

*Gender Pay Gap
Report*

MULLENLOWE

Intro

MullenLowe is a creatively driven integrated marketing communications network with a strong entrepreneurial heritage and challenger mentality. We believe Purpose is Nothing Without Progress and strongly believe that we want to make positive change happen for both our clients and our people.

As a business we have a responsibility to ensure that we are continually aware of what we say and do both internally and externally. And why we continue to follow a 'deeds not words' agenda.

Creativity is arguably the last form of differentiation and there is compelling evidence that creativity is key to delivering increased effectiveness. We want to be making the most effective work for our clients, so it is imperative that the diversity of our services and our people is encouraged.

Closing the Gender Pay Gap remains a core focus but it takes time to adjust, particularly at a senior level. It's clear we have a lot of work still to do. This last year we have had more women return from maternity leave than ever before. We recognise the impact of the 'motherhood penalty' and are taking proactive steps to address this and ensure that we are supporting our working parents.

This report shares with you some of the actions we have put in place and some of the further plans we are working on to ensure absolute focus on achieving our ambition of halving our pay gap over the next two years.

Jeremy Hine,
UK CEO, MullenLowe Group UK



How the gender pay gap is calculated

In accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (“the Regulations”), businesses with over 250 employees must publish their gender pay gap information every year, showing how large the pay gap is between men and women.

Organisations required to publish their gender pay gap information must publish six specific metrics:

1. The median gender pay gap
2. The mean gender pay gap
3. The median gender bonus gap
4. The mean gender bonus gap
5. The proportion of male employees receiving a bonus and the proportion of female employees receiving a bonus
6. The proportions of male and female employees in each pay quartile

These figures must be calculated using the standard methodologies used in the Regulations.

Median Gender Pay Gap

This is worked out by putting all hourly rates of pay in ascending order, then picking the midpoint between the middle female and the middle male. The median is closest to the experience of the typical man and the typical woman.

Mean Gender Pay Gap

This is the difference between the average hourly rate of pay of all male employees compared to the average hourly rate of all pay of all female employees. The mean is sensitive to extreme values, which are the least representative of the set.

Underlying causes of the gender pay gap

It is important to distinguish the difference between the gender pay gap and equal pay. The gender pay gap measures the differences between the pay of male and female colleagues across the workforce as a whole, expressed as a percentage of males' earnings. Equal Pay looks at the pay differences between male and female colleagues performing equal work. The gender pay gap does not measure equal work and the existence of a gender pay gap does not necessarily mean that there are unequal pay practices existing within an organisation. In fact, there are many different social and economic reasons why the gender pay gap might exist in an organisation.

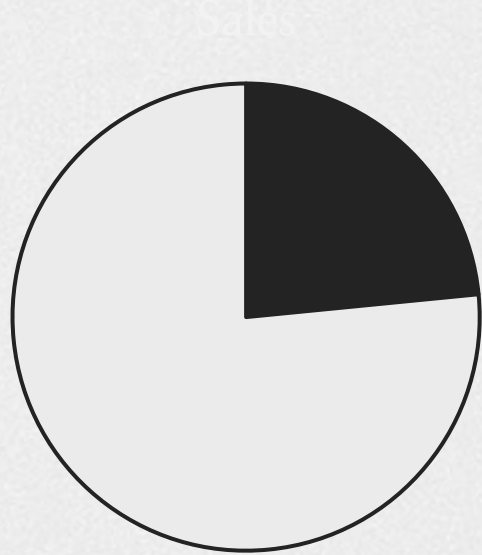
We have thoroughly reviewed our data that makes up the gender pay gap statistics and we are confident that our existing gender pay gap is not a result of paying men and women differently for the same or equivalent work. As an IPG agency, we continue to conduct annual pay equity reviews in conjunction with an independent external consultant, to compare compensation on the basis of gender between employees who are similarly situated with respect to factors such as job function, experience and geography. Based on our analyses to date, there were no findings of widespread pay inequalities. Any individual anomalies that have been identified have been corrected.

We recognised that the gender imbalance that exists in the upper quartile of our organisation needed to change and adjusted our working practices accordingly. We are now starting to see the positive results of these changes as our mean has decreased by 2.6%. Our mean pay gap continues to be higher than we would like due to a gender imbalance in favour of men in the upper quartile (by 8%) and a gender imbalance in a lower quartile in favour of women (by 28%). We are proactively committed to changing this by working towards having an equal ratio of men to women in each quartile pay band. We believe this can be achieved by the improvements we have made to our hiring, training and retaining practices.

