

GENDER GENDER PAY GAP 2021



a message from Sue Frogley



Sue Frogley

CEO of 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, Zenith and Starcom. 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.



a message from Natalie Cummins



Natalie Cummins

CEO of Zenith UK

At Zenith, we are committed to creating a happy and motivated agency where equality thrives. In the past year, we have made some great progress thanks to the many long-term measures put in place to ensure we're not just talking about diversity, but we're delivering on diversity too.

We have embraced anonymised CVs, reverse mentoring, flexible working and completely reengineered our approach to entry-level recruitment to help attract and upskill young people from underrepresented backgrounds. These initiatives have all been driven through our Evolve Committee, a taskforce of 20 individuals across Zenith with a passion for delivering meaningful change.

We're proud to say that the median gender pay gap at Zenith has halved, reducing from 14.1% to 7.1% since our last report.

While there's still room for improvement, we believe this is a big step in the right direction. The gender pay gap report is critical in measuring our progress, to ensure we keep evolving, improving and identifying where we need to focus our efforts next year and beyond.

the gender pay gap explanation and results

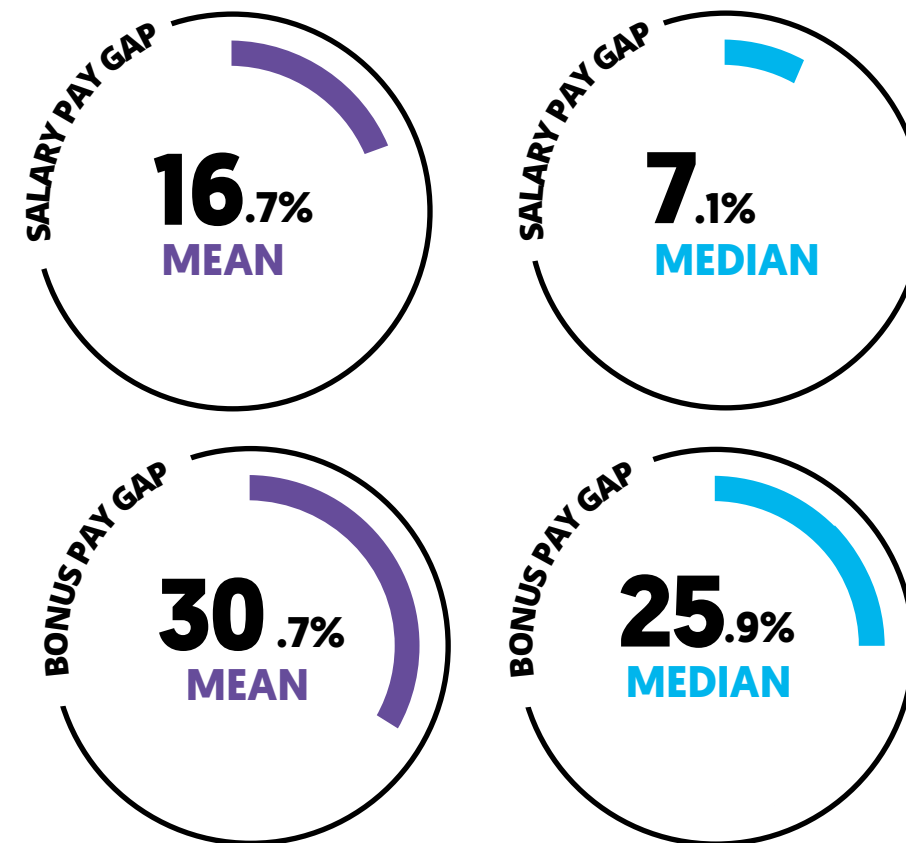


The gender pay gap is the difference in average pay between men and women in an organisation. Zenith's median gender pay gap for 2021 is 7.1%.

