

Ethnicity Pay Gap Report 2025

OUR MISSION is to make it easy for everyone to discover new worlds of ideas, learning, entertainment, and opportunity. Our commitment to **diversity, equity, and inclusion** is essential in achieving that mission.

This marks the sixth year we've voluntarily shared our ethnicity pay gap data, which we use as a measure of our **workforce representation** and as a tool to better understand the challenges people face within our organisation and across our industry.

Since our last report, we've continued working to build a more **inclusive** and **representative** workplace. However, within our industry, progress isn't happening as quickly as we'd hoped. Ethnically diverse individuals (which in this report refers to those from Black, Asian, Mixed Heritage and other non-White backgrounds) continue to face barriers to progression, limited representation in senior roles, and feelings of exclusion. While we have made significant strides since our first report in 2018, there is a **clear opportunity to do more** in driving **lasting, impactful, and meaningful change**.

Addressing this gap requires targeted efforts, and it is important to create visible career progression opportunities and provide strong role models who can inspire and guide future leaders. That's why, through our renowned **Diverse Future Leaders programme**, along with our **traineeship** and **outreach initiatives**, we are working to establish clearer career pathways. These initiatives aim to support diverse talent in reaching leadership positions while also focusing on understanding the intersectional experiences that influence individual progression within our organisation.

Retention remains a key focus for us. We recognise that employees need to feel a strong sense of belonging, trust that their voices are valued, and have confidence in an environment that supports their growth. Managers play a crucial role in fostering respect, support, and development, and we believe that creating this environment is a shared responsibility across the organisation. We are committed to ensuring that all employees, regardless of their role, are empowered to contribute to **a culture of inclusion and growth**.

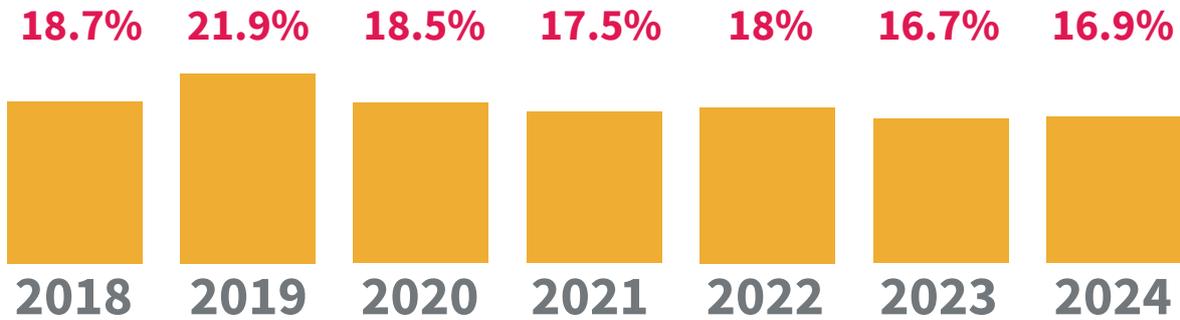
Representation matters, and we're encouraged by the increase in the proportion of ethnically diverse individuals across our business. When we started reporting our figures in 2018, representation was at **7.7%** across the Whole Group workforce and **10.4%** in Hachette UK Ltd, our publishing division and central departments. As of the snapshot date in April 2024, the percentage of full-pay relevant staff in Hachette UK Ltd has increased from **14.7%** to **15.2%**. When we look at the Whole Group, we also see a positive trend, with representation rising from **13.0%** to **13.9%**. Additionally, representation has grown in three out of four pay quartiles, which is a promising indicator of progress across different levels within our organisation. We're also pleased that **96.4%** of our staff have voluntarily shared their ethnicity data, which helps us better understand the diversity within our workforce.

These figures are a clear reflection of the **progress we've made**, and we're committed to staying aligned with our diversity goals to **ensure transparency** as we continue to address any challenges head-on. This report provides an overview of where we are today and the work that lies ahead.

