

Introduction

This is the second year that Sony Europe Limited has reported on its gender pay gap, and we are pleased to show that in all areas there has been an improvement in narrowing the gap.

As with 2017, the statutory calculations which must be presented and reported on, and which we have included in this report are:

1. Average gender pay gap as a mean average
2. Average gender pay gap as a median average
3. Average bonus gender pay gap as a mean average
4. Average bonus gender pay gap as a median average
5. Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
6. Proportion of males and females when divided into four groups ordered from lowest to highest pay.

Sony Europe Limited is committed to being an equal opportunities employer and always aims to treat employees and job applicants fairly regardless of their gender, age, race, sexuality, full or part time status, marital status, religion and disability.

What is the Gender Pay Gap and what is the difference between the Gender Pay Gap and Unequal Pay?

The gender pay gap can sometimes be confused with the law on equal pay; however, the gender pay gap is a wholly different concept:

- **Equal pay** deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because of the difference in their sex. As a company we have robust pay processes in place to ensure so far as possible that we adhere to this. We are committed to ensuring we have a fair working environment, where we reward employees equally based on their performance.
- The **gender pay gap** shows the average differences in pay

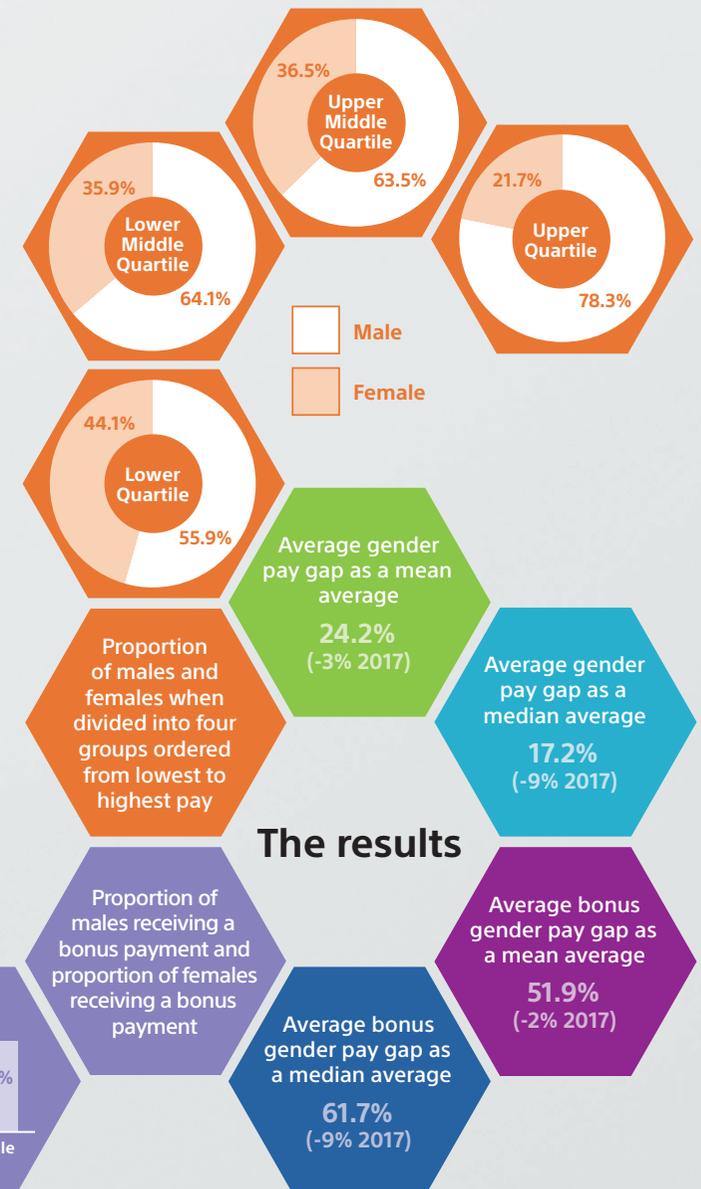
between all men and women in a workforce; this is expressed as a percentage of men's earnings. The existence of a gender pay gap does **not** mean that there are unequal pay practices within any organisation.

- A gender pay gap may occur for example where men and women are distributed unevenly across the workforce so if an organisation employs more women in lower paid types of work, they are likely to have a larger gender pay gap. The gender pay gap is influenced by a range of socio-economic factors, for example women choosing specific occupations, and returning to work following career breaks for childcare reasons into lower paid and often, part time jobs.

Last year Sony Europe Limited reported a gender pay gap of 27.2%. This year the gender pay gap is 24.2%.

Causes of the Gender Pay Gap

We remain confident that our gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather our gender pay gap is the result of the roles in which men and women work within our organisation and the salaries that these roles attract. We believe that within Sony Europe Limited, the key reason we have a gender pay gap is because we have less women working in senior positions than men.



What are we doing about it?

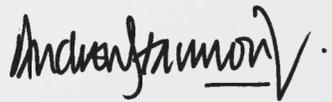
We fully support the view that having a diverse workforce is key to creativity, innovation and ultimately the success of a company. As such, for many years we have pro-actively designed and implemented initiatives to ensure that we have unbiased recruitment including:

- Gender neutral role profiles
- Unconscious bias interview training for managers
- Interviews conducted where possible by a man and woman
- Scoring based Competency Based Interviews

Sony Europe Limited is also a strong supporter of getting more of our younger generation interested in STEM subjects (Science, Technology, Engineering and Mathematics). Our STEM schools programme which is run out of our Technology Centre in Pencoed has opened its doors to over 10,000 children since 2012.

However, we realise that we can do more to ensure that we continue to lower our Gender Pay Gap and will be looking into whatever steps we can take over the next year to achieve this.

I confirm that the information and data reported is accurate and in line with the UK Government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Andrew Beaumont, Head of HR, UK & Ireland

