



OMD EMEA Gender Pay Gap Report 2023

4th April 2024

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Introduction

I start with a huge thank you to everyone on my leadership team who has committed and dedicated their time to our DEIB initiatives and in particular, driving our agency agenda.

Our GPG continues to move in the right direction and while our pay gap differs year on year, due to both internal and external factors overall, we continue to make good progress in reducing the gap.

While our agency is a female dominated workplace (57.7% female), the challenge remains where our pay gaps continue to exist because those women are not equally spread especially in leadership positions.

Our reporting figures for the last 7 years shows that we continue to reduce the gap with mean from 35% in 2017 to 13.5% in 2023 and median from 28% in 2017 to 10% in 2023.

- There has been a small change compared to April's figures. Both mean and median pay gaps have reduced
- This year the upper (highest paid) quartile is the highest yet.

Based on these figures we are confident our figures will continue to improve over the course of this year and in years to come. Key actions include:

Cascaded responsibility and accountability for GPG targets with our wider Leadership team. Each departmental lead now holds the key to focusing on their specific gaps and are responsible for developing their action plans and activities to drive improvements. They reporting back on a quarterly basis to the senior leadership team on progress to maintain the pace of change. We believe that this transition from our overall agency targets to individualised departmental targets is a key measure that will greatly accelerate the pace of change and improvements.

Introduced an internal mobility policy where priority is given to internal talent for all roles before any external hiring takes place. We also feature roles on "Job of the Week" to actively promote progression opportunities.

Improved our performance appraisal scheme to further clarify our performance rating to help better inform pay and promotion decisions. In addition, we have provided improved guidance for managers to raise awareness and garner their support to drive improvements at a team level.

Established a Parents & Carers Community (ERG) and are developing a returners programme this year to support reintegration and retention of talented women, in particular, alongside other working parents. This includes a 6 month return to work for returners and managers that include a buddy and coaching plan to ease back into working life.

We continue to challenge ourselves and strive even more to build an inclusive and diverse agency where everyone's perspective and is valued and everyone feel they belong.

With a stronger focus on internal activities and the cascade of targets down the line, we are confident our figures will continue to improve over the course of this year and in years to come.

I confirm the figures contained in this report are accurate and have been calculated in compliance with relevant legislation.



Blake Cuthbert
CEO OMD EMEA

Our Gender Pay Gap Results Explained 2017 to date

This report set out our Gender Pay Gap based on our overall gender pay and bonus gaps taken from snapshot data as at 31st March 2023

Our set of publicly-reportable statistics for the last seven years is shown in the adjacent table.

Headline observations demonstrating our improvements are:

- There has been a small change compared to April's figures. Both mean and median pay gaps have reduced, 13.5% and 10% respectively
- The upper (highest paid) quartile is the highest yet at 46.9%

	2017	2018	2019	2020	2021	2022	2023
Mean gender pay gap	35.0%	26.9%	22.3%	22.3%	16.6%	16.6%	13.5%
Median gender pay gap	28.0%	20.8%	22.0%	27.3%	26.0%	12.0%	10.0%
Mean bonus gap	52.0%	-0.3%	-8.0%	20.0%	25.2%	-25.1%	13.9%
Median bonus gap	35.0%	30.0%	35.0%	50.0%	0.0%	0.0%	0.0%
Proportion of men receiving a bonus	44.0%	33.9%	21.3%	20.0%	92.2%	82.1%	82.9%
Proportion of women receiving a bonus	31.0%	24.4%	14.9%	19.8%	88.8%	83.9%	84.2%
Lower quartile (percentage women)	73.2%	69.3%	67.0%	63.0%	64.8%	61.8%	60.2%
Lower-mid quartile (percentage women)	62.0%	60.0%	59.6%	65.2%	64.8%	56.9%	67.6%
Upper-mid quartile (percentage women)	56.3%	58.7%	52.8%	48.9%	54.5%	55.4%	60.4%
Upper quartile (percentage women)	34.3%	41.9%	42.7%	39.1%	44.3%	39.2%	46.9%

