

**IPG** **MEDIABRANDS**

# **GENDER PAY GAP REPORT 2018**

# COMMITTED TO DIVERSITY & EQUALITY



*"IPG Mediabrands UK is made up of a highly diverse portfolio of leading brands, and we are 100% committed to our clients, partners and each other to think and work differently.*

*Our mission is to help brands to develop marketing initiatives that move in step with today's ever-changing consumer. We have developed an agile working culture, which frees us from the burdens of old ways of thinking and enables us to leap into opportunity. We break down barriers, building a single, integrated business, where communication and collaboration come as standard.*

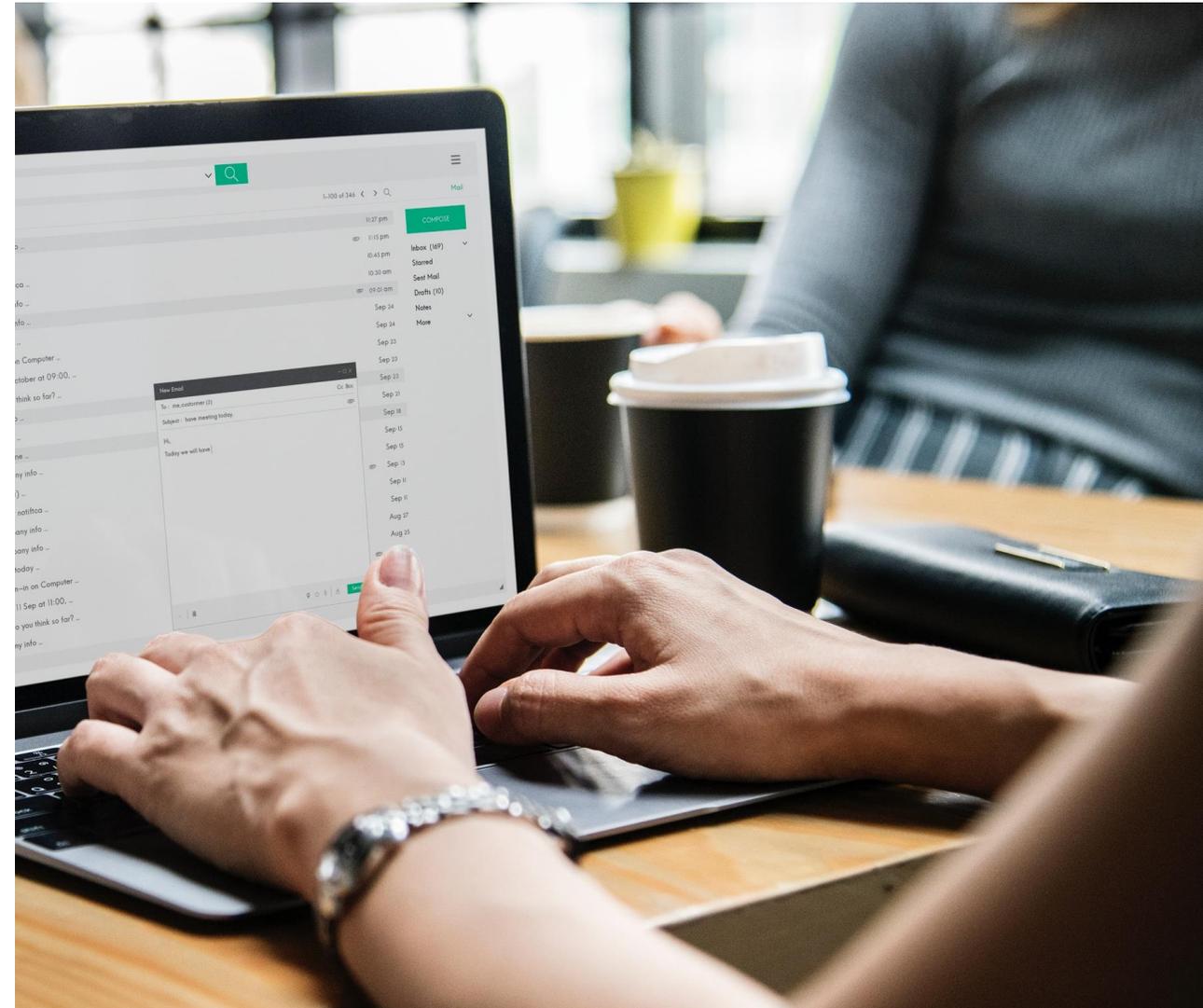
*Because we have a commitment to put collaboration at the centre of everything we do, we cultivate a diverse workforce and are dedicated to creating an environment where women can build careers and progress within the network and the wider industry. Mediabrands is committed to providing equal opportunities and equal treatment for all of our employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. We have a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or any other characteristic set out above).*

