



Gender Pay Gap Report 2020

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Introduction

This report reflects data from employees who work within DDB UK Limited – the legal entity that includes adam&eveDDB, Tribal Worldwide, Gutenberg Global and cain&abel. The figures included within this report are accurate and in accordance with the regulations.



At DDB UK, we have always recognised that people are our biggest asset - it is only with the best people that we can deliver outstanding work for our clients. To help do this, we have put inclusion and equality at the forefront of our culture as we believe that diverse teams have the best ideas.

Although our gaps are still too high, it is good to see that the strategy and measures we have put in place continue to have an impact. Going forwards, we remain committed to putting the same passion and drive into closing our gender pay gaps as we put into creating award-winning, effective work for clients.

Our goal is to eliminate the gender pay gap. We know that this will take time and can only be done in a fair, inclusive and meritocratic way. By raising awareness of the issues faced by women in the workplace, and by developing initiatives that transform the way that both we and the industry do things, we know that we can achieve this and secure lasting change for women.

A handwritten signature in black ink, reading 'Mat & Tammy', followed by a yellow double quotation mark icon.

Mat & Tammy
Group CEO
DDB UK Limited

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Demystifying the Gender Pay Gap

This report reflects data from employees who work within DDB UK Limited – the legal entity that includes adam&eveDDB, Tribal Worldwide, Gutenberg Global and cain&abel.

In what we believe is an **important, progressive and positive piece of legislation**, UK companies with 250 or more employees are legally required to annually publish specific gender pay gap information. By forcing all employers to publish this information, the legislation aims to encourage them to

take action to **reduce the ongoing pay gaps between men and women** by getting to grips with the causes of gender pay gaps within their business.

Employers are required to publish six figures each year: the mean and median pay gap; the mean and median bonus gap; the proportions of men and women receiving bonuses; and the proportions of men and women in each of four pay quartiles. These figures must be calculated using 5th April as the “snapshot” date in each year.

The gender pay gap is not the same as equal pay. We are an **equal pay** employer. Equal pay is about ensuring that men and women are paid the same for carrying out the same or similar work. The **gender pay gap** is very different. It is the output of a statistical calculation and it does not make any adjustment or allowance for individual roles. Gender pay gaps tend to reflect demographic differences in a workplace.



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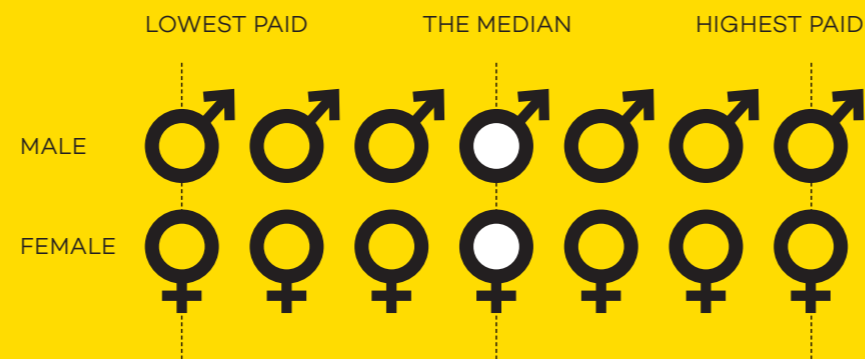
HOW THE GENDER PAY GAP IS CALCULATED

MEAN PAY GAP CALCULATION:

$$\frac{(\text{£X} - \text{£Y})}{\text{£X}} \times 100 = Z\%$$

MEN MEAN HOURLY RATE WOMEN MEAN HOURLY RATE
DIVIDED BY MALE HOURLY RATE

MEDIAN PAY GAP CALCULATION:



TERMINOLOGY EXPLAINED

Mean (average): The mean pay gap is the difference between the average hourly rate of women's pay compared to men's. Mean pay gaps can be distorted if there are a few very highly paid individuals of one gender.

Median (middle): The median pay gap is the difference between the middle woman (if put in order of pay rate) compared to the middle man. Because of this different methodology, median pay gaps are not distorted by outliers.