Our Gender Pay Gap explained

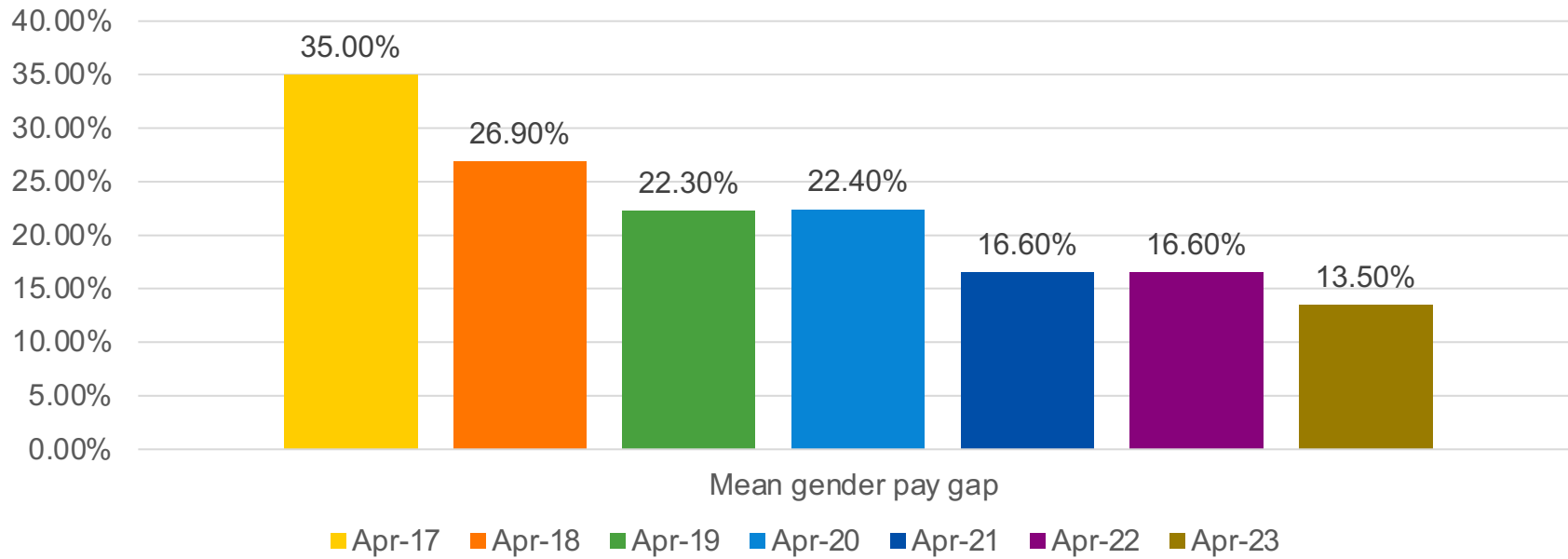
What causes our gender pay gap?

Seniority is a factor. Men are over-represented in senior manager roles and all roles of **Executive Director level and above** (besides C-suite roles). We need to get more women into senior roles.

Women are also underrepresented in some departments. **Data & Tech Transformation (and Full Funnel Strategy & Planning)** has an overrepresentation of men. We need to get more women into these departments

