

*Gender Pay Gap
Report*

MULLENLOWE

Intro

MullenLowe is a highly creative, integrated communications network committed to always being a challenger. We are champions of positive dissatisfaction, because no one ever made anything great from a place of satisfaction.

As a business focused on people and creativity, we have a responsibility to ensure that we are continually aware of what we say and do both internally and externally. 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. We are pleased that we are making progress in addressing our Gender Pay Gap, since we started reporting on this (both internally and externally) we have seen a 10% decrease in the mean pay gap. We know that closing the Gender Pay Gap takes time to adjust and there are several contributing factors why a Gender Pay Gap may still exist. We have made great progress in developing our female talent over the last year. Our female representation on the board is now 50%. The more challenging area of our business is in the lower quartiles where applicants for the more junior roles tend to be predominately female. 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 in continuing to reduce our Gender Pay Gap.

Please note for 2023 Mediahub were still part of our legal company structure therefore their employees legally fall into our numbers. However, MullenLowe had no control on salary or hiring decisions within Mediahub which transferred to IPG Mediabrands on Jan 1, 2024.

Claire
Claire Hollands
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, 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.

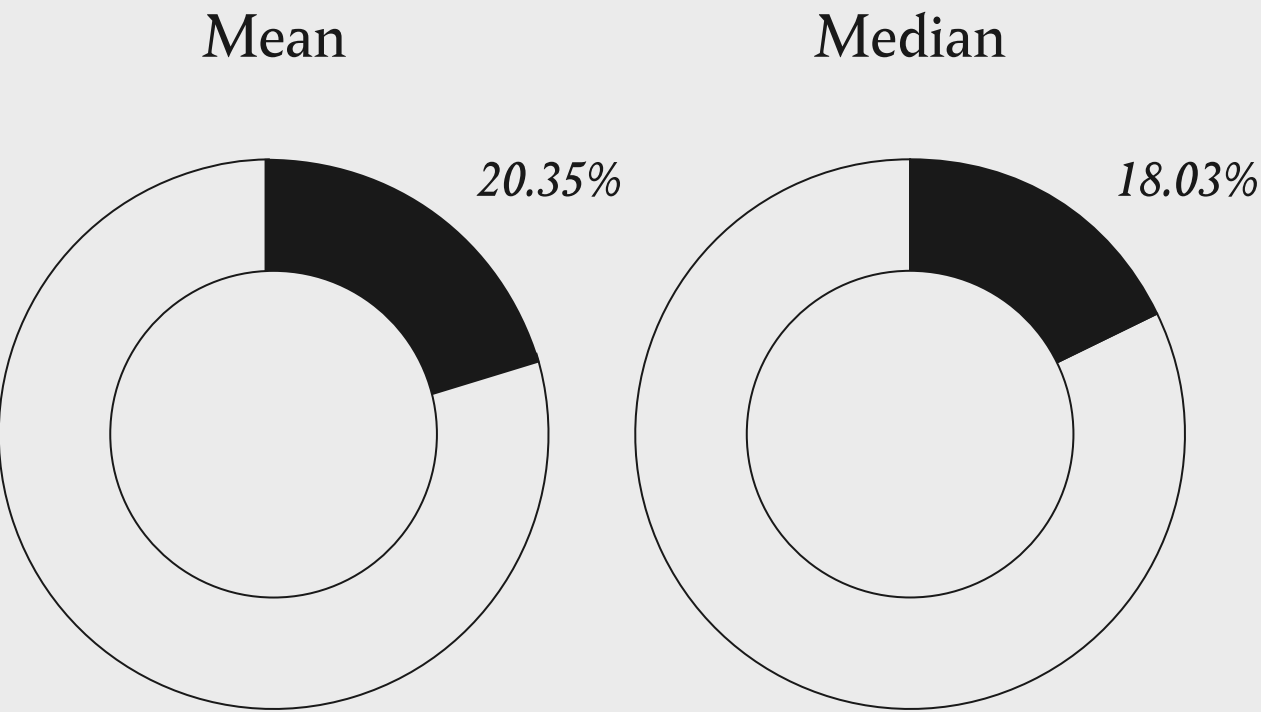
We have thoroughly reviewed our data that makes up the Gender Pay Gap statistics and we are confident that our existing Gender Pay Gap is not a result of paying men and women differently for the same or equivalent work. As an IPG agency, we continue to conduct annual pay equity reviews in conjunction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