*Diversity is central to our business strategy and operations. We are dedicated to attracting and developing the best and most diverse talent, and nurturing a culture of belonging.*

*To that end, the UK Leadership team and I work alongside our HR Business Partners, Reward, Talent and Learning and Development specialists, to develop talent practices that foster a diverse and inclusive workplace culture. We view it as a business necessity that, when incorporated into all agency practices, becomes a competitive advantage, driving growth and organisational sustainability.*

*We've already made great strides in making diversity a key part of our long-term growth plan, and are putting additional programmes in place as part of our commitment to continue to evolve our culture, thereby ensuring people from all walks of life truly flourish here at IPG Mediabrands."*

**- CAROLINE FOSTER KENNY, CEO IPG MEDIABRANDS EMEA**



# WOMEN IN LEADERSHIP

At Mediabrands, we are dedicated to creating an environment where women can not only build fulfilling careers and progress within the agency and the wider industry, but where gender equality is the norm.

Today, IPG Mediabrands' UK Executive Leadership Team consists of 44% women, and 44% of our broader senior positions across the business are held by women, ahead of the industry average of 33% (source: 2018 IPA statistics).

Our current UK goal is for 50% of senior positions to be held by women by 2020, in addition to which, we will continue to support increasing diversity of the media industry, through active membership of the Advertising Diversity Taskforce.

As part of Interpublic Group (IPG), all employees have access to our Women's Leadership Network <http://wln.interpublic.com> which aims to address gender inequality and stereotyping, and encourages more women to grow into senior leadership roles. In addition to this, in the UK we have established our own Open Women's Network; a dedicated committee aimed to provide women across the business with the support and inspiration they need to thrive, and to ensure that gender equality is always front-of-mind with leadership and the wider business.

## HOW THE GENDER PAY GAP IS CALCULATED

In accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 ("the Regulations"), businesses with over 250 employees must publish their gender pay gap information every year, showing how large the pay gap is between men and women.

In 2018, Mediabrands Limited was the only legal entity within IPG Mediabrands UK with over 250 employees on the 'snapshot date'\* of 5th April 2018. As Mediabrands Limited makes up only 42% of our overall business, and doesn't include functions such as Finance, HR, New Business, Communications & PR amongst others, we have chosen to additionally and voluntarily report on our overall gender pay gap for Mediabrands UK - this is a combination of all of our UK legal entities and gives a truer picture of the gender pay gap for our wider organisation.

Organisations required to publish their gender pay gap information must publish six specific metrics:

1. The median gender pay gap
2. The mean gender pay gap
3. The median gender bonus gap
4. The mean gender bonus gap
5. The proportion of male employees receiving a bonus and the proportion of female employees receiving a bonus
6. The proportions of male and female employees in each pay quartile

These figures must be calculated using the standard methodologies used in the Regulations.

### MEDIAN GENDER PAY GAP

This is worked out by putting all hourly rates of pay in ascending order, then picking the midpoint and comparing the difference in the hourly rate of pay between the middle female and the middle male. The median is closest to the experience of the typical man and the typical woman.

### MEAN GENDER PAY GAP

This is the difference between the average hourly rate of pay of all male employees compared to the average hourly rate of pay of all female employees. The mean is sensitive to extreme values, which are the least representative of the set.

\*The figures must be calculated using a specific reference date - this is called the 'snapshot date'. The snapshot date each year is 5th April and organisations must publish within a year of the snapshot date.