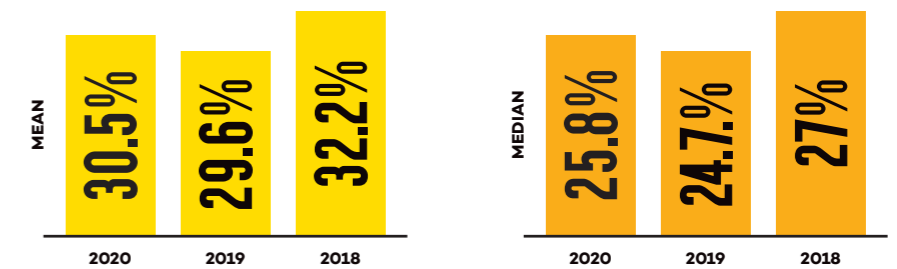
Quartiles: The gender pay quartiles show the proportion of men and women in each of four different parts (quartiles) according to their pay.

Snapshot Date: 5th April 2020 is used as the date for calculating all figures in this report.

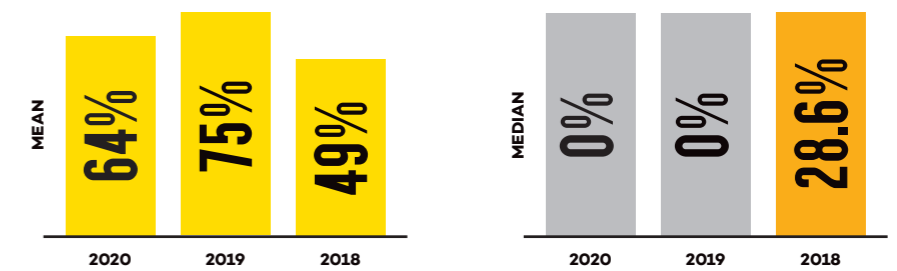
Bonus Payments: Bonus pay is mostly related to performance, but also includes discretionary seasonal bonuses that are payable to all eligible employees. Calculations of mean and median bonus pay are made using all bonus pay from the twelve months ending on 5th April 2020, and calculated from only those employees who received a bonus. These calculations also do not take into account the fact that part time staff will have received pro-rated bonuses.

The total qualifying employee headcount across DDB UK on the 2020 snapshot date was **585** and the gender split was **49% Men** to **51% Women**. In 2019, the gender split was 52% men and 48% women.

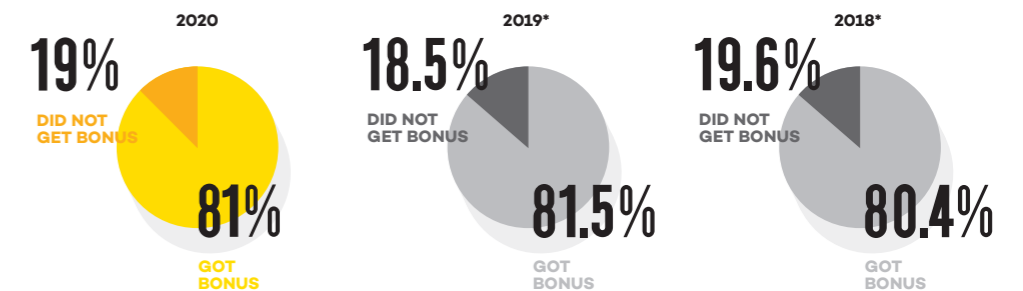
AVERAGE HOURLY PAY DIFFERENCE BETWEEN MEN AND WOMEN



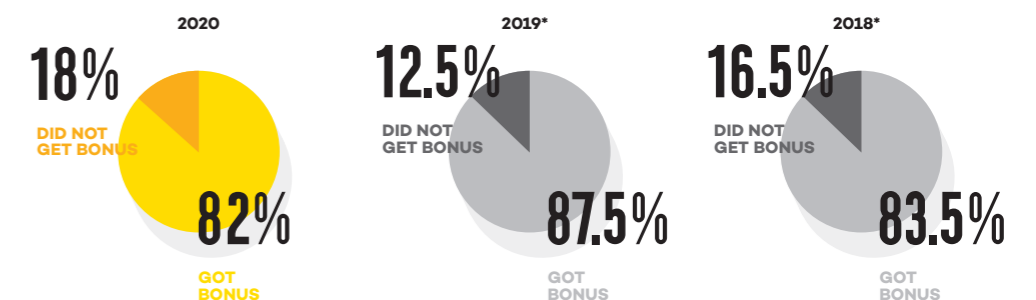
BONUS PAY GAP BETWEEN MEN AND WOMEN



PROPORTION OF MEN RECEIVING A BONUS



PROPORTION OF WOMEN RECEIVING A BONUS



Our Gender Pay Gap

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Why we have a Gender Pay Gap

We have again analysed our data in detail to identify the core factors contributing to our gender pay gaps.