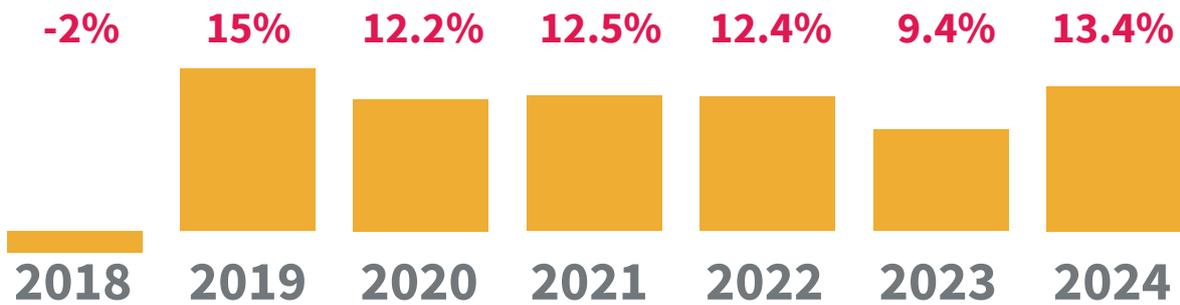
Through our partnership with our employee network, **THRIVE**, we're dedicated to tackling the unique challenges some of our colleagues may face and amplifying voices that too often go unheard. As signatories of the **Business in the Community's Race at Work Charter** for the sixth year running, we're focused on creating an environment that supports everyone, ensuring that progress is not just made but felt across our organisation.

PROGRESS SINCE OUR FIRST REPORT

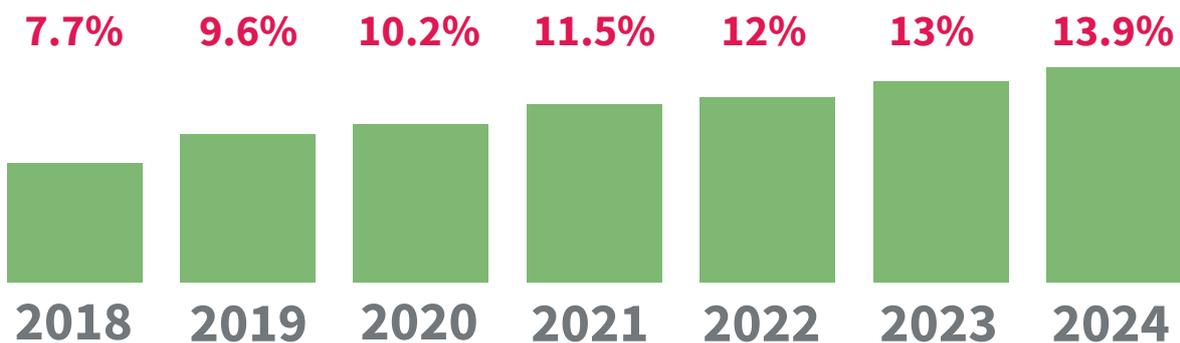
HACHETTE UK LTD MEAN PAY GAP



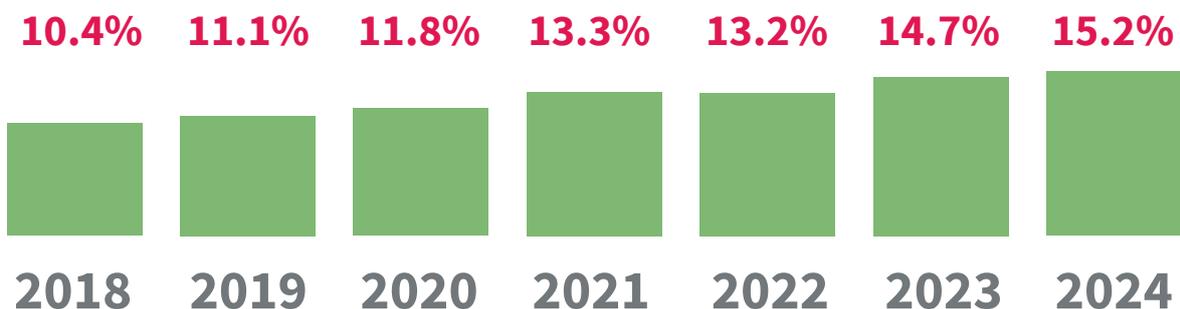
HACHETTE UK LTD MEDIAN PAY GAP



WHOLE GROUP EMPLOYEE REPRESENTATION



HACHETTE UK LTD EMPLOYEE REPRESENTATION



WHAT IS THE ETHNICITY PAY GAP REPORT?