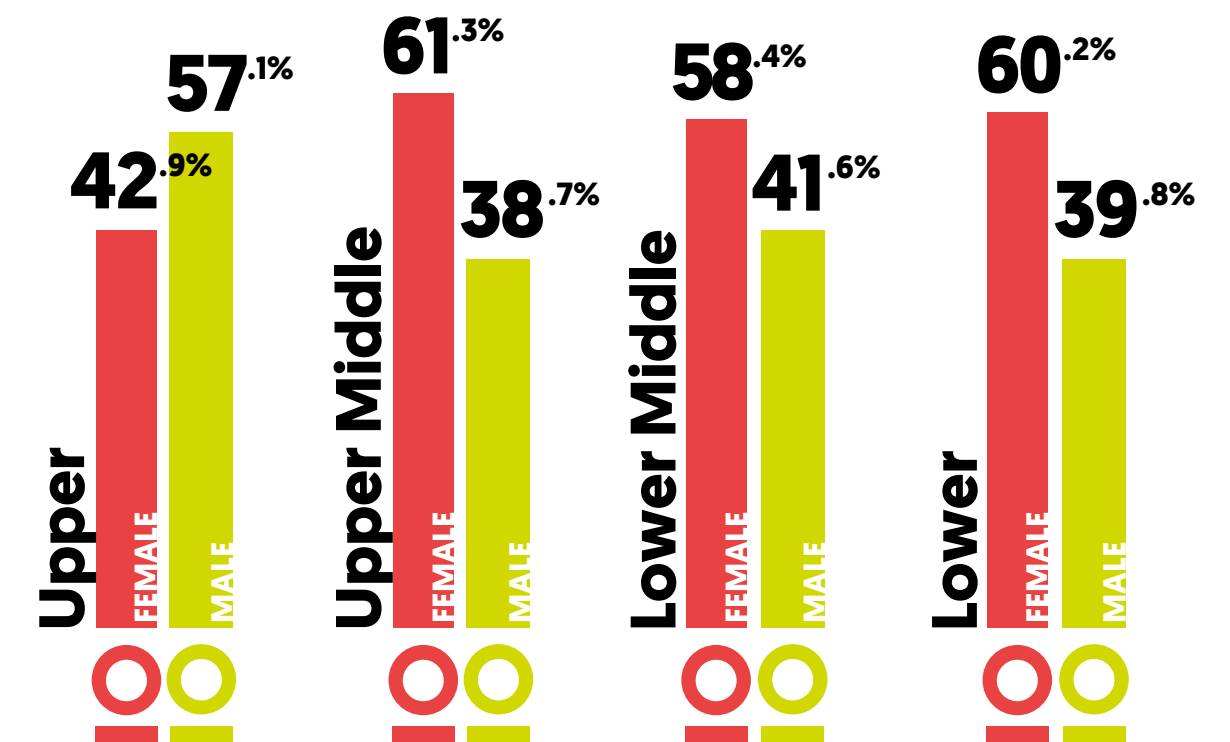
The gender pay gap is different from equal pay which is defined as "the right for men and women to be paid the same when doing the same, or equivalent, work" (Equality Act, 2010).

Like most organisations, one of the reasons we have a gender pay gap is because historically, men have typically occupied more senior positions than female employees. In our case, there are also some senior Publicis Media roles, which are held by men, included in our numbers.

Regarding our current gender pay gap, the following has been calculated using the Government guideline calculations.