As was the case last year, the most significant factor is that we still have a higher proportion of men than women in the highest paid roles. The proportion of women in these highest paid roles has risen in each of the past three years, but there are still improvements to be made here.

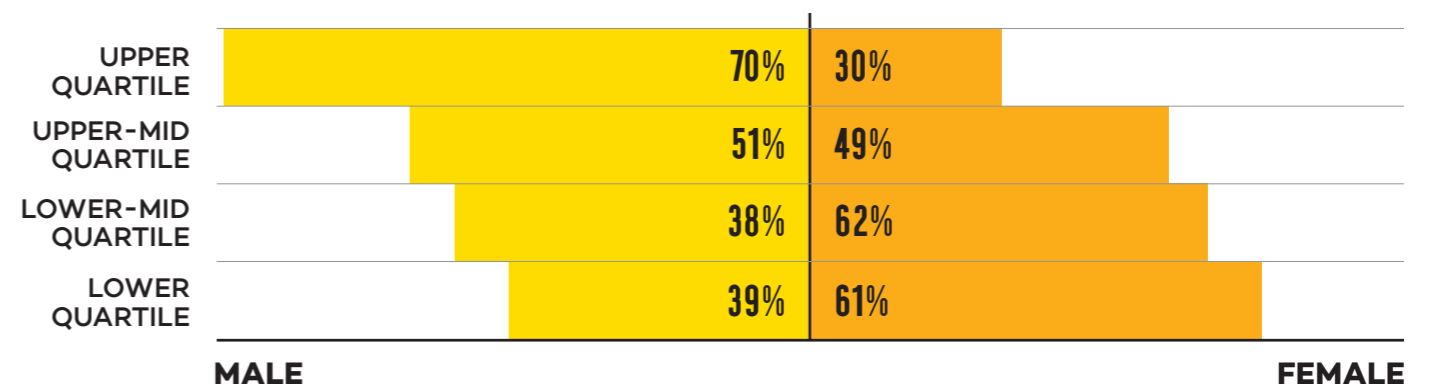
Covid-19 and furlough is also a factor. The methodology required by the legislation requires furloughed workers to be excluded from the pay gap calculations. Like many firms, we had to furlough some staff in April 2020 when the first lockdown hit. This means that both our mean and median pay gaps would be lower were it not for the impact of furlough.

Length of service and turnover provide a unique perspective. While the impact on our pay gap is minimal, it does provide a picture of the pace of change across quartiles and where we are likely to see adjustments made at a faster rate.

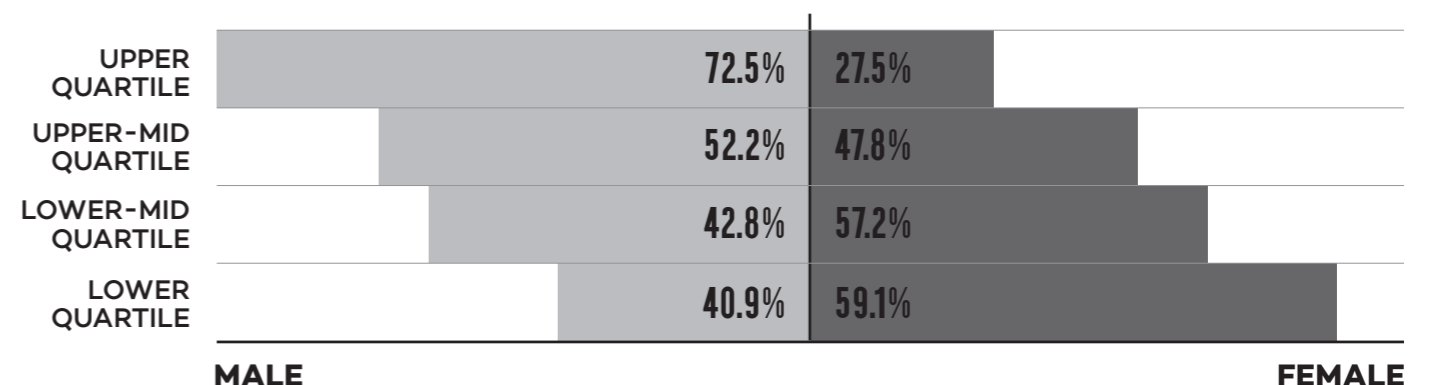
Looking at a breakdown by quartile:

- In the lower quartile women served on average 7.5 months longer than men.
- In lower middle quartile we see the reverse with men serving on average 10 months longer than women.