We've been voluntarily publishing our Ethnicity Pay Gap Report since 2018. Unlike Gender Pay Gap reporting, there is no legal obligation to publish an ethnicity pay gap, but we choose to do so together with updated and re-evaluated action plans for transparency and to create a benchmark so that we can measure progress. For ease of understanding, we have decided to report in exactly the same way as we report our Gender Pay Gap. The figures given are for a snapshot date of 5 April 2024, taken at the same time as the information for the Gender Pay Gap report.

An ethnicity pay gap is the difference between the average earnings of all Black, Asian, Mixed Heritage and Ethnically Diverse employees and the average earnings of all non-Black, Asian, Mixed Heritage and Ethnically Diverse employees, expressed as a percentage of non-Black, Asian, Mixed Heritage and Ethnically Diverse employees' earnings.

Whole Group, Hachette UK Ltd and Distribution explained

Hachette UK Ltd comprises staff in our publishing divisions and our central departments. Until 2020, it was the only legal entity employing over 250 people and was therefore the only legal entity for which we were legally required to report our gender pay gap. In 2021, two legal entities employing staff in our distribution business were combined, and the distribution legal entity now employs over 250 people. For this reason, there are three sets of figures in this report: Hachette UK Ltd, Distribution and the Whole Group.

The key numbers explained:

- We've seen a **positive shift in representation** across the Whole Group, with the percentage of people identifying as Black, Asian, Mixed Heritage and Ethnically Diverse in full-pay relevant roles increasing from **13.0%** to **13.9%**. In Hachette UK, our publishing division, representation has risen from **14.7%** to **15.2%**, reflecting a steady progress in our continued efforts to build a more diverse workforce.
- We're proud that **19.2%** of our recent new hires identify as Black, Asian, Mixed Heritage or Ethnically Diverse, reflecting our ongoing efforts to increase diversity within our workforce. However, most of these new hires are currently in the lower quartiles, with **19.5%** of this group in the upper middle quartile and **4.9%** in the top quartile. This highlights an important opportunity to ensure that ethnically diverse individuals not only join our company in greater numbers, but also have equal and fair opportunities to progress and succeed at every stage of their career.
- **The actual number of Black, Asian, Mixed Heritage and Ethnically Diverse employees in the top two pay quartiles has remained unchanged from 2023.** However, due to an overall increase in our headcount, the percentage of Black, Asian, Mixed Heritage and Ethnically Diverse employees in these upper quartiles has decreased.
- Fluctuations in our mean and median bonus pay gap for the Whole Group are partly due to a **higher rate of recruitment of people identifying as Black, Asian, Mixed Heritage and Ethnically Diverse**, particularly in entry-level roles where there is higher turnover. With many of these new hires represented in the lower pay quartiles, where bonuses are generally smaller, this has impacted the bonus gap. In a smaller population, even relatively minor changes can have a disproportionate impact on the overall figures, making changes feel more pronounced.
- In our publishing division, Hachette UK Ltd, bonus gaps are **moving significantly in the right direction**: the mean gap improved from **63.6%** to **47.1%**, and the median gap from **19.4%** to **13.1%**.
- **Representation in our Distribution business has also increased** with a small change in the mean pay gap.

THE SPLIT OF HACHETTE UK EMPLOYEES (APRIL 2024)

The Black, Asian, Mixed Heritage and Ethnically Diverse population in England and Wales is **18.3%** and **46.2%** in London as per the 2021 census. For **NI** and **Scotland** data, please click the links.

These figures do not include employees on reduced pay – for example, maternity pay, sick pay and unpaid leave.

Whole Group - everyone including Distribution		2024	2023
Total number of employees		1,680	1,587
% of employees from Black, Asian, Mixed Heritage and Ethnically Diverse backgrounds		13.9%	13%

Hachette UK Ltd - publishing and Hachette functions		2024	2023
Total number of employees		1,408	1,339
% of employees from Black, Asian, Mixed Heritage and Ethnically Diverse backgrounds		15.2%	14.7%

Distribution		2024	2023
Total number of employees		271	247
% of employees from Black, Asian, Mixed Heritage and Ethnically Diverse backgrounds		7.4%	4.1%