We recognise that the gender imbalance that exists in both the upper and lower quartiles of our organisation is the main cause of our Gender Pay Gap. 60-65% of the lower quartile roles are occupied by women and 58% of the upper quartile roles are occupied by men. We are proactively committed to changing this by working towards having an equal ratio of men to women in each quartile. We believe this can be achieved by the improvements we have made to our hiring, training, and retaining practices.

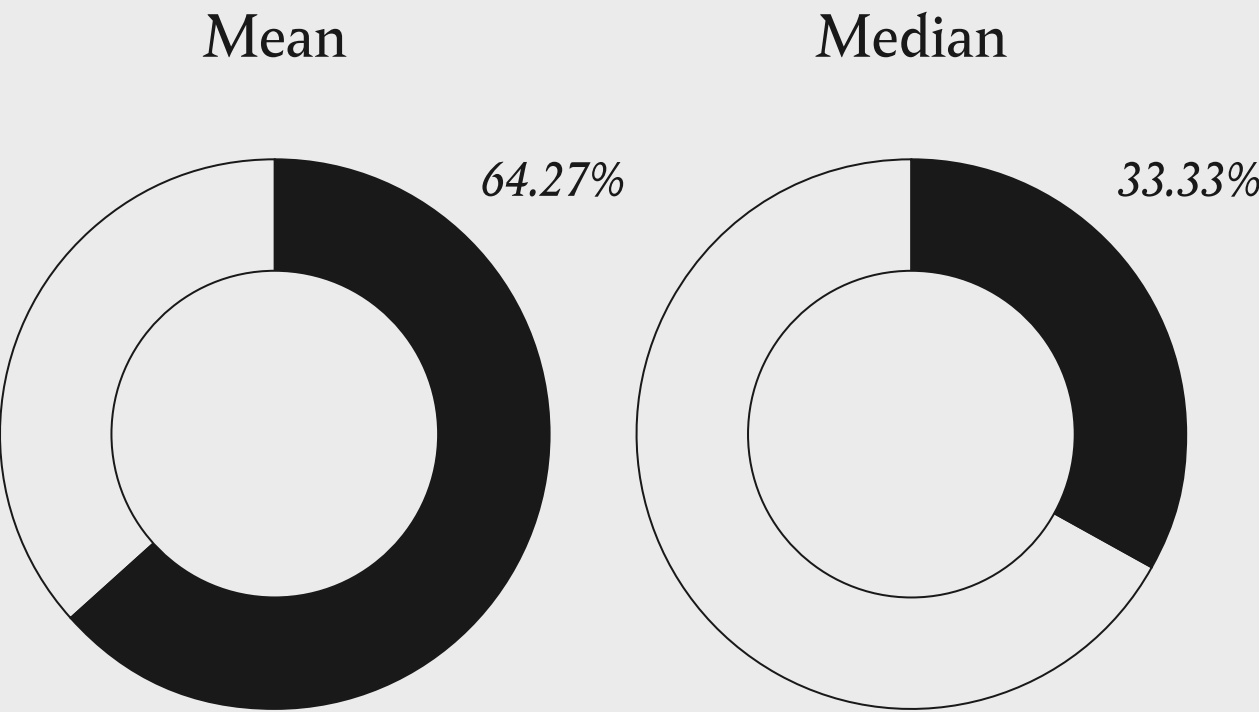
We have made some positive progress over the last year in the upper middle quartile where we have seen an 8% increase of women due to the continued promotions of mid/senior in women in the agency.