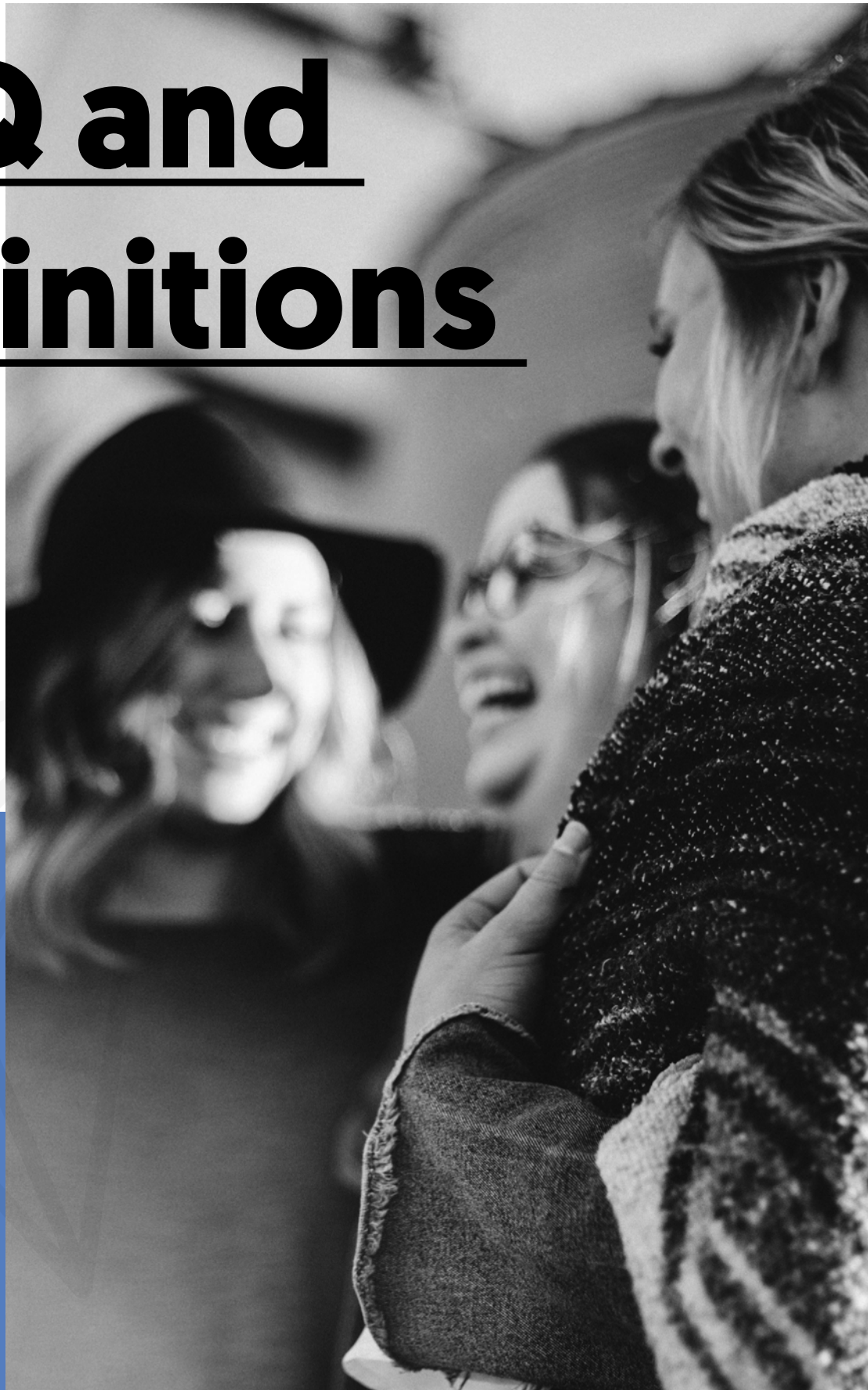


Proportion of female and male employees by quartile





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.

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. This is the measure that most organisations typically focus on as it is more representative of the pay gap. This is because it is not affected by outliers – a few individuals at the top or bottom of the salary range.

What is the mean pay gap?

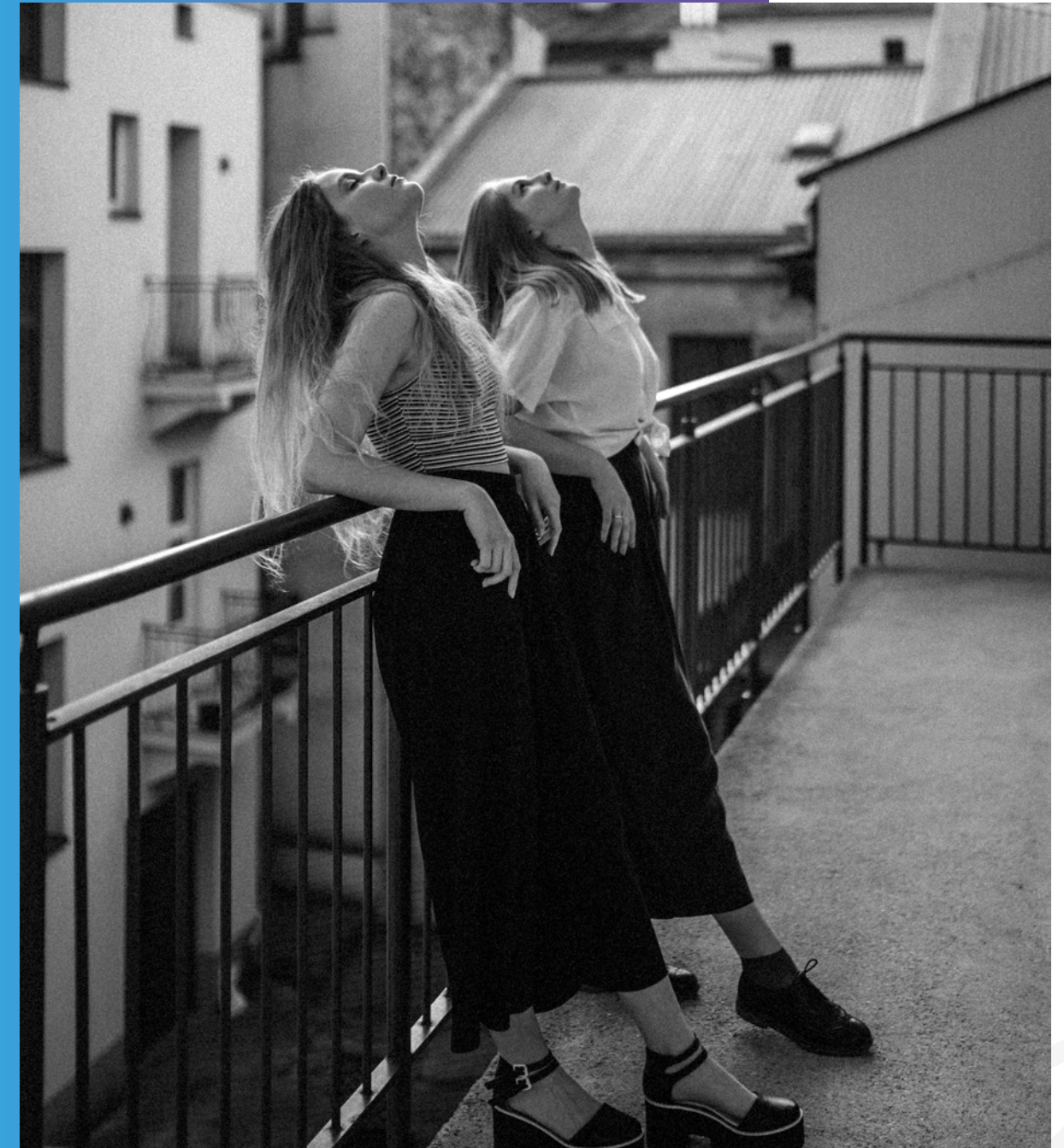
This is calculated by adding up all employees' hourly pay and dividing it by the number of employees. The pay gap is the difference between the mean (average) figures for men and for women, which is reported as a percentage.