# IPG MEDIABRANDS LTD

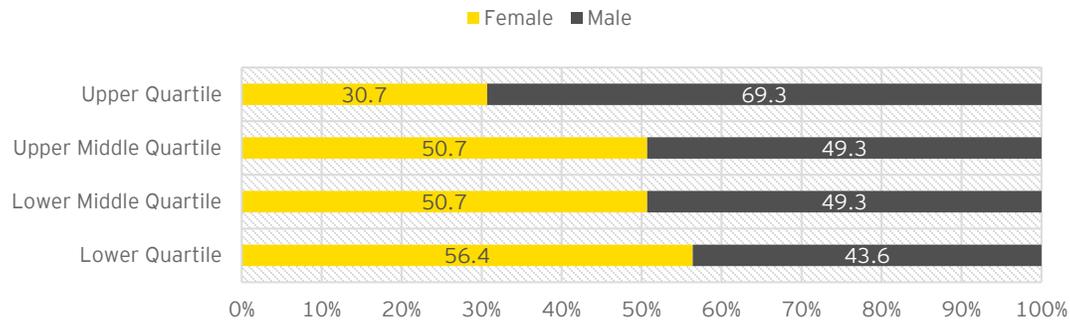
Covering all employees within the Mediabrands Limited business which includes: UM UK, Initiative UK, Reprise Media UK and Cadreon.

## GENDER PAY GAP

Snapshot date of 5<sup>th</sup> April 2018:



In accordance with the Regulations, we have divided the workforce into four pay quartiles. The proportion of females and males in each quartile band is as follows:

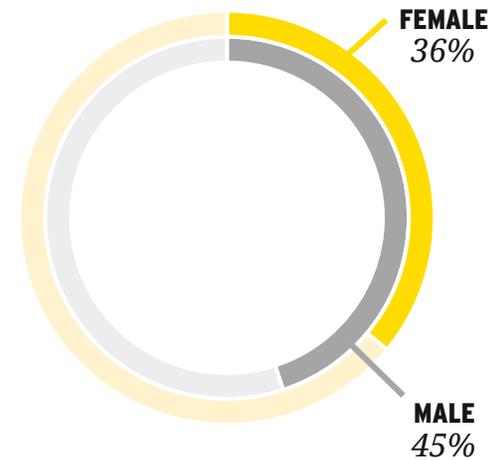


## GENDER BONUS GAP

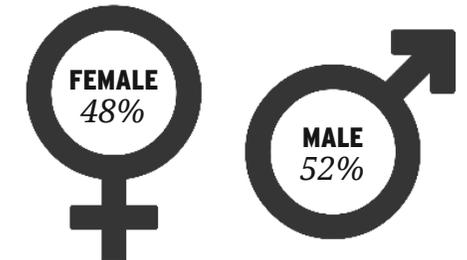
Bonuses paid in the year up to 5<sup>th</sup> April 2018:



## PROPORTION OF FEMALES & MALES RECEIVING A BONUS



## OVERALL GENDER BALANCE



# IPG MEDIABRANDS UK (ALL ENTITIES)

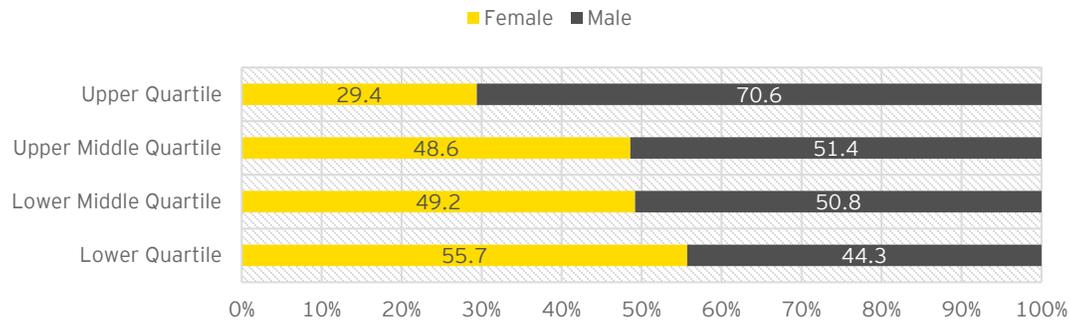
Covering all employees within Mediabrands LTD, Mediabrands International LTD, Mediabrands EMEA LTD, Mubaloo LTD, Orion LTD, Rapport LTD, Zazzle LTD and Optimum4 LTD.