PAY QUARTILES

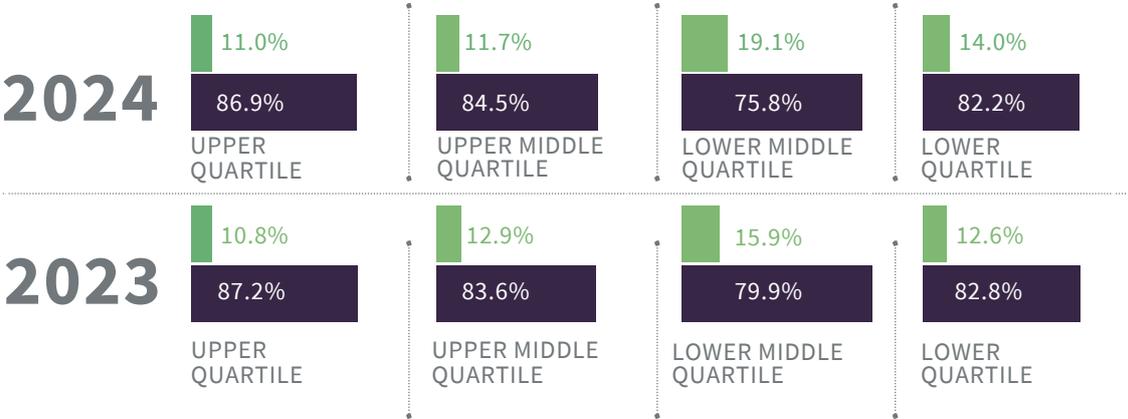
This is the percentage of Black, Asian, Mixed Heritage and Ethnically Diverse and non-Black, Asian, Mixed Heritage and Ethnically Diverse employees in four quartiles, calculated by ranking employees from the highest paid to the lowest paid and dividing our workforce into four equal parts.

In some cases the figures add up to less than 100%. This is because a very small number of employees chose not to disclose their ethnicity.

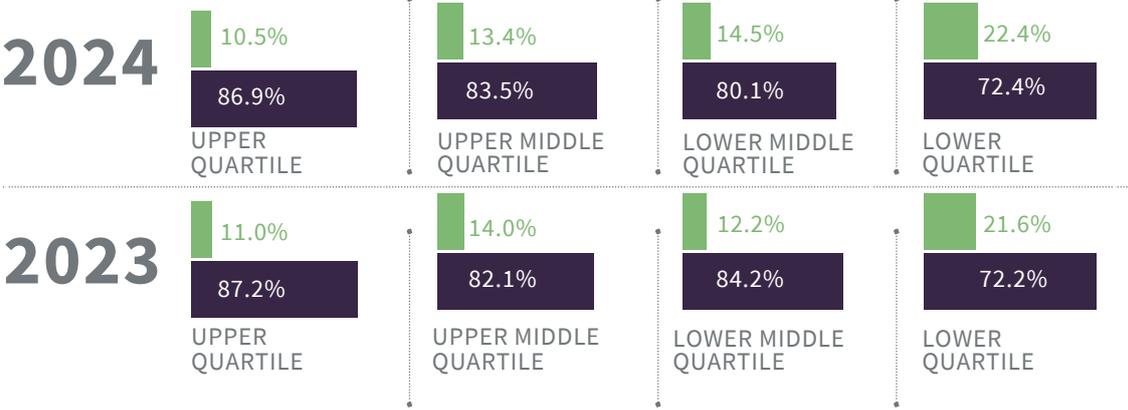
 Proportion of Black, Asian, Mixed Heritage and Ethnically Diverse

 Proportion of non-Black, Asian, Mixed Heritage and Ethnically Diverse

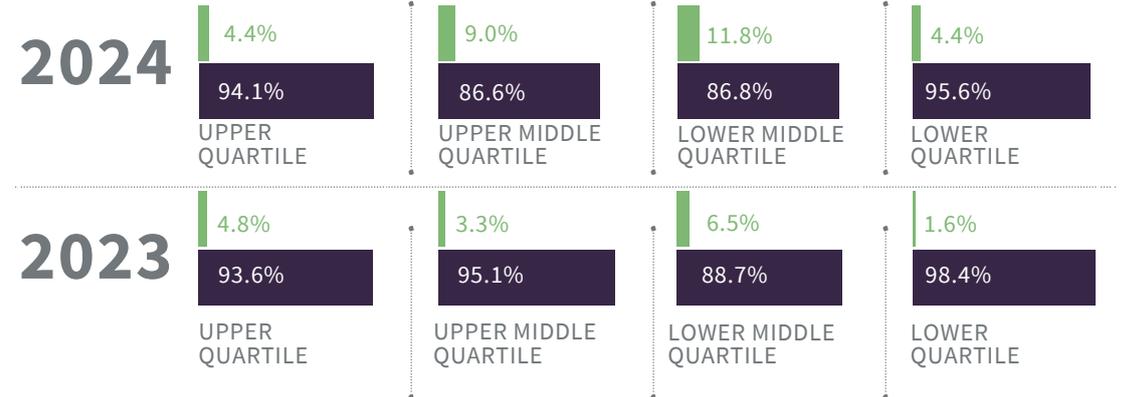
Whole Group – everyone including Distribution



