



# 2021 GENDER PAY GAP REPORT

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# INTRODUCTION

Edelman is committed to a diverse and inclusive workforce where everyone is valued equally, and all employees feel respected. We have robust processes in place to ensure our approach to pay and reward is fair and that our people are treated consistently and rationally as between their peers. As a result, our assessments indicate we comply with the equal pay gap.

## THE GENDER PAY GAP

is the difference in average pay and bonuses between men and women irrespective of role.

## EQUAL PAY

is the legal right for men and women to be paid the same when doing the same or similar work or work of equal value.

We have identified a gender pay gap in our April 2021 figures when we compare the overall average pay and bonuses of our male and female staff. We remain committed to driving forward a range of actions and policies to address the business issues raised through the gender pay reporting regime. With all such initiatives, we will take steps to ensure that our policies and practices are fair and do not discriminate against any group and continue to promote training in unconscious bias to encourage increased understanding of this area.

The gender pay gap is measured by comparing remuneration of the total population of women at the firm with the remuneration for the total population of men at the firm, rather than looking at like-for-like roles. In our case, this entails comparing a significantly larger group of female employees with a smaller group of male employees. While this is true of many organisations, we recognise that the overall composition of our UK business is different from many other industries in the UK.

The PRCA state the demographic makeup of the PR industry is 67 percent female and 33 percent male, which is very close to our 64:36 split. At Edelman UK we have achieved 50:50

gender balance at the top of the organisation, however, to align with the industry at large, we have made the commitment to achieve a 60:40 ratio across all levels of our organisation.

Across both 2020 and 2021, we rebooted our commitment to advance gender equality across our entire organisation. This included further investments in specific initiatives to address career progression and leadership development for those in middle and senior management roles. Examples of this include building out our informal and formal mentoring schemes for all employees, enhancing our recruitment practices and launching several new partnerships to support our equality commitments.

We strongly support the legislative requirement for organisations with 250 or more employees to publish data on their gender pay gap. We believe that reporting and transparency play an important role in holding businesses accountable, and for us as a firm, the figures are one of the measures that we use to understand how we are tracking against our commitments. While the metrics only tell part of the story, it is our view that the conversations they are promoting, both in our own firm and more broadly, are helpful.

# WE BELIEVE THIS IS A STEP IN THE RIGHT DIRECTION TOWARD MAKING THE UK A FAIRER SOCIETY.

## SIGNED


**Ruth Warder**

Co-Chief Executive Officer UK&I



**Hugh Taggart**

Co-Chief Executive Officer UK&I



We confirm that the information and data reported are accurate.

# WHAT ARE WE REQUIRED TO REPORT?

The government requires employers to report both the mean and median gender pay gaps and bonus gaps in their workforce, as well as information on the proportion of men and women awarded a bonus, and the proportion of men and women when divided into four groups (quartiles) from lowest to highest pay. Mean and median calculations were used when comparing bonuses for men and women from 6 April 2020-5 April 2021, in line with the government's reporting requirements.

The median is the figure that falls in the middle of a range when everyone's wages are lined up from smallest to largest. The median gap is the difference between the employee in the middle of the men's range of wages and the middle employee in the women's range of wages.

The mean, commonly known as the average, is calculated when you add up the wages of all employees and divide the figure by the number of employees. The mean gender pay gap is the difference between men's mean pay and women's mean pay.

# OUR NUMBERS

## PAY GAP

The table below shows our overall mean and median gender pay gap based on hourly rates of pay as of 30 April 2021 for employees employed at the snapshot date of 5th April 2021. We have a median gender pay gap of 17.1% (compared with 19.47% in 2020) and a mean gender pay gap of 19.52% (compared with 18.28% in 2020). The latest ONS national average (2020) median gender pay gap is 15.5% (compared to 17.4% in 2019).

### GENDER PAY GAP

Difference between men and women's average hourly rate of pay

Median:	17.1%
Mean:	19.52%

## BONUS PAY

Of the **334 bonuses paid out**, **66% were paid out to women**, whilst **34% were paid out to men**. This is in close alignment to the gender ratio of the organisation. This year we saw a reduction in our median bonus gap by **32-percentage points**. This has likely been driven by our bonus payment ratio being in close alignment with our gender ratio of the agency. Whilst more women received bonuses, a small number of employees received contractual payments which were paid out within the year – driving the mean bonus gap. These outliers were further accentuated due to a smaller bonus pool as a result of the ongoing covid-19 pandemic.