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?



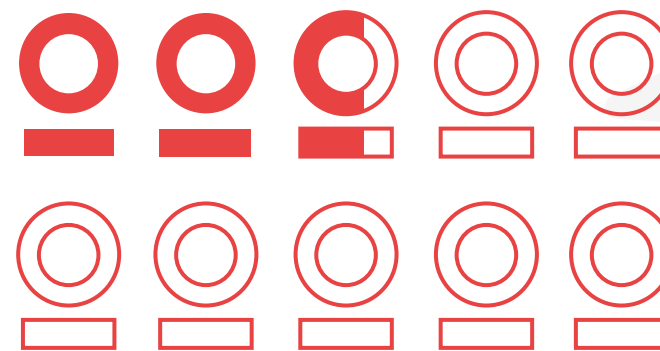
Our latest report shows we have made great progress in closing our median gender pay gap at Zenith, reducing it from 14.1% in 2020 to 7.1% in 2021.

Our overall headcount continues to increase since we began reporting our gender pay gap, and we are pleased that the number of women in our top two pay quartiles has grown from 42.5% in 2020 to 42.9% in 2021 for the upper quartile and from 59.1% in 2020 to 61.3% for the upper middle.

This continued increase in women in more senior roles has contributed to the positive progress in reducing our gender pay gap.

Our bonus pay gap is mainly due to Zenith having more women than men that work part-time, including our CEO, Natalie Cummins, and one of our Managing Directors, Sannah Rogers. Whilst hourly pay gap figures take part-time pay into consideration by calculating it as though they worked full time, bonus pay figures don't do this. 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.

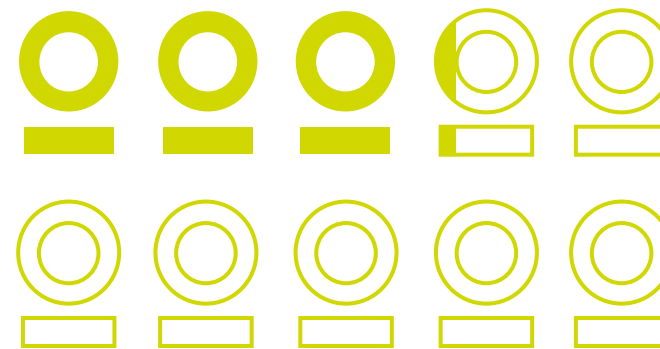
FEMALE



28.0%

**of women received
a bonus in 2021**

MALE



32.7%

**of men received
a bonus in 2021**



our commitment to close the gap

At Zenith, we remain steadfast in our mission to build and maintain an inclusive culture rooted in equality. Our dedicated Evolve team are focussed on helping us achieve this by promoting and celebrating our unique differences, running reverse mentoring to help our senior leadership learn from our more diverse talent and driving positive conversations and learning for all around diversity and inclusion.

In addition to Zenith's Evolve team, our Publicis Media commitment to closing the gender pay gap continues to focus on three core areas: **hire, train and retain.**

**At Zenith, we remain
steadfast in our
mission to build and
maintain an inclusive
culture where
equality thrives** ”



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. We anonymise CVs to ensure that 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 short-listing stage of hiring.
- > In 2021 we partnered with WYK Digital, a non-profit who are committed to developing and upskilling young people from underrepresented backgrounds. This included an intense 11-week full time training course that delivered upskilled candidates to fill junior roles across our business. Seventy-six per cent of those candidates are women who will continue to be developed and supported in their career progression.

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 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.
- > **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 to 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. 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 **Meno-pause 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.

a message from Annette King



Annette King

CEO of Publicis Groupe UK

A stylized, handwritten signature of Annette King in white ink, positioned below her name and title.

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.