay
- Median sexual orientation pay gap in hourly pay
- Mean bonus sexual orientation pay gap
- Median bonus sexual orientation pay gap
- Proportion of LGBTQ+ and non-LGBTQ+ receiving a bonus payment
- Proportion of LGBTQ+ and non-LGBTQ+ in each pay quarter

Disability/Non-disability:

- Mean disability pay gap in hourly pay
- Median disability pay gap in hourly pay
- Mean bonus disability pay gap
- Median bonus disability pay gap
- Proportion of disability and non-disability receiving a bonus payment
- Proportion of disability and non-disability in each pay quarter

The figures were produced by Channel 4 and signed off by the Director of People.

Independent Assurance Statement to Channel Four Television Corporation (‘Channel 4’) Management for Pay Report 2024

Scope

Channel Four Television Corporation (“Channel 4”) have asked Spktral (“Our”, “We”) to perform a de facto limited assurance engagement (“Assurance”) of its diversity pay gap metrics for the period covering 1 April 2023 to 31 March 2024. Spktral are not subject to ISCQ, but have extensive experience in the field of pay gap analysis, process assessment, and maintain close links with both the GEO and the EHRC.

This Assurance covers the information that Channel 4 must produce to meet the requirements of The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (“Regulations”). This information includes the calculation of 14 percentages that relate to the differences between men and women’s pay and bonuses. The regulations set out the methodology used to gather and filter the information as well as the formulas used to calculate the percentages. As such these regulations form an integral part of this Assurance.

Process and responsibilities

To calculate the required metrics a repeatable, auditable process was followed. The details of which are laid out below:

Payroll data

Channel 4 provided a spreadsheet consisting of the raw payroll data that had been processed for the period shown above. Spktral conducted a review of the data with a qualified Channel 4 representative. Every payroll element was assessed in accordance with the Regulations.

Payroll audit

To provide assurance on the provenance of data, Spktral created a control measurement process using annual salaries, as of 31 March 2024, to assess if employees were being paid less than a normal 1/12th of their salary.

Talent data

To assess each employee in accordance with the Regulations, further specific data points were required. Channel 4 provided a full list of these via a template. Spktral used the combined data to build a unique picture for each employee in the payroll file and their status as defined in the Regulations. The control measurement process described above was used to highlight inconsistencies in data quality and the results were used to feedback to payroll/HR to mitigate future inconsistencies.

Final file

The final data product details a full account from the raw payroll and talent data through to audited account for each employee in the payroll period. The collated data is then fed into our SaaS platform via a template file.

Spktral software audit

The software uses the data contained in the template file to calculate the adjusted hourly rate and bonuses details for each employee. A copy of this calculated data point is added as a tab to the final file. This allows any viewer to view the journey from raw to calculated data.

Channel 4’s responsibilities

The management are responsible for the following items:

- Accuracy of the data within the payroll and talent management systems
- Establishment and maintenance of internal controls to ensure data accuracy and material mismanagement from either error or fraud
- Payroll element identification and explanation
- 100% check of the final file to ensure that the adjusted hourly rates are valid

Spktral’s responsibilities

We are responsible for the following items:

- Identification of edge cases using control measurements
- Identification of errors using the combined payroll/talent data
- Presentation of the raw to calculated data for each employee

Spktral are not responsible for:

- Inaccurate payroll data;
- start, birth, join or leave data; or
- any other data point used to assess an employee IAW the Regulations.

Independence and Quality Control (QC)

We have maintained our independence and confirm that we have met or exceed the service level detailed in our contract.

Our procedures are designed to assess if the data provided to us is reasonable, but it does not provide reasonable assurance. We can assure that the raw data has been checked for gross error and that each employee has been correctly processed using the data provided, but it cannot confirm if an employee is being the correct amounts laid out in their contracts of employment.

Examples of QC provided/not provided

The following assurance was provided:

- All employees paid less than 1/12th of their annual pay were checked and a reason recorded as to why this was the case: maternity leave, mid-month joiner, sick pay, etc
- Where the adjusted hourly rate was outside of the expected range a reason was recorded and Channel 4 were asked to provide explanatory information and/or correct errors within the file and/or their systems
- Using the raw data provided, the correct calculation criterion were used consistently

Scope (continued)

- Payroll extraction, pay element identification and edge case explanations were used to support the reasonableness of the data provided
- Audit of the provided raw information and presentation of the facts to Channel 4

The following assurance was not provided:

- No employee contracts were examined to ensure correct salaries and hours were valid
- No checks were made if an employee was marked as receiving less than normal due to statutory or temporary leave
- Nothing more than verbal confirmation was obtained when we confirmed that Channel 4 had secured the explicit consent of its employees to process protected characteristic data
- No confirmation of the protected characteristics for employees were carried out

Risk

Channel 4's systems are wholly adequate and the personnel with whom we interacted conducted themselves professionally. As such we assess that the risk of their being major/fundamental errors in the raw data is: insignificant.

Conclusion

Based on our procedures, evidence and on the previous year's submission, we are confident that there are no modifications that need to be made to the raw data we assessed. We also confirm that the raw data provided has been processed in accordance with the Regulations and that

where other characteristics were analysed, the same financial calculations were used. Therefore, the gender, ethnicity, disability and LGBTQ+ summary information calculated for the period 1 April 2023 to 31 March 2024 is assessed as being accurate, and representative of the Channel Four Television Corporation.

Restricted use

This report is intended solely to inform and provide assurance to the Channel 4 management team. It should not be used by anyone else for any other purpose.

Spktral Limited

7 November 2024



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