

GENDER PAY GAP



REPORT 2022

**MESSAGE
FROM
SUE
FROGLEY**
CEO, PUBLICIS MEDIA UK

It's my belief that great company culture is the foundation of great business, so my leadership team and I remain steadfast in our goal to create a truly inclusive culture that celebrates difference and supports the careers of everyone. In the UK, Publicis Media is made up of 1800 talented people across three media agencies. Each of our agencies' gender pay gap reports allows us to see where we stand and share details on our commitment to support the many talented women that work with us.

I'm pleased with the progress we have made in getting more women to senior positions, which is the main driver to reduce the gender pay gap. We have a 50:50 gender balanced board, have women leading two of our largest agencies as CEO, and over half of our agency leadership teams are made up of women. However, as with much of our industry, there is still much more we need to do to drive more diverse representation across our business. This really matters to us and is why we continue to evolve and invest in various initiatives, such as those outlined in this report, and much more besides.

It takes time and continuous focus, but we remain committed to driving positive lasting change for all our people and our clients.



A handwritten signature of Sue Frogley in white ink.

SUE FROGLEY

**MESSAGE
FROM
NADINE
YOUNG**
CEO, STARCOM UK

I'm proud that Starcom's pay gap is significantly narrower than the industry average, with a median gap of 2.5%, which is a marked improvement on last year's 6.2%. It's brilliant to see that our hard work is delivering results.

I firmly believe that putting our people first will bring the agency and our clients the most success. It's important to me that our people feel supported and happy in their roles, and that we can provide opportunity for everyone to grow their careers at Starcom. We know we're not at the end of the road just yet and will continue to strive for a fair and balanced workplace for everyone.



A handwritten signature of Nadine Young in white ink.

NADINE YOUNG



THE GENDER PAY GAP EXPLANATION AND RESULTS

The gender pay gap is the difference in average pay between men and women in an organisation. Starcom's median gender pay gap for 2022 is 2.5%.

The gender pay gap is different from equal pay which is defined as "the right for men and women to be paid the same when doing the same, or equivalent, work" (Equality Act, 2010).

The following has been calculated using the Government guideline calculations to determine

SALARY PAY GAP

7.8%

Mean

2.5%

Median

BONUS PAY GAP

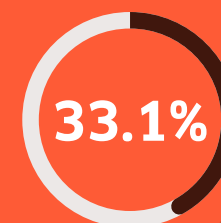
-2.6%

Mean

12.5%

Median

BONUS RECEIVED



MALE
FEMALE



PROPORTION OF FEMALE AND MALE EMPLOYEES

BY QUARTILE

UPPER



UPPER MIDDLE



MALE
FEMALE

LOWER MIDDLE



LOWER



WHAT DOES OUR DATA TELL US?

Our median gender pay gap of 2.5% shows us that we are significantly ahead of the industry average as a whole.

After a great year of new business wins, we have grown by more than 14% since our 2021 gender pay gap report. While growing, we've managed to keep almost the same gender split across the business, with women making up 55.4% of our agency workforce. Like last year, we continue to have a higher number of women holding positions within all quartiles, with an increase of the number of women in the upper quartile.

The percentage of men who received a bonus is 33.1%, compared to 34.4% of women.



OUR COMMITMENT TO CLOSING THE GAP

In 2022, we continued to develop our 'Life Stages' programme right across Publicis Groupe UK, launching new policies to provide the best support and experience for our people at work no matter the circumstance.

This included introducing the following policies: domestic violence (which outlined the support available for anyone experiencing domestic violence and raising awareness about the issue across the Groupe), neonatal care (outlining the additional support available to anyone who is affected by a baby needing neonatal care), transitioning at work, carers, fertility and pregnancy loss policy.

We have improved our policies for pregnancy/maternity, adoption, shared parental, surrogacy and paternity/second parents. Employees are entitled to a phased return to work where they build back up to their normal working hours during the first month after a period of pregnancy/maternity, adoption, shared parental or surrogacy leave, but will be paid full pay for this month.

