

GENDER PAY GAP REPORT



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

Building a fair and inclusive workplace across Publicis Media continues to be a big focus for me and the rest of our leadership team.

In the five years since we began reporting our gender pay gap, we have made positive progress across all levels and proudly have women leading our two largest agencies, Starcom and Zenith. In fact, we've seen a steady increase in the number of women in our top pay quartiles in recent years, which is the main driver to reduce the gender pay gap.

Whilst we've made strides in creating a more balanced workplace for women, we recognise that there is still more to do to increase more diverse representation across our business. This really matters to us and is why we have put in place robust processes and actions to ensure that everyone is treated fairly and given the same opportunities to grow their career with us.

It takes time and continuous action, such as those outlined within this report, but we remain committed to making our organisation better for all our people and our clients, for the long-term.



**SUE
FROGLEY**



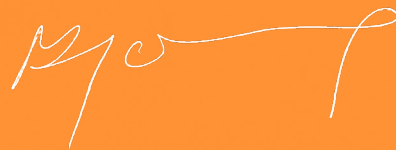
MESSAGE
FROM
**NADINE
YOUNG**

CEO, STARCOM UK

We continually strive to make Starcom an agency that is a great place to work, where people feel listened to, supported and treated equally. We're going from strength to strength and that's all down to our wonderful team. For the last few years, we have been building on our 'Team First' mantra – ensuring that this message shines through in everything that we do and that our employees feel empowered to lead with bravery.

For another consecutive year, I am proud that Starcom's median gender pay gap is significantly narrower than the industry average for media agencies (18.9%*) at 6.2%. Overall, we have a good gender split across all levels and in the past year the number of women in the highest pay quartile has grown to 51.7%. The gender pay gap is not something that we can improve overnight, but we continue to work hard to ensure we push it in the right direction.

In the last year, we have put in place even more initiatives to help women and everyone thrive, such as our improved family friendly policies and our evolved flexible working policy. Building a truly equitable and representative agency remains a priority this year and beyond.



**NADINE
YOUNG**

* IPA Diversity Census 2021



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 2021 is 6.2%.

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 our gender pay gap for 2021.

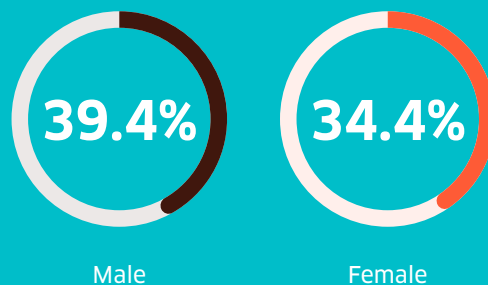
SALARY PAY GAP



BONUS PAY GAP



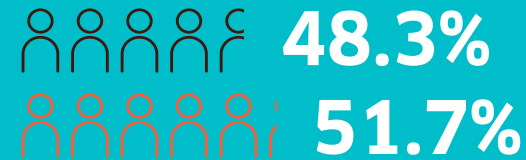
PERCENTAGE WHO RECEIVED A BONUS



PROPORTION OF FEMALE AND MALE EMPLOYEES

BY QUARTILE

UPPER



UPPER MIDDLE



LOWER MIDDLE



LOWER



■ Male %
■ Female %

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 2021 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 DO YOU ACCOUNT FOR THOSE WHO IDENTIFY AS NON-BINARY?

Our data is compiled based on the Gender Pay Gap Reporting requirements set out by the UK Government, which for now at least are gender specific. We anticipate this will evolve with time and our reporting will reflect this.



FAQ AND DEFINITIONS (CONTINUED)

HOW HAVE YOU CALCULATED BONUS PAYMENTS?

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

HAS SALARY SACRIFICE BEEN INCLUDED IN THIS YEAR'S REPORT?

Unlike 2020 where our highest earners had made a temporary salary sacrifice of between 10 and 20 per cent we have been fortunate not to have to ask for this sacrifice again. On the snapshot date of 5 April 2021, we had no one on salary sacrifice.

WHAT IS THE MEDIAN PAY GAP?

This is calculated by listing all employees' hourly pay from highest to lowest, and then comparing the midpoint figure (the number that falls in the middle) for men with the midpoint figure 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 2021. 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.



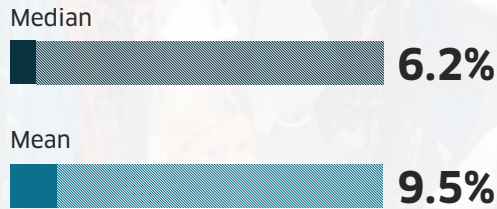
WHAT DOES OUR DATA TELL US?