1 Our mean (average) gender pay gap in hourly pay

13.5%

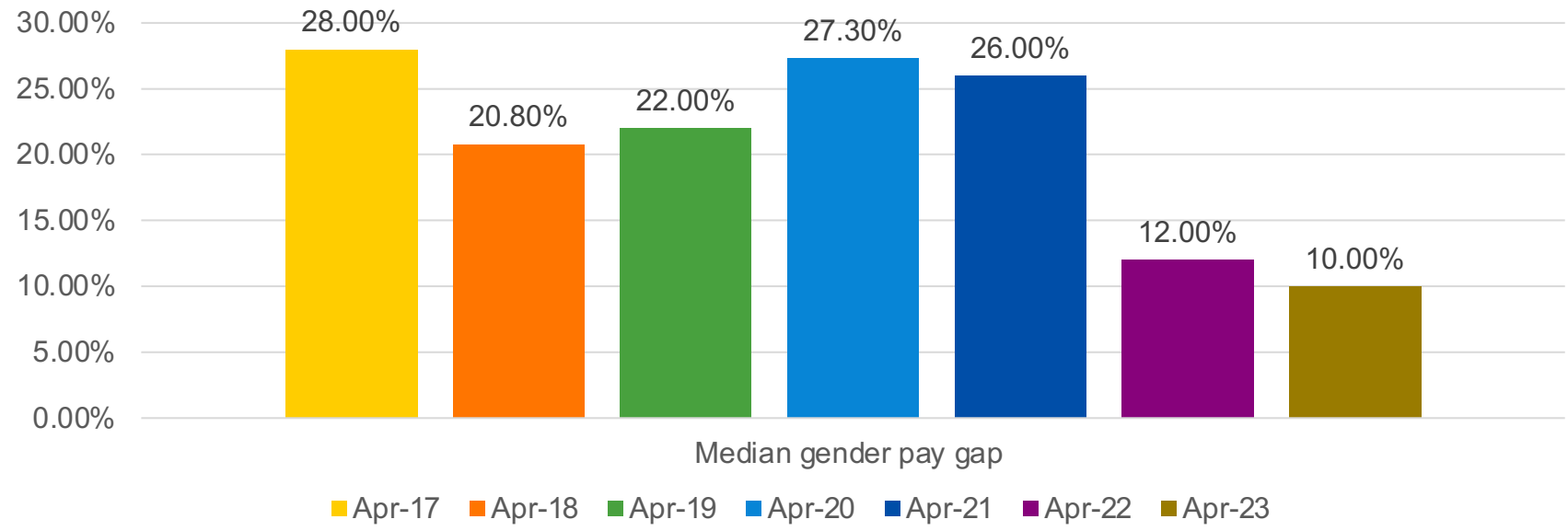


*Lowest to highest paid per hour

2

Our median (midpoint) gender pay gap using hourly pay

10%



*Lowest to highest paid per hour

3

The percentage of men and women receiving bonus pay