We continue to educate and support our people on topics such as the menopause to ensure we are supporting colleagues as they go through different 'life stages'. We've developed a Gender Equity strategy which focuses on our strategic aims, which are to better understand and address the challenges we face to be a representative and progressive employer. We also have strategic plans in place for our other strategic priorities which are disability inclusion, race equity and LGBTQ+ inclusion. These detail our principles, aims and commitments which will allow everyone to thrive and develop at work.



Our EAGs, in particular VivaWomen! and EMBRACE, are active in supporting women and their development and progress at work through events such as speed mentoring, career development and understanding and supporting the mental health and wellbeing of women of colour and black women at work.

At Starcom UK our mantra is to be 'Smarter, Faster and Braver'. We have a steadfast commitment to establishing and upholding an all-embracing atmosphere that supports parity with a range of agency initiatives. Some highlights include:

We run our Future Leaders programme to reverse mentor our senior leadership team with a rotation of diverse junior talent.

We have implemented an anonymous CVs process and have wider 1-on-1 reverse mentoring across all teams and employees.

Our 'Becoming' initiative supports new mums returning to work by pairing them with another mum who has experience of returning to work after maternity leave.

We have an ongoing partnership with the local William Morris School, we have welcomed a new cohort of apprentices through our Multiverse partnership and participate in the '25 in 5 apprenticeship programme' across Publicis Media. We have developed an 18-month early careers programme focused on attracting diverse talent whereby people who join in early career roles have the opportunity to experience life outside their agency, and learn from and network with their peers in other agencies across Publicis Groupe UK.

All Starcom hiring managers go through a bespoke inclusive recruitment masterclass. This year, we've had several sponsors take part in the Black Representation in Marketing (BriM) sponsorship programme. Our DE&I group, Hope, meets regularly and is wholeheartedly devoted to advocating and appreciating our unique differences.

In 2022, Hope introduced a DE&I consultant for new business pitches and client briefs to ensure that all minority groups have a voice at the start of the planning process.

The creation of Hope is designed to spark productive conversations and provide learning platforms which are accessible to everyone with a clear focus on diversity and inclusion.



WE ALSO FOCUS ON THREE CORE AREAS ACROSS PUBLICIS MEDIA UK:

HIRE

We have a number of processes in place to ensure that we are hiring from a diverse pool of talent and that candidates are treated equally and fairly.

- Our internal recruitment teams use a piece of software called 'Unbiasify' which allows us to source candidates from LinkedIn without seeing people's faces or names, helping to block some key sources of unconscious bias. The software also helps us to review our job adverts to make sure they appeal to all.
- Our recruitment and DEI team is also involved in training managers on unconscious bias and are helping create interview questions and practices that are equal for all.
- Following industry research that male candidates are more likely to apply for positions where they do not meet every criteria, and women will often only apply for positions where they meet 100% of the requirements, we have actively worked with, and trained, our hiring managers to remove 'nice to have' skills from our job descriptions and to keep job requirements as simple as possible to ensure the application process is as inclusive as possible.
- Finally, we are working hard to ensure that we have a representative and diverse interview panel wherever possible.

TRAIN

- In order to collectively develop our skills and foundational knowledge in diversity and inclusion, we offer a range of training including unconscious bias training which is mandatory for all our employees.
- We believe it is important to support parents as much as possible to enable a parent friendly working environment. As well as

our well-established flexible working, we also have a Parent Programme which is a series of e-learning modules designed to support new or expectant parents and their line managers. These classes help answer common employee, manager, and team questions regarding planning for, going on, and returning from parental leave. It also covers a number of parenting scenarios including, IVF, twins and adoption.

- We also launched our Baby First Aid programme last year to help new parents learn essential skills.
- Our Women in Tech programme aims to inspire and educate future leaders in our company by placing a spotlight on successful women in tech, from within and outside the agency. The programme incorporates learning and development opportunities for women to benefit their day-to-day work, up-skill in the areas of technology, data and innovation, and promote the importance of diversity within these fields.