Unfortunately, our median pay gap has increased by 3.9%, this is due a number of women in the middle quartiles leaving the business and their roles not being replaced. The people entering our business at the more junior level tend to be female. However, we are invested in their careers, with mentoring and training we hope promote these women in to more senior roles in the future.

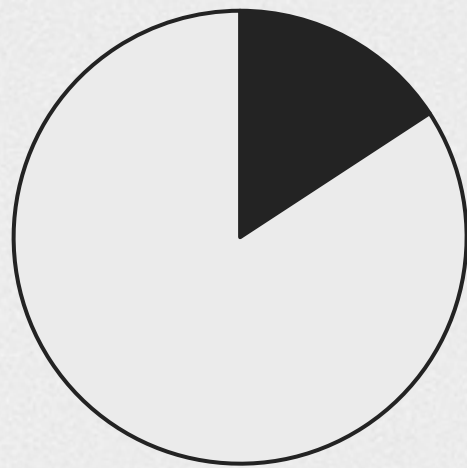
Gender Pay Gap Snapshot Data

Gender Pay Gap Ordinary Pay



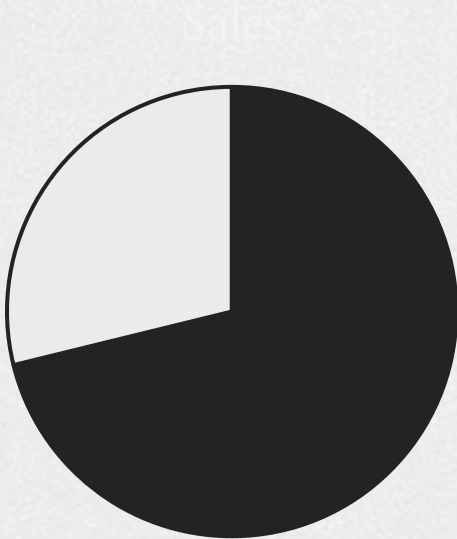
23.44%

Sales



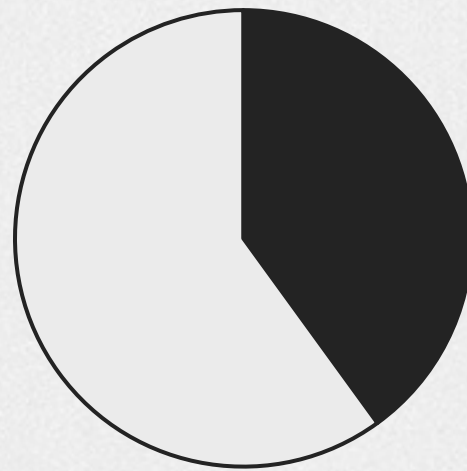
15.78%

Gender Pay Gap Bonus Pay in Last 12 Months Ending 31st March 2022



71.17%

Sales

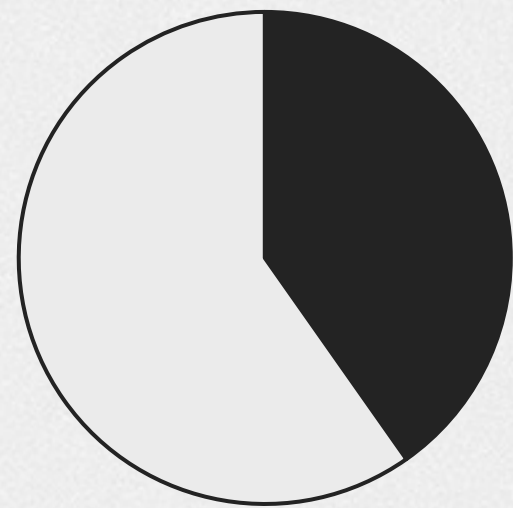


40%

Portion of Male and Female Paid a Bonus in the last 12 Months ending 31st arch 2022