April 2022

82.1%

83.9%

April 2023

82.9%

84.2%

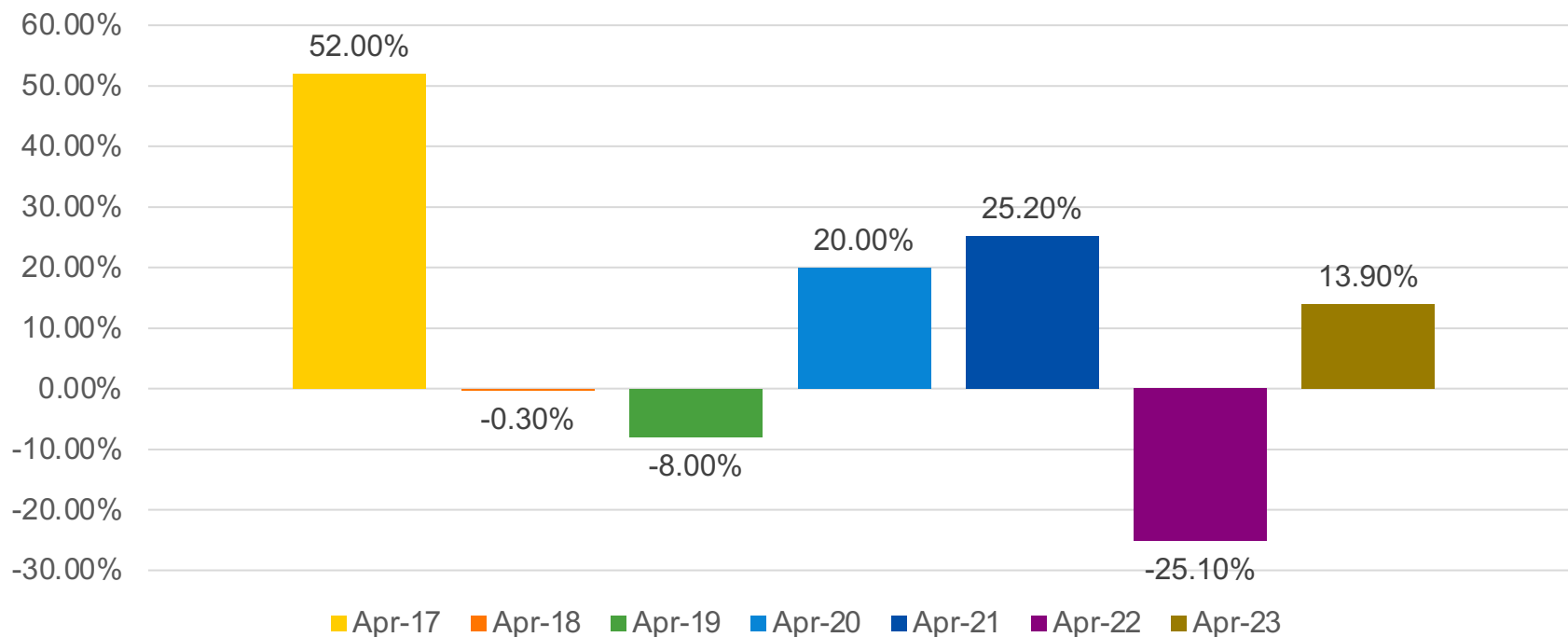
Bonus includes:

- Recruitment referral bonuses
- Discretionary bonuses
- Christmas and other vouchers
- Return to work bonus (from maternity leave)
- Baby bonus
- Employee Recognition Scheme