Gender Pay Gap snapshot data

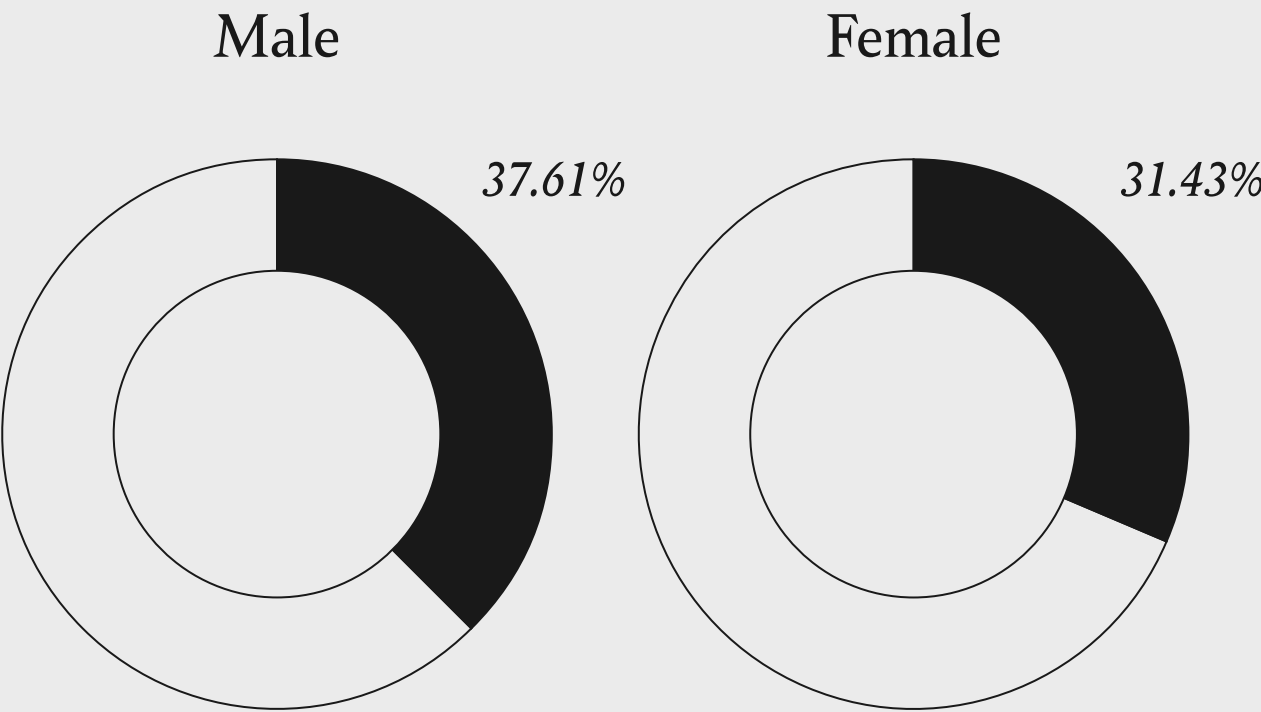
Gender Pay Gap ordinary pay



Gender Pay Gap bonus pay
in the last 12 months ending