## GENDER PAY GAP

Snapshot date of 5<sup>th</sup> April 2018:



In accordance with the Regulations, we have divided the workforce into four pay quartiles. The proportion of females and males in each quartile band is as follows:

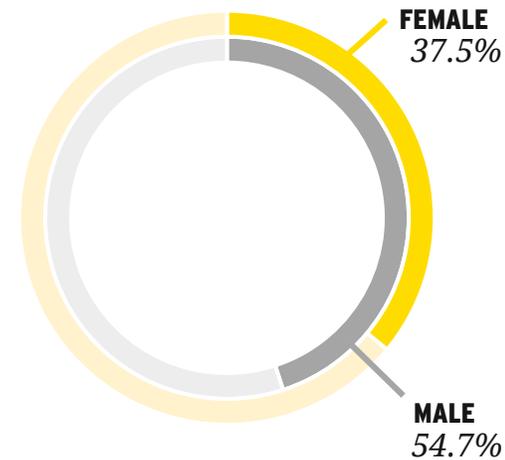


## GENDER BONUS GAP

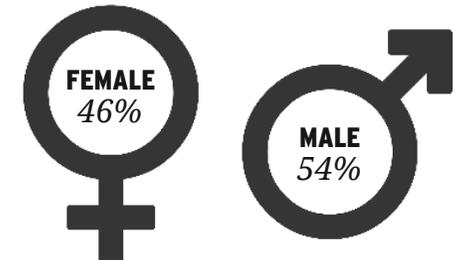
Bonuses paid in the year up to 5<sup>th</sup> April 2018:



## PROPORTION OF FEMALES & MALES RECEIVING A BONUS



## OVERALL GENDER BALANCE



# **UNDERLYING CAUSES OF THE GENDER PAY GAP**

It is important to note that the gender pay gap is an entirely different concept from equal pay. The gender pay gap measures the differences between the pay of male and female colleagues across the workforce as a whole, expressed as a percentage of males' earnings. Conversely, equal pay looks at the pay differences between male and female colleagues performing equal work. The gender pay gap does not measure equal work and the existence of a gender pay gap does not necessarily mean that there are unequal pay practices existing within an organisation. Rather, there can be a number of different reasons for a gender pay gap.

We have reviewed the data making up the gender pay gap statistics and we are confident that our existing gender pay gap does not result from paying men and women differently for the same or equivalent work; rather, our gender pay gap is the result of the proportion of men and women who work in certain roles within the organisation, and the salaries and bonuses that these roles attract. The calculations of the median and mean GPG are done without accounting at all for job title, function or level in the organisation.

Across the UK economy as a whole, for socio-economic reasons (e.g. due to childcare responsibilities) men are more likely than women to be in senior roles (especially very senior roles at the top of organisations), while women are more likely than men to be in roles at the lower end of the organisation. In addition, women are proportionately also more likely than men to have had breaks from work that may have affected their career progression, for example to bring up children.

This pattern from the UK economy as a whole is reflected in the make-up of Mediabrands' employees, where the majority of people in more junior roles in the organisation are women, and the majority of senior roles are held by men (as demonstrated in the pay quartiles on pages 3 and 4). This gender imbalance needs to change and we are committed to driving faster change and encouraging more women into more senior roles across our organisation. In order for there to be no gender pay gap, there would need to be an equal ratio of men to women in each quartile pay band.

# **ACTIONS WE ARE TAKING TO CLOSE THE GAP**

Whilst our gender pay gap compares favourably with many organisations in the media industry, we are committed to doing everything that we can to continue to reduce the gap.

To date, the steps that we have taken to promote gender diversity, include the following:

- Established our 'Open Women's Network' to promote gender equality and to support and inspire women across the business
- 'Inclusive Leaders' training to instil a culture of belonging from the top
- Introduced Diversity Champions to help drive diversity and inclusion across the business
- Providing parental coaching for returning mums and dads
- Providing mentoring opportunities for junior female talent
- Mandated diverse shortlists for senior roles
- Advertise all roles as flexible by default, to appeal to a broader pool of talent
- Improved parental leave and pay for mums and dads
- Improved flexible and agile working options for everyone
- Expanded channels for talent attraction
- 'Unlocking Unconscious Bias' training for all staff to uncover and address where our unconscious biases may impact our day to day decision-making

Any further initiatives launched throughout the year will be reported on AskHR, our internal HR intranet.

# WE ALSO WORK WITH A RANGE OF EXTERNAL PARTNERS TO SUPPORT GENDER EQUALITY & DIVERSITY:



Providing Unconscious Bias training for all employees



An Inclusive Leaders Programme for all UK Board members

BLOOM

A partnership providing mentoring, events and skills sharing for female talent



Working with Arch Apprentices to offer award winning apprenticeship programmes



IPG Mediabrands recognised by Centrica's National Apprenticeship Awards 2017 as one of the country's Top 100 Apprenticeship Employers

**ADVERTISING DIVERSITY TASKFORCE**

Working with the top advertising and media agencies to change the face of the industry through a range of initiatives



**IPG MEDIABRANDS**