2020 DISTRIBUTION OF MEN AND WOMEN IN EACH QUARTILE



2019 DISTRIBUTION OF MEN AND WOMEN IN EACH QUARTILE



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Why we have a Gender Pay Gap

At this level we see the least impact of length and service against the pay gap. The biggest and most significant difference that has an impact can be seen in the upper quartiles.

- In the upper middle quartile, men served on average 14 months longer.
- In the upper quartile, men served on average 11 months longer.

This a reflection of a percentage of women who take a career break during this particular period in their career as well as the reduced rate of frequency of available roles and longer overall lengths of service in the upper and upper middle quartiles (approx. 200% increase of length of service between lower quartile and upper quartile).

The mean bonus gap has fallen and continues to be larger than the pay gaps, whilst at the same time the median bonus gap remains at 0%. There are a few reasons for this and they relate to the different ways in which the figures are calculated.

We pay our performance related bonuses to our senior staff. When the business does well, they receive a share of the success. However, as a large proportion of these are men, this pushes up the overall mean bonus gap.

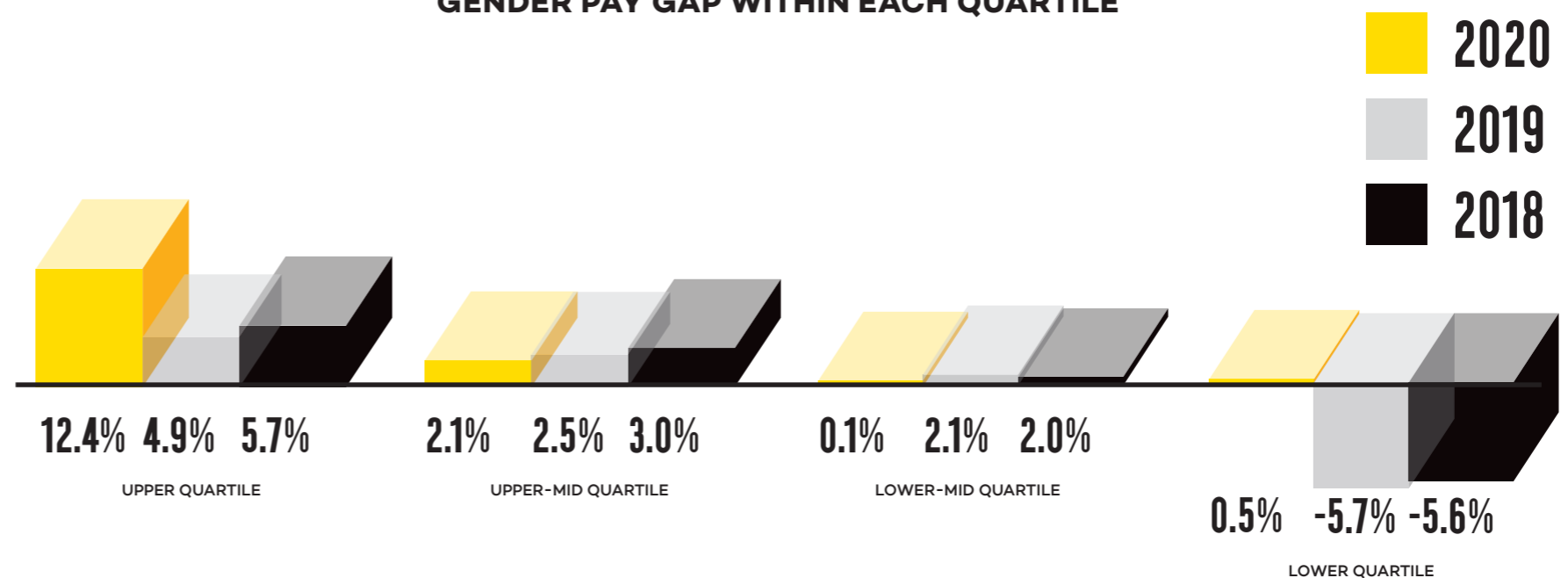
2018 DISTRIBUTION OF MEN AND WOMEN IN EACH QUARTILE