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Mean bonus gap

13.9%

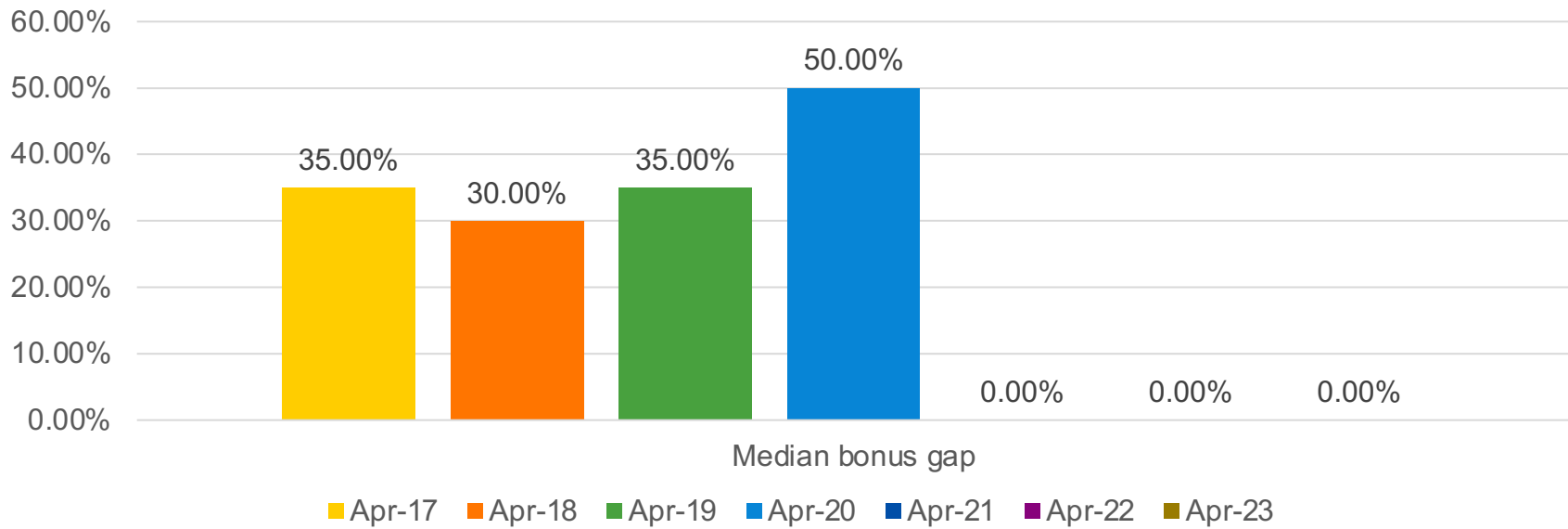


NB: 2020 & 2021 are not reflective due to the impact of COVID

5

Median bonus gap