### RECEIVED A BONUS

Percentage of men and women being paid a bonus in the twelve months before the snapshot date:

Female:	<b>70.61% (221)</b>
Male:	<b>65.32% (113)</b>

### GENDER BONUS GAP

Difference between men and women's bonus pay:

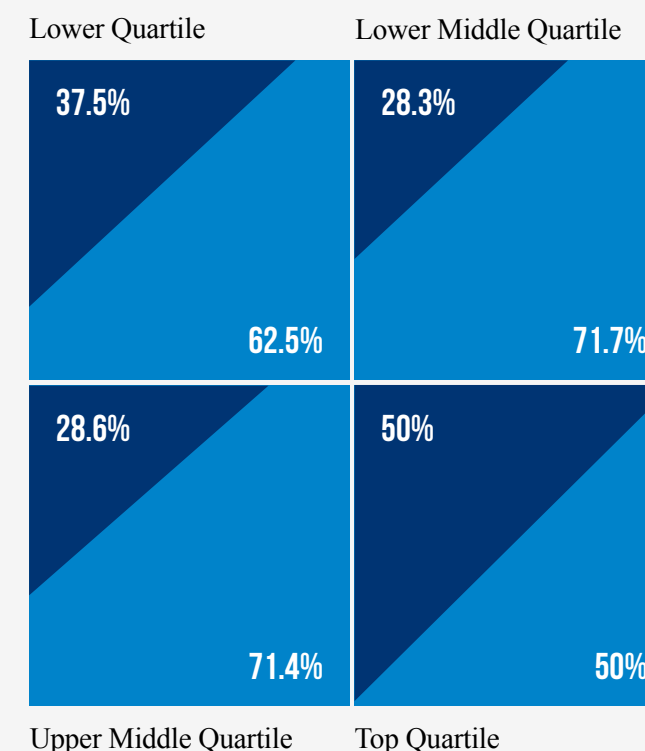
Median:	<b>4.11%</b>
Mean:	<b>65.25%</b>

## PAY QUANTILES

Edelman is made up of 64% women and 36% men. The total population of **478** was divided into the four pay groups. The data shows there are more women than men in the first three pay quartiles, with the top quartile being balanced.

Lower Quartile:	37.5% (45) male, 62.5% (75) female
Lower Middle:	28.3% (34) male, 71.7% (86) female
Upper Middle:	28.6% (34) male, 71.4% (85) female
Top Quartile:	50% (59) male, 50% (60) female

■ Male ■ Female



# OUR PROGRESS & COMMITMENTS

In accordance with the Equal Pay Act, we have robust processes in place to ensure all employees are paid equally, and that our approach to pay and reward is based on fairness and equality.

## EQUAL PAY

Equal pay has been a legal requirement since 1970. Equal pay ensures women and men are legally entitled to be paid at the same rate for like work, work rated as equivalent, and work of equal value.

## GENDER PAY GAP

The gender pay gap is an equality measure that shows the difference in average earnings between women and men within your workforce. It is only a requirement for large employers (of 250 employees or more) to publish Gender Pay Gap figures both on their own website and on the government site.

As identified earlier in this report, we have a gender pay gap when we compare the overall average pay and bonuses of our male and female staff. This gap is driven by the fact that women outnumber men 2:1 until higher grades at which the weighting becomes 50:50 as opposed to the 60:40 consistent with the ratio within the PR industry. This can be seen clearly in our pay quartiles.

As a business we have set a vision and established workstreams to support not only our Gender Pay Gap commitments but ensuring we achieve equity for all. To achieve this, we focused our efforts around four core pillars:

1. Engaging and rebooting employee community groups
2. Enhanced development programming for female leaders
3. Data tracking and policy review
4. Leadership & business actions

The actions set out below are aligned to these four pillars and address in further detail our progress against the commitments.