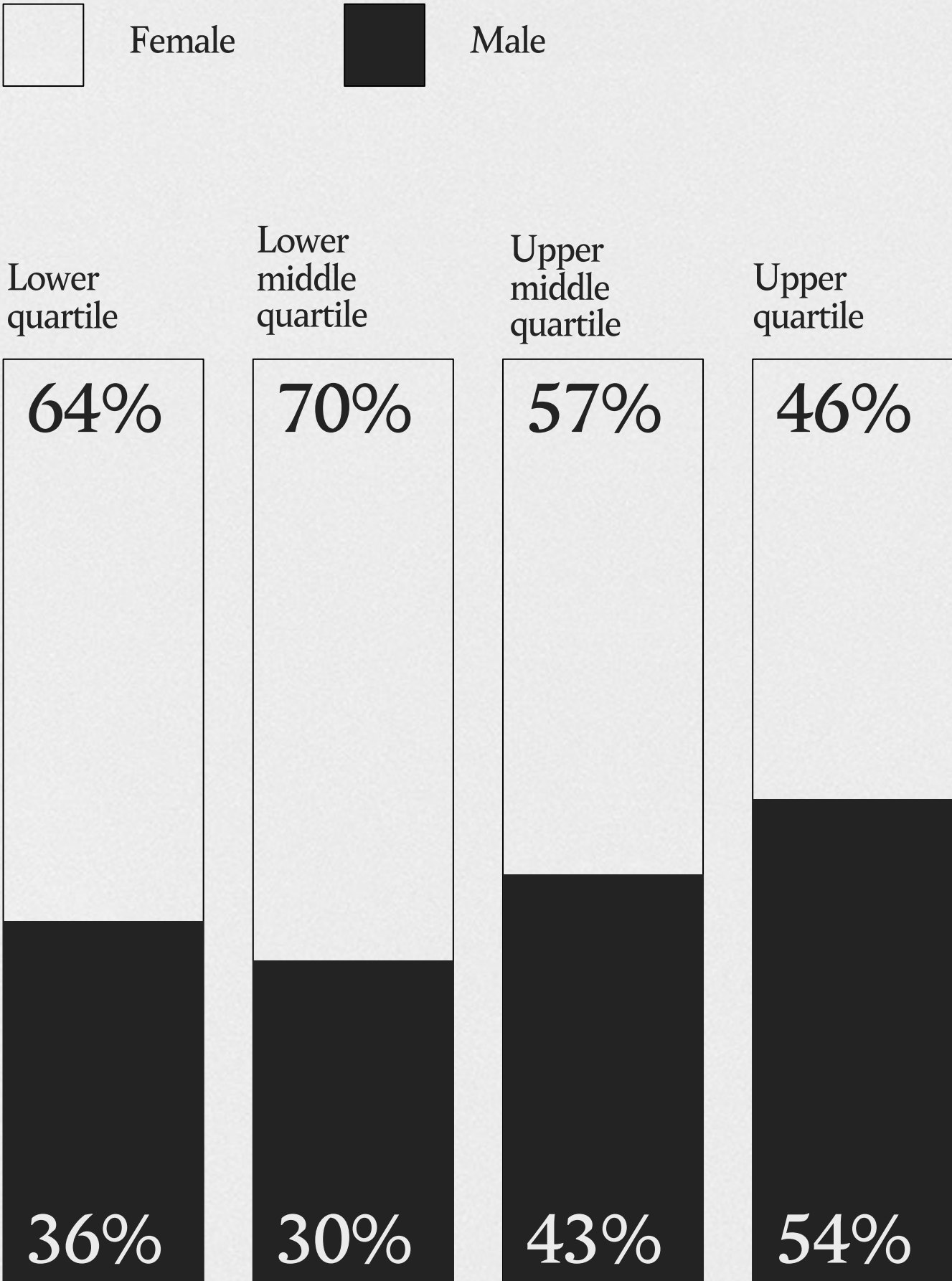
46.22%



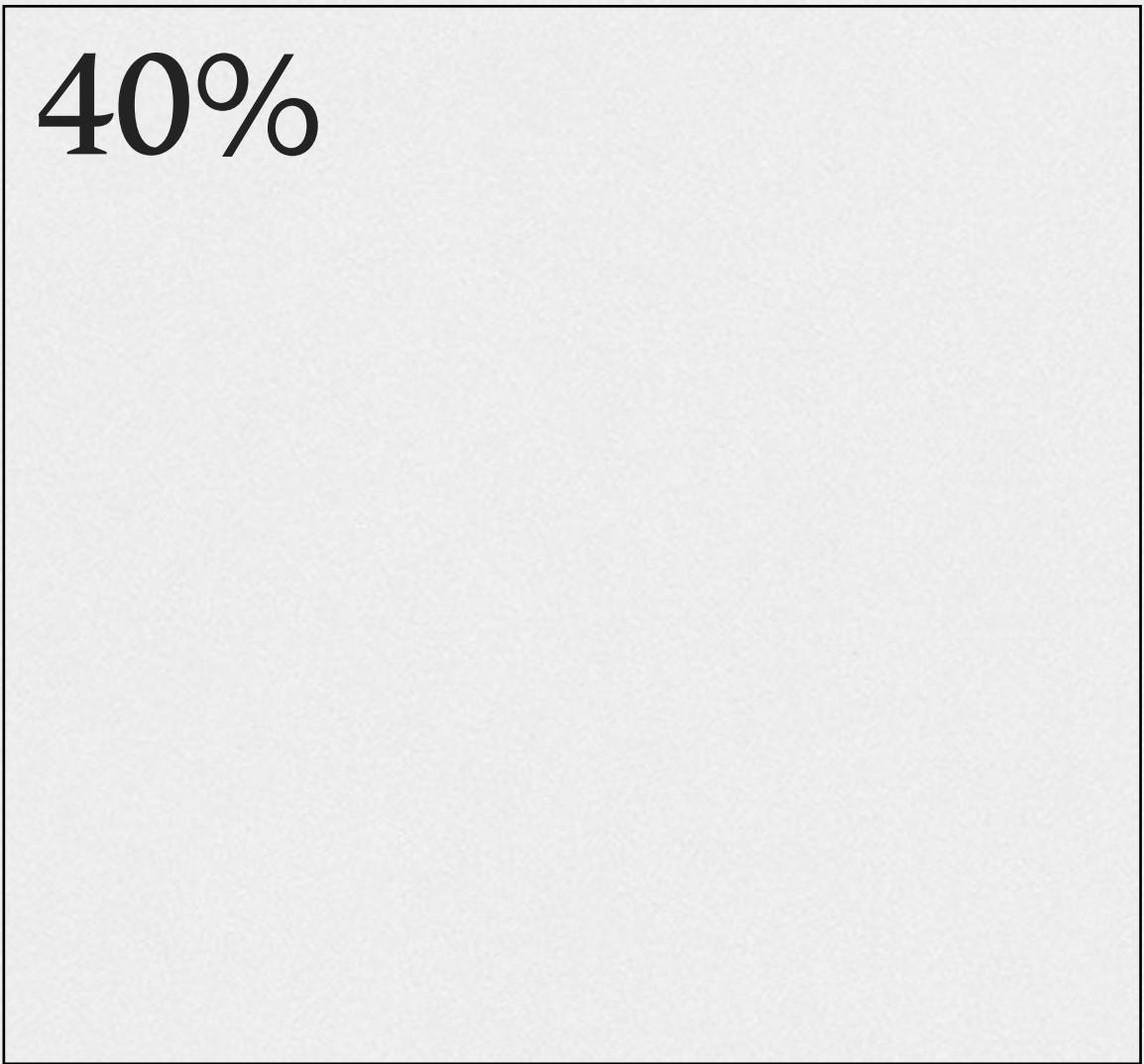
40.24%

Gender pay gap snapshot data