31st March 2023

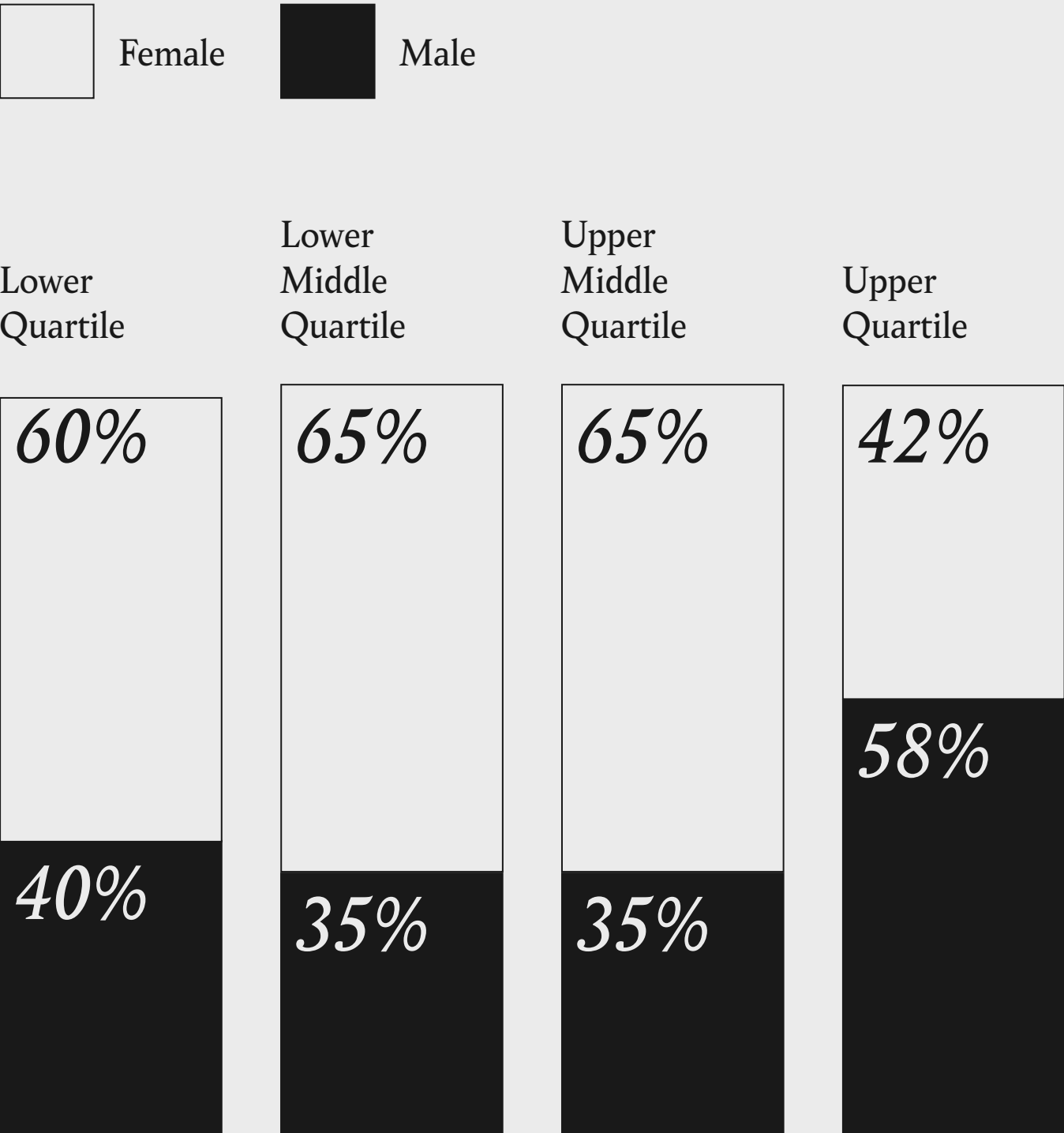


Portion of male and female
paid a bonus in the last 12 months
ending 31st March 2023