RETAIN

- PMWOW is Publicis Media's flexible working policy which aims to improve productivity and enhance wellbeing by empowering employees to carry out their work in a way that suits them. We believe that this new way of working has helped all employees, but especially our female talent at all levels to better manage their workloads and lives. Since the pandemic has shown us the benefits of hybrid working, we've since evolved PMWOW so that our policy is to work from the office for a minimum of 2 days. This has definitely been a huge help for all staff in having a better work life balance and a definite retention strategy for us, particularly for working parents.
- Enboarder is our bespoke communications platform that guides and assists employees and managers through the parental leave journey, from notification of a pregnancy or adoption, through

extended leave, and finally welcoming new parents back to work. Both employees and managers receive communications at specific milestones to help new parents feel connected, cared about and informed, during their time off and ahead of their return to work.

- VivaWomen! is an internal programme to help women achieve their potential across all parts of Publicis Groupe. It includes mentoring, events and training sessions for all employees, but designed with women in mind. Each year sessions focus on; how to negotiate with confidence; working parents; ways to build confidence and self-trust; career progression empowerment; and challenging conversation training.
- Our Next Generation Board is an immersive development programme designed to support mid-level employees for future leadership roles. Each year our cohort of board members helps shape and steer the future of our organisation and is made up of representatives from each agency within Publicis Media. Just over 60% of the board are aspiring female leaders, who alongside their talented male colleagues, all have real opportunity to influence change and develop their own careers.
- Last year, we introduced a Menopause Policy to help mitigate the impact of the menopause on employees at work. The support offered includes flexible working arrangements, temperature control in the office, access to an occupational health advisor, a confidential employee helpline, mental health first aiders, and other resources such as yoga and meditation sessions. We have been building on this new policy through 2022, helping to normalise the conversation around Menopause.



FAQ AND DEFINITIONS

WHAT IS THE GENDER PAY GAP?

The gender pay gap is the difference in average and median hourly earnings between men and women. This is calculated by looking at all employees' salaries across an organisation, regardless of their job role or level. Gender pay gap reporting was introduced in April 2017 for organisations with more than 250 employees at the snapshot date (5 April each year).

DOES A GENDER PAY GAP MEAN AN EQUAL PAY ISSUE?

No. Gender pay is different to equal pay which is defined as "the right for men and women to be paid the same when doing the same, or equivalent, work". It is illegal to pay people differently for the same or equivalent work because of their gender and has been since the Equal Pay Act was introduced in 1970.

WHY DO WE HAVE A GENDER PAY GAP?

A gender pay gap can be caused by a number of factors such as having more men than women in high earning roles or more women working part-time.

WHAT IS THE REPORTING PERIOD?

The salary data is taken from a snapshot of payroll on 5 April 2022 and the bonus data covers the 12 months leading up to that date.

WHICH EMPLOYEES ARE INCLUDED IN THIS REPORT?

The figures cover all employees who have a permanent or fixed term contract (full or part time) and are paid through our payroll system. The data does not cover employees who are being paid a reduced rate or not being paid due to being on maternity, paternity, adoption, shared parental leave or an unpaid sabbatical (for example).

HOW HAVE YOU CALCULATED BONUS PAYMENTS?

Bonus calculations include performance incentives, commission payments and stock option payments.



FAQ AND DEFINITIONS

(CONTINUED)

WHAT IS THE MEDIAN PAY GAP?

This is calculated by listing all employees' hourly pay from highest to lowest, and then comparing the midpoint (the numbers that fall in the middle) for men with the midpoint for women. The difference between the two is the median pay gap, shown as a percentage.

WHAT IS THE MEAN PAY GAP?

This is calculated by adding up all employees' hourly pay and dividing it by the number of employees. The pay gap is the difference between the mean (average) figures for men and for women, which is reported as a percentage.

WHAT IS THE BONUS GAP?

The mean and median bonus gaps are the difference between the mean and median bonus pay received by male and female employees in the 12 months ending on 5 April 2022. This applies to all employees, even if they're not in full pay on the snapshot date. We also report on the percentage of male and female employees that receive a bonus in the year.

WHAT IS A PAY QUARTILE?

Employers must sort their full pay employees into a list based on hourly pay, in highest to lowest order, and then split this list into four equal parts which shows how many men and women fall into each of the pay quartiles.