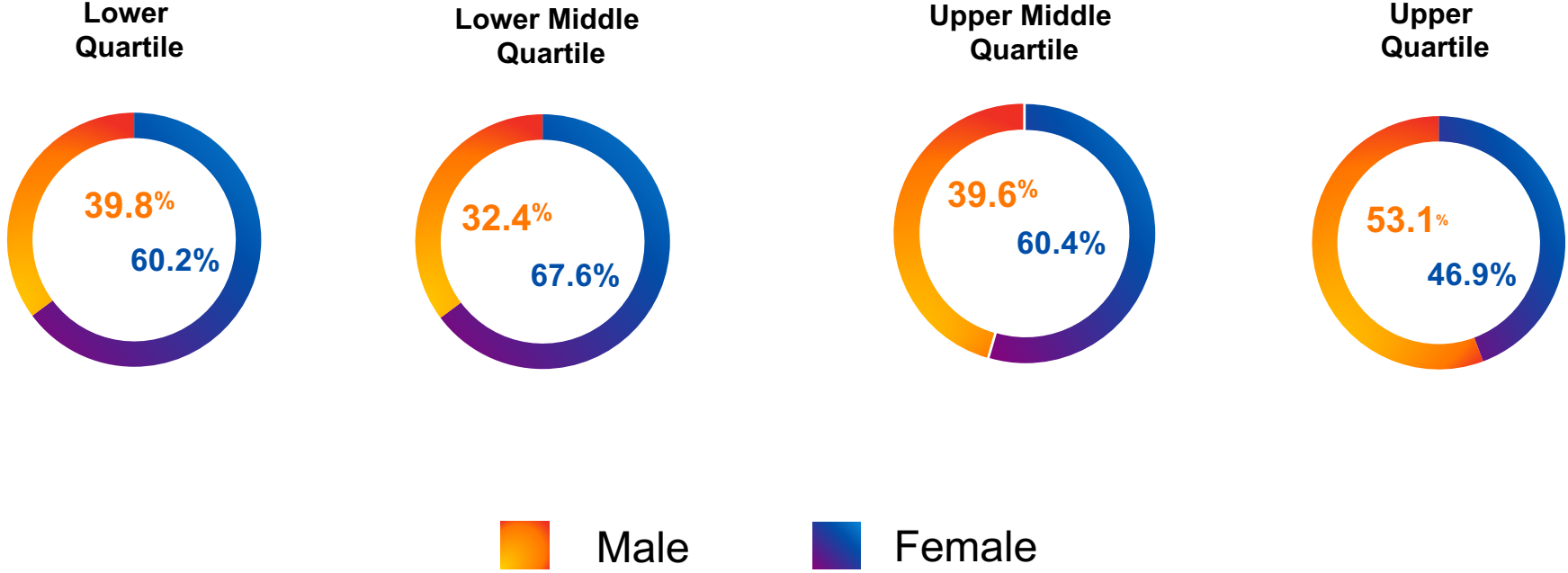
0%



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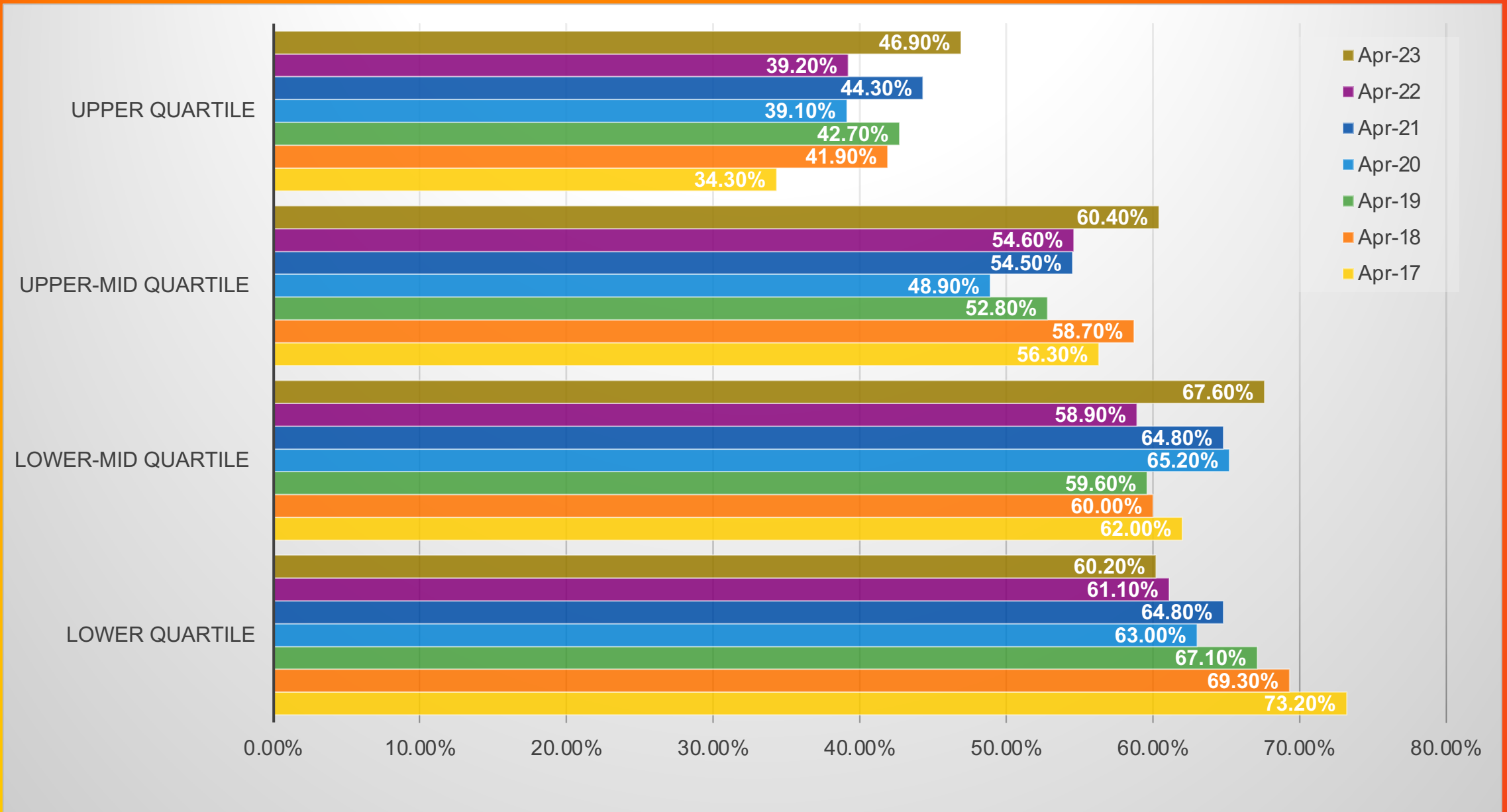
The percentage of men and women in each hourly pay quartile*