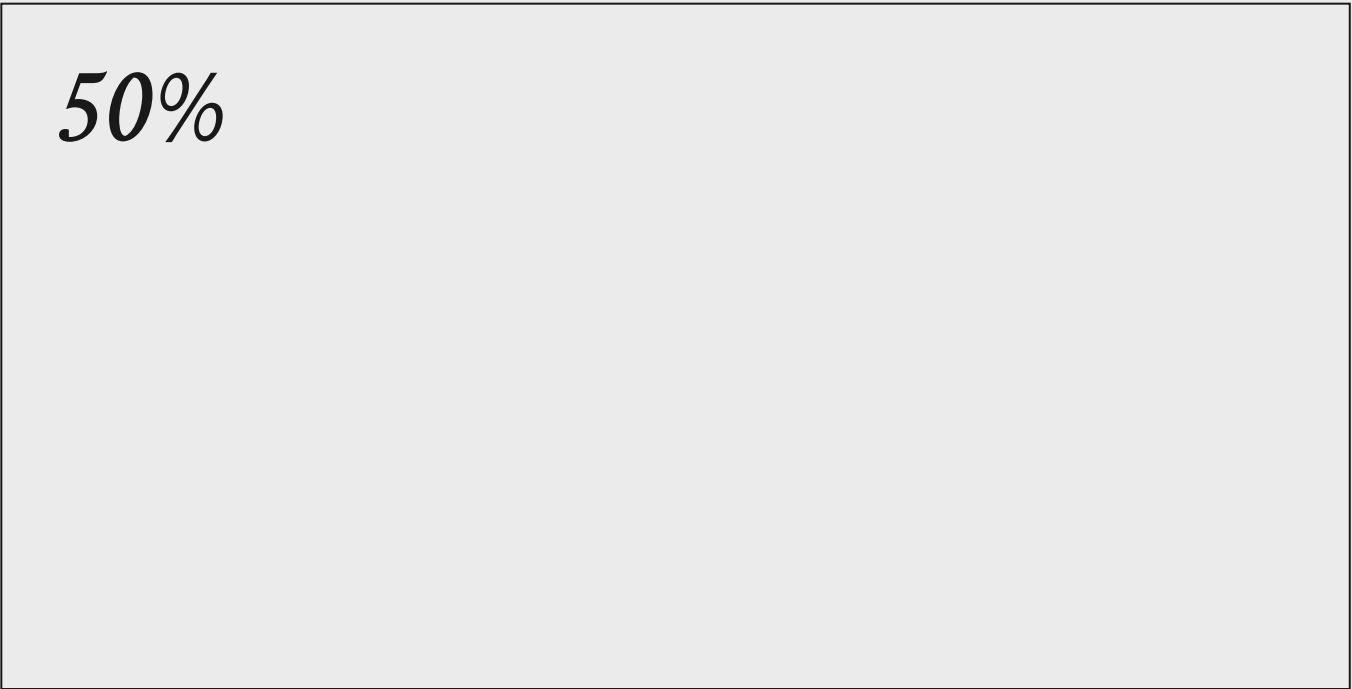


Gender Pay Gap snapshot data

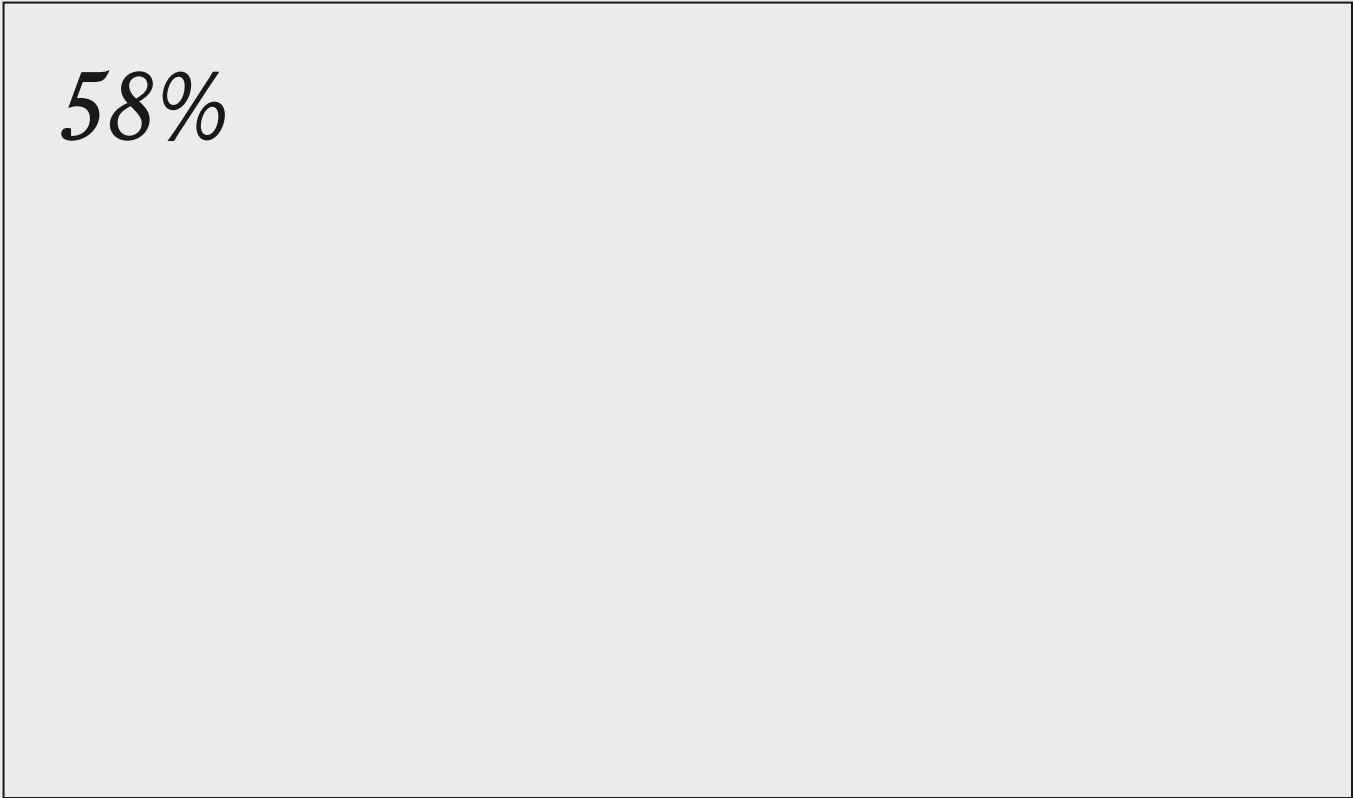
Proportion of male & female employees in each quartile