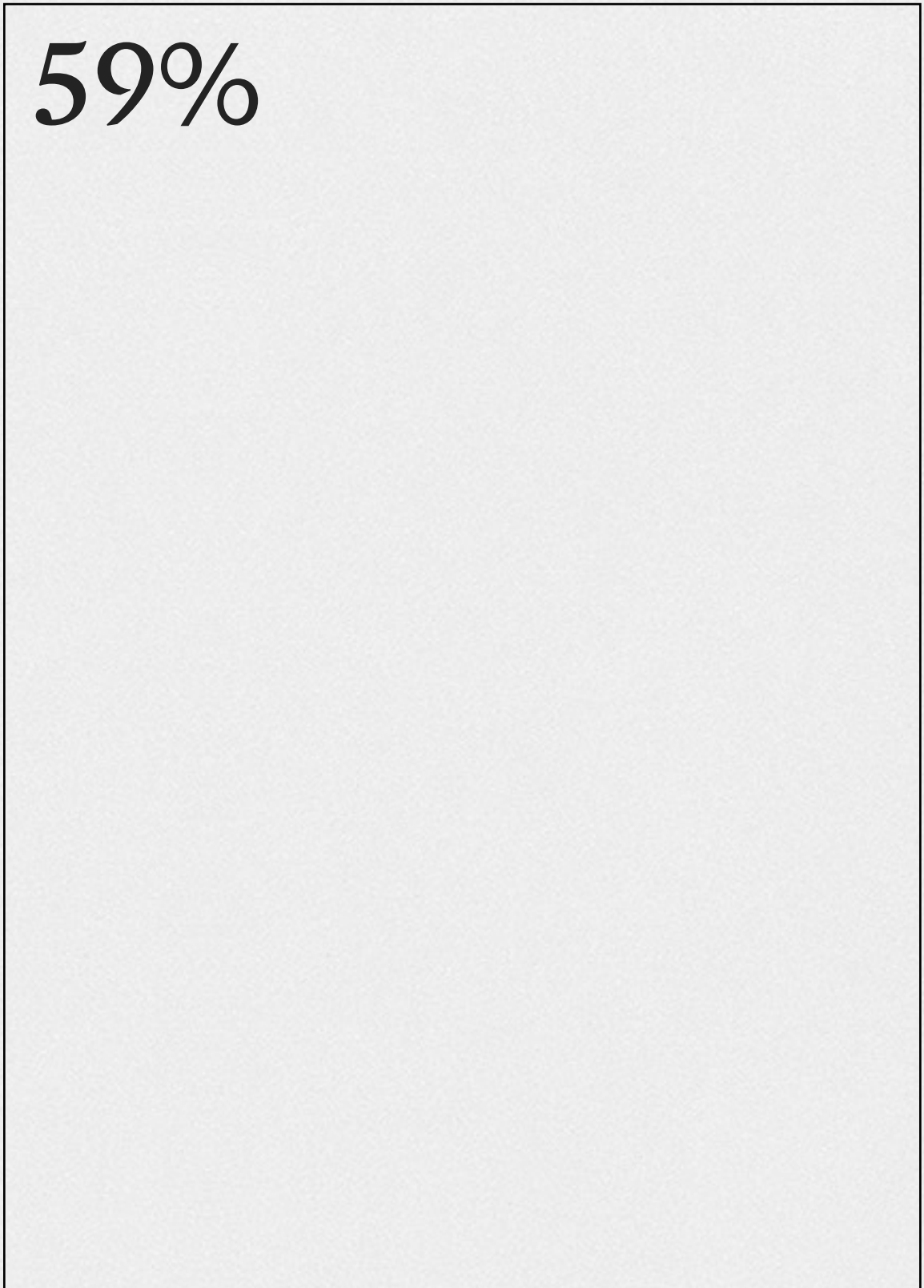
Proportion of male and female employees in each quartile.