Hachette UK Ltd - publishing and Hachette functions



Distribution



HOURLY PAY

Whole Group – everyone including Distribution	2024	2023
Mean ethnicity pay gap	13.9%	12.2%
Median ethnicity pay gap	12.6%	4.3%

Distribution	2024	2023
Mean ethnicity pay gap	15.2%	15.5%
Median ethnicity pay gap	1.3%	-1.1%

Hachette UK Ltd – publishing and Hachette functions	2024	2023
Mean ethnicity pay gap	16.9%	16.7%
Median ethnicity pay gap	13.4%	9.4%

BONUS PAY

Whole Group – everyone including Distribution	2024	2023
Mean ethnicity pay gap	46.9%	60.7%
Median ethnicity pay gap	9.8%	9.0%

Distribution	2024	2023
Mean ethnicity pay gap	66.3%	60.4%
Median ethnicity pay gap	18.2%	5.8%

Hachette UK Ltd – publishing and Hachette functions	2024	2023
Mean ethnicity pay gap	47.1%	63.6%
Median ethnicity pay gap	13.1%	19.4%

WHO RECEIVED BONUS PAY?

Whole Group – everyone including Distribution	2024	2023
Proportion of Black, Asian, Mixed Heritage and Ethnically Diverse employees receiving a bonus	90.9%	90.4%
Proportion of non-Black, Asian, Mixed Heritage and Ethnically Diverse employees receiving a bonus	93.0%	93.8%

Hachette UK Ltd – publishing and Hachette functions	2024	2023
Proportion of Black, Asian, Mixed Heritage and Ethnically Diverse employees receiving a bonus	90.9%	90.5%
Proportion of non-Black, Asian, Mixed Heritage and Ethnically Diverse employees receiving a bonus	92.2%	92.7%

Distribution	2024	2023
Proportion of Black, Asian, Mixed Heritage and Ethnically Diverse employees receiving a bonus	91.3%	88.9%
Proportion of non-Black, Asian, Mixed Heritage and Ethnically Diverse employees receiving a bonus	96.5%	98.2%

These figures reflect who received a bonus payment in the 12-month period ending with the snapshot date. This is affected by salary sacrifice, which is not included in the figures, as well as employees joining the company in 2024 and therefore not yet receiving a bonus.

ACTIONS TAKEN SINCE OUR LAST PAY GAP REPORT

RECRUITMENT



Building a fair and inclusive recruitment process is key to attracting a diverse and talented workforce. In 2024, we introduced mandatory recruitment workshops for all hiring managers. These sessions focus on best practices by providing a thorough overview of our Recruitment Policy, the importance of attracting a broad and diverse talent pool, promoting fair shortlisting practices, and conducting unbiased interviews. We also use anonymised diversity data to help make fair and impartial decisions throughout the recruitment process. Since introducing our workshops, we've seen promising signs, including a broader and more diverse pool of applicants and a growing awareness among our hiring teams. These are positive early steps, but we know there's more work ahead.



Our new recruitment sessions offer hiring managers a dedicated space for peer support, open discussion, and further learning. We've also further enhanced the candidate experience through introducing a new candidate dashboard as part of our applicant tracking system; this has helped us refine our processes to improve transparency and offer constructive feedback to candidates.



Tracking our diversity metrics allows us to measure how effectively we're attracting and hiring candidates from various demographics, especially those underrepresented in our industry. By analysing this data, we can identify gaps or biases in our process, take meaningful action, and evaluate the impact of our diversity efforts and make informed decisions on future initiatives.



We have continued collaborating closely with our recruitment partners and the THRIVE employee network to increase diversity and broaden representation across our roles, ensuring we reach a wider audience. A recent talk hosted by THRIVE with our DEI recruitment partner, Vercida, also explored the importance of having a shared commitment to inclusive hiring practices and amplifying our reach within diverse communities.