Percentage of MullenLowe Board that are women:



Percentage of women who are employed at MullenLowe:



How we are reducing our gap

This year we have seen a 3% reduction in our mean pay gap, this has been achieved through our focus on a series of 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 40% in the last four years. We are very pleased that we have achieved the commitment we made in last year's report and now have 50:50 representation. There have been several leadership changes since the reporting date which will mean that our board gender representation will be in favour of females for 2024.

Promotion of female talent

Over 2023 18% of the women in our agency were promoted into more senior roles. We are seeing a year on year increase in the number of women taking up senior roles in the agency. Since the reporting date, Claire Hollands has been promoted from Managing Director to CEO and Katie McCambley has been promoted from Head of Account Management to Managing Director. These changes will not be reflected in the report until April 2024 but highlight our continued commitment to developing female talent.

Family friendly policies

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.

We actively encourage our people to work flexibly and in a way that enhances their work/life balance. We firmly believe that our people give their best when they are trusted and empowered to work in a way that suits them and fits in with their personal circumstances. We continually strive to look for ways in which we can enrich our flexible working practices and in 2023 we introduced 'free at 3pm' every Friday. We believe in challenging the stereotype of women as carers and by enabling everybody to work flexibly and share caring responsibilities more equally with their partners. It enables everyone, regardless of gender, to progress in their careers and in the longer term this will increase the diversity of talent in all quartiles for every business.

We recognise that not all caring responsibilities relate solely to children and in 2024 introduced paid Working Carer's leave to help those employees who may be responsible for the care and support of a relative or friend who is older, disabled or seriously ill (physically or mentally) and unable to care for themselves.

In 2022 we aligned our enhanced Shared Parental Pay with our enhanced Maternity/Birth Parent Pay and yet very few employees utilise Shared Parental Pay or Leave. We aim to refresh our communications and training regarding all types of parental leave to ensure all employees understand how they can work to support their families.

Returners program

We are continuing to build on our returners programme. Our employee resource group continues to help support parents of all genders in the agency to manage the work/life blend with family responsibilities.

How we intend to close the gap further

We are also making plans to ensure that every year we move closer to reducing 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 we insist on both a gender-balanced shortlist and gender-balanced hiring panel. Since the reporting date, we have hired Rachel Fullerton as Chief Finance Officer and continue to look for opportunities across the agency to promote and hire women.

Retain

We are proud to be the first in our industry to take part in Bloody Good Period's Bloody Good Employer's Accreditation Scheme. This accreditation involves us learning how we can better support menstruation and menopause in the workplace. Since starting this accreditation, we have improved both our menstruation and our menopause policy and we have developed specific training for managers around this. We have also continued our work 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

Having improved the diversity of our leadership team, we now need to refocus our actions and target the lower quartiles of the business. Our long-term strategy is to continue to develop, promote, and retain those women who currently occupy the more junior roles.

Over the last year we have partnered with organisations such as Bloom and the IPA, we continue to offer mentoring, coaching, and networking opportunities. We are also making plans to ensure that every year we move closer to reducing our Gender Pay Gap.