



CEO <u>PUBLICIS ME</u>DIA UK

Since we began reporting our gender pay gap in 2017, we have made positive and steady progress across Publicis Media. We continue to do what is possible to ensure there is gender balance in senior positions, and we now have women leading two of our three media agencies as CEO. I am proud to work alongside such a well-balanced leadership team who all remain committed to ensuring that everyone has an equal opportunity to progress within the business.

The introduction of our fully flexible way of working in 2019 has had an incredibly positive impact on our talent, especially for women, and enabled us to seamlessly move to fully remote working over the past year due to the pandemic. We will continue to evolve and champion this in our future ways of working, to allow people to choose how and where they work in a way that suits them.

Initiatives like this and the other key actions outlined in this report form only part of what we are doing to foster a culture of inclusion and equality for all. As outlined last year, we have a thorough Embrace Change plan across Publicis Groupe UK to tackle racial inequality and improve black and minority ethnic representation. Our Publicis Media Apprenticeship Scheme continues to go from strength to strength and has seen over 50 apprentices joining our agencies since the programme began in 2019. It remains central to creating a pipeline of talent from black and minority ethnic backgrounds.

We have also pledged to become a Disability Confident Employer and I am pleased to be executive sponsor of our recently established business resource group, enABLE, to help us to take action to improve how we attract, retain and support disabled people.

Over the past year we have established diversity champions across all of our media agencies and specialist practices. Each play a critical role in supporting our collective efforts and in raising awareness of important issues around gender, ethnicity, disability, age and LGBT+ equality.

I am pleased with the progress that we are making but recognise that there is still more to do. We are determined to build a truly inclusive workplace across Publicis Media and to drive positive lasting change.





CEO STARCOM UK Our people make Starcom such a brilliant place to work. All of us are part of this, because we continuously strive to build a culture in which everyone has a voice, everyone feels included and everyone is treated equally.

I'm proud to say Starcom's pay gap is significantly narrower than the industry average, with a median gap of 4.9%, an improvement of almost 6% over the past year. We also have a good gender balance across our leadership team. We are now nearly equal for men and women in the top pay quartile and have more women than men in the second quartile, these two quartiles often being the significant contributing factor to a company's gender pay gap.

I feel thankful every day to work with such an inspiring leadership team, all of whom are committed to our 'team first' ethos and to creating a culture of inclusion. Although there is still work to do, we have taken some strong actions, which are outlined within this report. Building towards a truly equitable and representative agency remains a clear priority this year and beyond.





The gender pay gap is the difference in average pay between men and women in an organisation. Starcom's median gender pay gap for 2020 is 4.9%.

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 2020. SALARY PAY GAP

14.2%

Mean

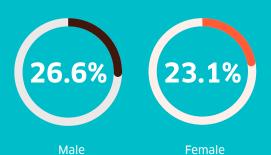
4.9%
Median

BONUS PAY GAP

29.6% Mean

33.3% Median

PERCENTAGE WHO RECEIVED A BONUS



PROPORTION OF FEMALE AND MALE EMPLOYEES BY QUARTILE

UPPER

UPPER MIDDLE

LOWER MIDDLE

LOWER

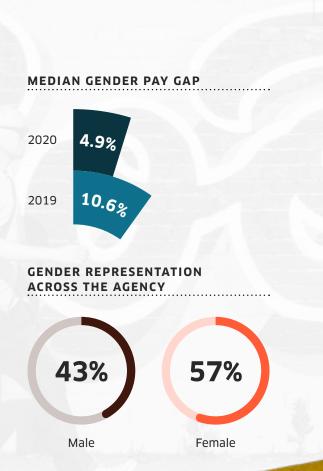
ስስስስ **44.5%** ስስስስስ **55.5%** Male %Female %

WHAT DOES OUR DATA TELL US?

Our median gender pay gap of 4.9% shows that we are making positive progress and is a significant improvement since the previous year when the median hourly pay gap was at 10.6%.

Across the agency, our population is 57% female and 43% male. Except for the upper quartile, we have a higher percentage of women holding positions within all quartiles. These are the main contributing factors in our gender pay gap.

The IPA Agency Census 2020 found that women occupied 32.8% of C-suite roles in media agencies and that an overall average gender pay gap was 14.3%. As such, we are exceeding the industry average.



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:

FUTURE LEADERS

Future leaders is a new 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 6-week period, ensuring more diverse and genderbalanced perspectives are represented at the most senior level.



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 on parental leave and when they're back in the office.



Starcom Change Makers is a cross-agency team 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, 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 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 midlevel 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 other talented colleagues, all have real opportunity to influence change and develop their own careers



This 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.

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 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 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 REPORTING PERIOD?

The salary data is taken from a snapshot of payroll on 5 April 2020 and the bonus data covers the 12 months leading up to that date.



FAQ AND DEFINITIONS (CONTINUED)

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?**

On the snapshot date of 5 April 2020, our highest earners had made a temporary salary sacrifice of between 10 and 20 per cent and this is reflected in the numbers reported.

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 2020. 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.



CEO PUBLICIS GROUPE UK

We've made great strides forward in the past year in tackling inequalities that exist in our business, as they do across society. I'm very proud of what we've achieved, and our employees' ongoing commitment to making the changes we need to see. We have a long way to go but I'm confident we are on the right track.

In the past year, since the 2020 Gender Pay Gap data here, we've created and filled two new D&I roles. We've set up a Diversity Council to hold us to account, with external representation from among our clients and diversity specialists. We've introduced a menopause policy and a set of family friendly policies to help parents and carers, all supported by training to raise awareness of the issues and drive a culture shift. These will benefit all parents and carers but particularly the women in our business.

We've overhauled our recruitment processes, we've rolled out an unconventional new training programme focused on inclusion, we've introduced an annual engagement survey to better understand how our people feel. This allows us to analyse and act upon the anonymised findings. We've established and embedded a network of D&I champions in all of our 22 agencies and, crucially, we've introduced a Publicis Groupe UK Behavioural Charter which builds on our core principle of 'Viva La Difference' – a belief that we are better, stronger and braver when we celebrate difference.

Our BRGs, VivaWomen!, EMBRACE, Égalité and enABLE, continue to do a fantastic job in providing space for additional listening and learning to take place, raising awareness of important issues through internal communications and events that provide valuable insights and help us celebrate difference and make our workforce as inclusive as possible.

We have a strong set of female leaders across Publicis Groupe UK. Our ComEx, which is what we call our top team, is made up of six female and six male leaders, and nine out of our 22 agency CEOs are female. Despite this balance across Publicis Groupe UK, we still don't have enough senior females in several agencies and that is why some of our numbers fall short. We have reviewed the causes of this, which are varied, and have put actions in place to close the gap.

I firmly believe that as we emerge from the pandemic, we have a responsibility to build back better, and this means doing everything we can to close the gap and build a truly inclusive culture with a good balance of people from all backgrounds.