Proportion of employees in each quartile*



*Lowest to highest paid per hour

Quartiles





Our perspectives on the results

- The gender parity journey continues with the wider leadership group responsible for departmental targets and actions to close the gender pay gap
- Enabling talented women to progress into our most senior roles across all functions has been ramped up to focus more strongly on internal talent mobility and career plans
- Greater gender balance is still needed but particularly in the top senior positions in OMD EMEA
- Greater gender imbalance needs continual addressing including recruiting more men into junior roles

Our 6 Point Plan for 2024

1. Target Setting

We've devolved responsibility and accountability for GPG targets further down the line with our wider Leadership team. Following departmental analyses, we've pinpointed what the specific challenges are both for Gender and Ethnicity. Each departmental lead now holds the key to focusing on their specific gaps and are responsible for developing their action plans and activities to drive improvements. They report back to the senior leadership team on progress on a quarterly basis which ensures we track the achievement of these targets which vary from department to department. We believe that this transition by broadening our overall agency targets to individualised departmental targets will greatly accelerate the pace of change and improvements.

2. Internal Mobility

Our focus continues on the retention and promotion of senior women to improve the level of representation at a leadership level based on merit, performance and potential. Career growth and opportunities are key to this drive. While we have close to 50% representation of women in the most senior roles (Executive Director and above), we still have an underrepresentation relative to the rest of the business (57.7% are women). Our aim is to increase the proportion of women in these roles to improve our gender pay gap.

3. External Attraction

Our data shows that improvements to both mean and median pay gaps can be achieved by moving closer to 50% representation of men and women in Executive and Manager level roles (i.e. a reduction in the proportion of women – currently around 65% of these roles are held by women). We believe that it's easier to effect these changes to our lower level roles where we believe opening up to socially disadvantaged, disabled and other under-represented groups would be attractive to recruiting more men into junior roles. This is due to the barriers to recruitment being reduced because these roles require less or no experience.

4. Performance Appraisals

We've made changes to our appraisal process to further clarify our performance rating to help better inform pay and promotion decisions. In addition, we have provided improved guidance for managers alongside workshops where gender and pay reviews guidance is further provided.

5. Pay and Promotions

Our Remuneration Committee's role is to review, challenge, align on salary benchmarking (both internal and external) and ensure we are addressing gender disparities in every pay review cycle (twice per annum).

6. Parents and Carers Community

We've established a new Parents and Carers community to enhance our support to women pre and post maternity leave and help improve the GPG by retaining experienced women. The scheme includes working fathers.

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Our Gender Pay Gap Summary

Given the previous analysis, we can make the following observations:

- Our pay gaps continue to move in the right direction. We are confident this trend will continue, and our statistics will improve
- While we have a female dominated workplace (57.7% female) our pay gaps continue to exist because those women are not equally spread.
- We are striving to improve the retention and promotion of female talent. If we can achieve this, our analysis shows that our gaps will reduce.
- Our data shows that improvements to both mean and median pay gaps can be achieved by moving closer to 50% representation of men and women in Executive and Manager level roles (i.e. a reduction in the proportion of women – currently around 65% of these roles are held by women).
- We continue to target ourselves to achieve gender diversity at all levels and will focus on each quartile's actions to address the balance across the board. Both the lower and upper quartile will need particular focus this year.

OMD EMEA

Agency Values and Behaviours

How we hold ourselves accountable as individuals and as an agency to deliver an inclusive culture

We hear every voice

We actively invite new and diverse perspectives insuring everyone's voice is heard to give us a balanced and progressive view

We question it

We are curious by nature, constantly exploring new ways to problem solve and to improve our product

We make it better

We push to be better, by constantly challenging ourselves and each other

We keep It moving

We know that progress is more important than perfection, and support each other in delivering small wins every day

We always care

We have a culture that prioritises care, tolerance and respect. We know we are better together when we each feel empowered to be our authentic selves



We're all in!
There is **a place for everyone** at OMD