Our median gender pay gap of 6.2% shows we are ahead of the benchmark for our industry and the UK as a whole.

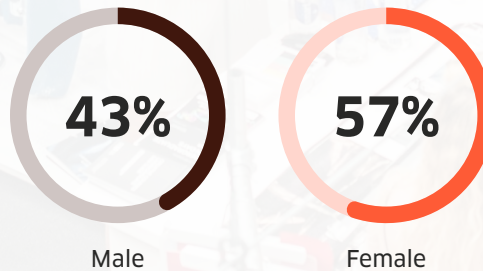
Across the agency, our workforce population is 57% female and 43% male. This year, we can say that we have a higher percentage of women holding positions within all four pay quartiles, which is the main contributing factor in reducing the gender pay gap.

This year, the percentage of men who received a bonus was 39.4%, compared to 34.4% of women. However, as women make up 57% of our workforce, more women than men actually received a bonus. The reason a bonus pay gap still exists is due to how this is calculated. Unlike the hourly pay gap figures, the bonus pay gap is calculated by actual bonuses paid, as opposed to what bonus payment would have been if our part-time employees worked full time. This means the bonus pay gap is skewed by the greater frequency of women working part-time and receiving bonuses aligned to these hours.

SALARY PAY GAP



GENDER REPRESENTATION ACROSS THE AGENCY



OUR COMMITMENT

We remain passionate and committed to making Starcom a truly representative culture and business. Over the past year we have made significant progress in supporting women in the workplace through the following key initiatives:



Family Friendly: we have improved our maternity/pregnancy, adoption, paternity/second parent and shared parental leave and surrogacy policies and have introduced new policies to cover pregnancy loss, and fertility.



Future Leaders is an initiative that launched in 2020 to increase diversity and gender representation within our leadership discussions. A rotation of Starcom's best talent joins the leadership team for a six week period, ensuring diverse and gender-balanced perspectives are represented at the most senior level.



becoming

Starcom's Becoming initiative launched at the start of 2019 and aims to support new parents, particularly new mothers. The support network includes a one-to-one buddy system delivered 'by parents for parents' while employees are on parental leave and when they're back in the office.



Starcom Change Makers is a group of mid-level employees who share ideas on how to improve the agency by spearheading cultural initiatives; these include hosting media owner networking events for new joiners, as well as improving ways of working by breaking down team silos.

In addition, our Publicis Media actions to close the gender pay gap are focussed on three core areas: **hire, train and retain.**



OUR COMMITMENT (CONTINUED)

HIRE

We have a number of different processes in place to ensure we are hiring from a diverse pool of talent and that candidates are treated equally and fairly. We **anonymise CVs** to ensure we're hiring the best people for the job, regardless of gender or any other characteristic that could lead to discrimination. Our talent partners remove all information from CVs that might lead to bias around gender, name or age, at the shortlisting stage of hiring.

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.



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 **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. Importantly, it helps those with caring responsibilities, proportionally more women than men, to be able to balance the time needed to care for their dependents.



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 helpful 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 network to help women to achieve their potential across Publicis Groupe. It includes mentoring, events and training sessions for all employees, but designed with women in mind. Over the past year, sessions have focussed 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.



This year, we have introduced a **Menopause Policy** to help mitigate the impact of the menopause on employees at work. The support offered includes flexible working arrangements, access to an occupational health advisor and mental health first aiders, a confidential employee helpline and other resources such as yoga and meditation sessions.



MESSAGE FROM ANNETTE KING

CEO, PUBLICIS GROUPE UK

Gender equity is a strategic priority for Publicis Groupe. We aim to have women occupying 45% of senior leadership roles by 2025. In the UK, we have a strategy in place to achieve this target and continue to make good progress in reducing the Gender Pay Gap across our agencies.

Four out of the five agencies that report their Gender Pay Gap, Zenith, Starcom, Saatchi & Saatchi, Digitas and BBH, are led by women and within our Publicis Health division, which reports its Gender Pay Gap as one entity, two of our three agency leaders are women.

In the past year, we've restated our commitment to DE&I, building on our core 'Viva La Difference' principle, and outlined our strategy to build a consciously inclusive culture that actively welcomes and values difference. In 2021, we introduced a range of policies and programmes to help attract more women into our business and create the conditions for them to thrive. These cover menopause, maternity, paternity, shared parental leave, adoption, surrogacy, pregnancy loss and fertility.

I'm confident that, initiatives like these will help attract more women into our business and create the conditions for them to thrive, no matter what their responsibilities outside work, reducing our Gender Pay Gap over the coming years.



**ANNETTE
KING**





Starcom