Quartile	Male	Female
UPPER QUARTILE	75.8%	24.2%
UPPER-MID QUARTILE	53.9%	46.1%
LOWER-MID QUARTILE	44.5%	55.5%
LOWER QUARTILE	40.9%	59.1%

In addition, unlike the pay gap calculation which is based on hourly pay, the bonus pay gap calculation uses the actual bonus received and so does not adjust for part-time working. As most of our part-time workers are women, including some in the most senior roles within our business, this also has an effect on our mean bonus gap. We also pay a Christmas bonus to the vast majority of our other staff. Because these bonuses are the same amount for everyone who receives it, this explains why our median bonus gap is zero.

As established previously, the highest paid positions in our business are generally held by people in senior management, creative, production and technology roles. Owing to a mixture of legacy, societal and industry specific reasons, more men than women continue to occupy these positions. Whilst strong and steady progress is evident from our gender pay gap figures, we know that addressing this imbalance will take time. It is a long-term agency and industry-wide priority. There have been year-on-year increases in the proportion of women occupying the upper quartile; this covers all of our higher paid staff. We identify this as being directly related to our commitments to ensuring meritocratic female progression, promotion and reward. We hope (and expect) to see more women reaching the top of our business as we support and nurture the next generation of female talent.

GENDER PAY GAP WITHIN EACH QUARTILE



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Narrowing the Gap & Improvements

We are pleased that our mean and median pay gaps have narrowed since we started reporting in 2017 and are committed driving the ongoing progress of this downwards trend. We will commit our time, resource, energy and attention to balancing each pay quartile by focusing on the following core areas.



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Narrowing the Gap & Improvements

1 Commitment to ensuring that the gender imbalance in the highest paid quartile is reconciled in the future through **meritocratic female progression and promotion at DDB UK**. Our figures show that we have brought more women into the business which have tended to be at a more senior level.

We will continue to put a greater focus on **developing effective succession plans and supporting the next generation of female talent** to ensure that the exceptional women working for our business continue to progress.



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Narrowing the Gap & Improvements

2 To improve female representation in highly paid senior management, creative, production and technology roles, we must continue to focus our attention not only within our existing DDB UK talent pool but on **improving the demographics across our industry**. We need to attract more women into our industry.

2020 marked the conclusion of the **'Make the Leap'** pledge, a collaboration with the IPA and Campaign which called for all companies within the advertising and media world to pledge to achieve certain targets. The purpose of this initiative was to ask businesses to commit to putting diversity and inclusion at the top of their agenda, and to galvanise collective action and progress. The pledge set out a target of 40% of senior positions being held by women – a target we have exceeded. Whilst we are pleased that progress is being made in terms of the progression of female talent within our business, there is a lack across our industry. The presence of women in senior creative, technology and production talent pools remains an issue across our sector and makes it harder for us to find women to recruit into these positions. We look forward to working towards the new target figures for the future when the IPA releases them.

We must continue to focus not only on recruiting women into these roles but also retention. We must ensure that **a greater number of women are supported to enter, remain and progress into these positions in our industry**. We continue to sponsor and partner with affiliated organisations that are doing great work to make sure that progress is realised across the industry. We also continue to have a senior presence on the IPA's Talent Leadership Group, a cohort of industry professionals focused on driving real D&I change across the sector.

We will continue to invest in initiatives and programmes such as WACL, Media Trust, and Campaign Future Leaders, that are strategically making a difference to the future demographic of our industry.



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Narrowing the Gap & Improvements

3 We will continue to support female talent to return to work following maternity leave and to progress in keeping with identified potential. In 2018 we enhanced our Family Friendly policies and practices. In the last 12 months all women returned to work following maternity leave. We attribute this to continuing to accommodate flexible working practices.

To help reduce primary childcare responsibilities disproportionately falling on women and so hindering their career progression, we recognise the need to better **support men to take a greater role in childcare responsibilities**. Our Shared Parental Leave Policy offers the same level of financial enhancement for men and for women. We have seen a significant increase in the last 12 months of men taking SPL, which shows that the culture is changing, and our male employees feel more empowered to take time out of their careers to support their families. This also included our Joint CEO Mat Goff.