## EMPLOYEE COMMUNITY GROUPS

This year we extended Edelman's women's network, GWEN, to be inclusive of all employees, regardless of gender. Our UK relaunch incorporated Men for Equality which aims to ensure all employees can learn from each other's experiences. In addition to this, GWEN lean-in-circles were opened to all-employees. The circles allow for informal employee-driven conversation, creating a secure space for open discussion.

To build on this, we also created a new monthly "Powered by GWEN" podcast and speaker series which brings together inspiring and thought-provoking speakers on the hottest topics across society, culture, and business. It's an opportunity to showcase the talent within the GWEN network as moderators of the conversation and acts as one of our external voices on the topic of gender equality in the industry more broadly. In just the first 4 episodes, the series has received over 1000 downloads.

Finally, as we look to advance equality for all, we are building out our DEI taskforce. This core group will consist of members from the senior leadership team and will be held responsible and accountable for defining the strategy and driving advocacy of our core pillars of DEI, one of which is Gender.

## FEMALE LEADERSHIP DEVELOPMENT PROGRAMME

In support of our commitment to achieve a 60:40 gender ratio across all levels of our organisation, a female leadership development programme was created to support the professional growth of women progressing through higher levels within the organisation.

The programme was created in partnership with female employees and includes facilitated learning as well as a rotational scheme aimed at raising the external profile of females within the business. Additionally, a mentoring programme was established, targeted at mid-senior females. We achieved a high uptake with 73% of the participants identifying as female. In support, we partnered with Resurgo, a consultancy with expertise in coaching who trained the mentors with skills needed.

**WE HAVE MADE THE COMMITMENT TO ACHIEVE A 60:40 RATIO ACROSS ALL LEVELS OF OUR ORGANISATION, WHICH IS REPRESENTATIVE OF THE GENDER MAKE-UP OF OUR INDUSTRY.**

## DATA TRACKING AND POLICY UPDATES

Data and an evidence-based approach is critical to our strategy development and decision-making processes. We continue to enhance our data and reporting, with each team having access to individual departmental plans which are used to inform team specific and company-wide commitments.

Most recently, we have partnered with Green Park, an award-winning DEI consultancy, to complete a comprehensive audit of our policies, procedures and lived experience within our UK business. We will use the results of the audit to enhance policies and processes which remains a commitment of the agency.

Aligned with this pillar, Edelman recently added a miscarriage and menopause policy which are aimed at providing additional support and dedicated time off for any employee, or any employee with a partner, going through these experiences. The policies are designed to also help colleagues and line managers understand their role in helping employees to manage difficult or challenging personal circumstances whilst also aiming to normalise conversation openness and tackle perceptions that may be held in relation to these topics both internally and externally of our business.

To compliment the above policies, new wellness initiatives were also launched to support employee wellbeing. These initiatives included Thruva, the home-health check-up provider, and Peppy, a first-of-its-kind healthcare app that provides expert Fertility, Baby and Menopause support to all employees via the ability to access highly trained practitioners at the touch of a button.

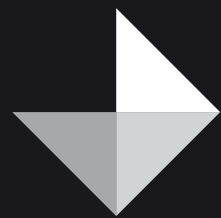
## LEADERSHIP & BUSINESS ACTIONS

We have introduced new core KPIs for all members of the Edelman UK senior leadership team where they are required to demonstrate consistent actions and progress aligned to the UK business's advancing equality commitments.

Additionally, the business has strengthened recruitment practices so that they are aligned to our Gender Pay Gap objectives. To ensure gender diversity exists at all stages within the recruitment process, we have implemented gender balanced CV reviewers and interview panels as well as gender balanced shortlists across all levels. This will run alongside our robust performance management practices and compensation and promotion planning.

We leverage a range of job boards with the intention of targeting diverse talent. Moreover, all roles are advertised internally, to support development and progression of existing talent through the firm. All new roles are being advertised as open to part-time and job sharing, as we continue to elevate our approach to flexible working.

The actions outlined within this document are indicative of some of the activities we progressed as a business to address our gender pay gap and reflect the broader change we would like to see, as we work towards advancing equality for all.



**Edelman**