RETENTION



To help us understand what matters most to our team, we've enhanced our exit interview process, not only for those leaving the company but for employees moving into new roles internally. These conversations have helped us pinpoint the reasons behind employee transitions and to identify areas for improvement. The insights we gain will inform decision making and initiatives aimed at strengthening retention, career development opportunities and improving workplace support. By tracking and analysing the feedback we receive, we aim to identify patterns and measure progress in job satisfaction and engagement.

ACTIONS TAKEN SINCE OUR LAST PAY GAP REPORT

LISTENING CIRCLES AND SAFE SPACES



We have recognised the need for more open conversations and a stronger connection with our ethnically diverse employees and allies. To support this, we facilitated a series of listening circles, to encourage colleagues to openly share their experiences, challenges, and perspectives in a dedicated safe space. These conversations have provided us with an honest understanding of what is working, where challenges remain, and how we can build a truly inclusive environment; one where everyone feels confident, valued and supported to speak openly.



To better support our teams, we have also launched a Leadership Essentials Programme to equip our managers with the tools they need to provide effective guidance. Each step we take is aimed at creating a workplace where everyone feels valued and has the opportunity to thrive.

PAY TRANSPARENCY AND PROGRESSION



We believe transparency is essential to promoting equity and inclusion. By tracking and analysing progression and pay data by ethnicity, we can identify and address disparities that may affect career progression for underrepresented groups. This approach keeps us accountable and enables us to develop targeted initiatives that support the growth and success of employees from all backgrounds. As part of our ongoing efforts to strengthen diversity, we've also conducted an in-depth analysis of how gender and ethnicity intersect to gain deeper insight into the unique experiences of our employees.

REPRESENTATION



In collaboration with THRIVE, we're opening up spaces for dialogue, empowerment, and advocacy. THRIVE have been instrumental in guiding our efforts to promote inclusion, sharing lived experiences, and building awareness among allies. We've worked with the network to celebrate cultural heritage months all year round, including Black History Month, which featured a company-wide panel of Black authors entitled 'Reclaiming the Narrative: Black Joy' which explored how we, as publishers, can better support authors navigating this space.



We proudly sponsored the annual Black British Book Festival, where our team hosted a stand and led a panel discussion, 'How Books Find Their Readers (and How Readers Find Their Books)'. Our goal was to create a space for meaningful conversations within the community by demystifying the publishing process and emphasising the importance of representation within our publishing.

ACTIONS TAKEN SINCE OUR LAST PAY GAP REPORT



We launched a joint initiative with our Hachette Book Group colleagues in the US entitled 'Read Our World', which is designed to foster acceptance, education, and open dialogue by spotlighting authors and characters with traditionally underrepresented experiences.



Our annual Changing the Story Festival continued the conversation by providing a platform to celebrate our progress and be actively accountable for driving meaningful change. The event featured engaging panel discussions that challenged perspectives, explored new ideas, and reflected on our ongoing work in diversity and inclusion, all while highlighting our central strategic pillar, Changing the Story. Through sessions on the power of language, active bystander training, and imposter syndrome, we gained valuable insights and practical tools to apply in our everyday work.



For the first time this year, we also introduced our Changing the Story Design Project. As part of this scheme, we have created a Freelance Designer Database in order to expand and diversify our database of creatives. This will allow our design departments to connect with more freelance designers from a range of backgrounds and disciplines. Similarly, we launched the Changing the Story Design Festival, an event aimed at attracting diverse design talent into the publishing industry by bringing together designers from underrepresented backgrounds, offering workshops, talks, and networking opportunities with industry professionals.



To further support these initiatives, we're updating our Cultural Awareness training to empower our teams to engage meaningfully with diversity, equity, and inclusion in every aspect of our work.



We are currently running our 2024 Traineeship Scheme in collaboration with Creative Access, Curtis Brown, and Waterstones. The programme, now in its sixth year, aims to recruit and empower trainees from underrepresented groups, contributing to a more diverse and inclusive workforce in the future. This year we've provided opportunities for 10 trainees, offering both entry-level positions and placements for experienced candidates seeking a career change.

DECLARATION

We confirm that the information and data reported are accurate.

They follow the government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

A handwritten signature in black ink, appearing to read 'David Shelley'.

DAVID SHELLEY
Chief Executive Officer for Hachette Book Group and Hachette UK
March 2025