We look to work with industry experts and to sponsor relevant initiatives that will have a positive impact on our returning parents. To better support our employees who have recently been, or are going, on family leave we have put in place initiatives to educate, inform and advise parents and line managers alike, and to also help facilitate a network

of employees who have shared experiences and may benefit from a sense of collective support. We have also continued to sponsor the **Creative Equals Returner Programme**, which specifically aims to support women to return to creative roles after taking time out of the industry for family responsibilities.

This partnership enabled us to recruit two senior female Creatives. This connects to our commitment to attract and retain more women in senior creative positions within our industry.

We also have a Parents Forum which was set up to represent, support and champion the parents who work at the agency. Whether someone is expecting a baby or has children already, the group is here to provide peer support and advice, share knowledge and offer inspiration.

We will continue to consider how we can improve our Family Friendly offering on an ongoing basis and are exploring ways in which we can ensure greater parity between our maternity and paternity policies. We value all feedback about what works and what could be improved, so that we can continue to be recognised both by our current employees and prospective joiners as employers of choice for working parents.

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4 In 2017, we committed to holding hiring managers accountable for ensuring that **50% of candidates for senior positions are female.** Confirmation that 50% of candidates for senior positions are female forms part of our recruitment approval process, to monitor that line managers are adhering to this commitment and to highlight when this has not been possible and explore why this was the case (for example, a lack of existing talent in the labour pool).

Narrowing the Gap & Improvements

5 Tackling Unconscious Bias Training continues to be mandatory for all employees. One of the intentions of the training is to reduce the possibility of unconscious bias adversely impacting decision making and hindering the recruitment and progression of talent at DDB UK. In 2019 we reviewed the training to ensure it remains an effective means of tackling this issue. We will be developing bespoke unconscious bias training for our creative teams in order to drive diversity in the decisions we make and the work we produce. We will also be developing a new training programme for our new DE&I founding truths; bias, equity, intersectionality, isms and allyship. This will form our foundation of learning of core topics that underpin our DE&I work.

6 Eve is a group that exists to champion gender equality. Founded in 2015 to support female succession, it now works to encompass that and much more. Eve provides a range of resources to bolster ambitions and confidence: including access to specialist training; a safe space to share experiences; inspirational speakers; relevant creative stewardship and as a springboard for wider campaigns. The most recent of these is #SheTakesOver, an initiative created to raise the profile of women/womxn creators and inspire the commissioning of more diverse production talent within adland.



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Narrowing the Gap & Improvements

7 We will be delivering a series of equitable programmes supporting the development of women including the new Omnicom UK programme '(re)Learn to Lead – an educational 12-month programme – a leadership masterclass centred around agility, resilience, strength and inspiration and leading with kindness, empathy and humanity. We will also be delivering a peer mentorship programme and a speaker series, providing a platform and increasing the profile for the women in our business.

8 Women's Health Policies – we are reviewing our policies to include guidance, support and provision for a range of women's health issues. This includes (but not limited to) menopause, reproductive health, miscarriage, fertility, premenstrual disorders, gynaecological conditions, hormone therapy and hormonal changes during gender transition.

9 We will run an annual audit including a demographic profile to better benchmark where we are now and set targets for the change we want to see. This includes better representation and profile of women across all levels of the business. The audit is also a demonstration of our transparency and our accountability to do the work.

10 We actively support all **Omnicom People Engagement Network (OPEN) Diversity and Inclusion** initiatives. OPEN, and its respective groups, work to foster inclusive and engaging work environments. We sent a large group of our employees to the 2020 Omnicom Summit, an event dedicated to developing the skills of Omnicom's future female leaders.

In addition, Tammy Einav, adamandeveDDB's Joint CEO is a member of the WACL group – Women in Advertising and Communication, London. The group, comprising of the most senior women in the industry, runs events and awards to inspire and empower women.



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**WE ACKNOWLEDGE
THAT WE HAVE
MORE WORK TO DO
TO NARROW OUR
GENDER PAY GAP**



Gender Pay Gap Report
2020



The Future

Reducing our gender pay gap remains a priority and we are committed to taking the long-term action that is needed to achieve this.

Authentic, long-term progression will take time to be realised and it will continue to require meaningful collaboration across our business, our group and our sector.

We are optimistic about the impact of the positive changes that are occurring across our industry and welcome working with others to drive positive change.