Percentage of Women who are on the board of MullenLowe Group UK



Percentage of Women who are employed at MullenLowe Group UK



How we have reduced the gap

It is top of our agenda to reduce our gender pay gap and we have been doing this through a series of targeted actions.

GENDER SPLIT ON OUR BOARD

Since our last report we have seen a 10% increase of women on our board, this has increased by 30% in the last three years, and we are aiming for 50:50 representation in our report next year.

PROMOTION OF FEMALE TALENT

Over 2022 we promoted 26 of our women into more senior roles, that's 16% of women across the agency.

FAMILY FRIENDLY POLICIES

Over the last year we have thoroughly reviewed our family friendly benefits and policies and have made a number of enhancements to them. Research from the world economic forum has highlighted the 'Motherhood Penalty', that when women become mothers that is where the biggest impact on their salary occurs. It is estimated that 80% of the global gender pay gap is due to the 'Motherhood penalty', which widens when women have children. This is why we have taken the bold step to match our shared parental leave policy to our maternity policy, giving the non-birthing parent the option to actively share more leave in the child's first year. This can only be a good thing to help progress societal change.

We believe that our people give their best when they are trusted and empowered to work in a way that suits them and fits to their personal circumstances. Along with our hybrid/core hours policy, that allows our people to work in a way that suits their work / life balance, we have policies to help support family responsibilities, irrespective of gender; including but not limited to policies for people who menstruate, are going through the menopause, receiving fertility treatment and are transitioning.

FAMILY FRIENDLY POLICIES

Last year we launched our returners programme with managers of returning parents, this year we are building on this and offering back to work coaching for all our maternity returners to help better support them with transitioning back into the workplace. Our employee resource group continues to help support parents of all genders in the agency feel supported to manage the work/ life blend with family responsibilities.

How we intend to close the gap further

We are also making plans for the future to ensure that every year we move closer to closing the gender pay gap:

ATTRACT

We will continue to ensure our job adverts are sent out through our gender bias language filter to make sure they are as inclusive as possible. For all job vacancies that would fall in our upper quartiles we insist on both a gender balanced shortlist and gender balanced hiring panel. Since the reporting date we have hired a new female Chief Creative Officer, and we continue to look for opportunities across the agency to promote and hire women.

RETAIN

We have thoroughly reviewed all our gender related policies in the last year. This year we will start a partnership with Bloody Good Employers to learn how we can support menstruation in the workplace. We are proud that over the last eighteen months we have been championing our over 50s talent with our initiative called the 'Invisible Powerhouse', focusing on the importance of retaining our over 50s talent (particularly women).

DEVELOP

Over the last year we have partnered with organisations such as Bloom and Routes Collective, we will also continue to offer mentoring, coaching, and networking opportunities. We are also making plans for the future to ensure that every year we move closing our gender pay gap