

2023 Gender Pay Gap Report March 2024

Hill & Knowlton

Introduction

In this report, we provide our gender pay gap analysis from the snap-shot date of 5th April 2023, looking at the reasons behind the gap and our plans to close it.

Whilst there is still much work to do to close the gender pay gap, it is encouraging that the published statistics have moved in the right direction from the previous year.

As a firm, we have long been committed to creating an inclusive culture where everyone has an equal chance to thrive, a place that aims to represent the diversity of society. H&K London is focussed on ensuring we have a positive culture for all our people, one that promotes tolerance, mutual respect, and equality of opportunity.

We have made some good progress since we first started to report in 2019 but recognise that we need to continue to work harder to reduce and remove the gender pay gap from our business. We are committed to doing this through setting clear actions to help us improve, and by listening to and supporting our colleagues, so everyone recognises that H&K London is a place where people are empowered to be their best and can thrive and develop.

Understanding the GPG

The gender pay gap shows the difference in the average hourly rate of pay between women and men in an organisation, expressed as a percentage of the average male earnings.

The government requires employers in the UK with 250 or more staff to report both the median and mean 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.

We recognise that the mechanism the UK Government uses for Gender Pay Gap reporting does not currently allow for reporting outside binary genders. Our report therefore focuses on male and female comparisons only. We very much welcome H&K London colleagues who identify as non-binary or gender non-conforming and as with all others in our agency we ensure that non-binary and gender non-conforming employees have pay equity.

Median and mean calculations were used when comparing pay on the 5th of April 2023 and bonuses for men and women from the 6th April 2021 to the 5th April 2022. Hourly earnings are used to take account of the fact that many more men than women work full-time.

Definitions are as follows:

Median

The median is the difference between the mid-points in the ranges of men's and women's pay.

Mean

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 pay gap is the difference (as a percentage) in the average hourly rate of men and women's pay.

Bonus Gap

The percentage difference (median and mean) in total bonus payments received by men and women in the 12 months preceding the snapshot date.

Pay Quartiles

Shows the proportion of men and women in different pay bands, with the workforce divided into four equal parts, (quartiles). Quartile 1 represents the lowest paid group and Quartile 4 represents the highest paid group.

Equal Pay

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. This is different to the gender pay gap.

Our results

The 2023 Gender Pay Gap report includes all H&K UK employees as well as some individuals from the H&K Global Team who are paid through the UK payroll. In April 2023, we had 347 full time relevant staff paid through the H&K UK payroll, 124 of these were men and 223 were women.

Our gender pay gap results from the snapshot date of 5th April 2023 are as follows:

Mean Gender Pay Gap

Median Gender Pay Gap

Mean Bonus Pay Gap

Median Bonus Pay Gap

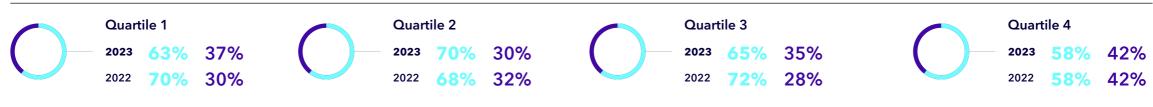
3.5%

6.3%

18.8%

25%

Proportions of males and females in each quartile salary bracket



Male

Female

Key Points

Since we started reporting, we have made encouraging progress and our mean pay gap has reduced from 15.3% in 2019 to 3.5% in 2023.

Despite having strong female representation at the senior level, H&K London still has work to do to reduce the bonus pay gap. H&K has 347 employees on the UK payroll as of April 2023, and in a business of this size, the impact of a few men in the most senior roles can significantly impact the numbers.

In 2023, the percentage of men and women paid bonuses was equal at 32%. However, as a few of the most senior UK and global roles in the organisation are held by men and these roles are remunerated accordingly at higher levels, we have a bonus gender pay gap.

H&K London has significantly more female than male employees, especially in the lower quartiles. Our small gender pay gap therefore reflects the higher representation of women than men at these entry levels and we recognise we need to do more to ensure we have a more balanced workforce across these quartiles.

Actions to supporting women in the workplace

We want to ensure that we have an inclusive working environment for women and our working conditions and approach to female specific issues are considered and addressed. We signed up to the Menopause in the Workplace pledge and offer menopause coaching.

We offer support for families, parents, and carers to help enable our colleagues to balance their professional and personal lives. H&K offers enhanced policies around maternity, adoption, paternity, and shared parental support which exceed statutory requirements. Our policies apply to all employees, regardless of gender identity or sexual orientation. We also have an active Parents Network that has helped to shape some actions and new policies, and we are very grateful to this group for the work they have done in this area.

We recently launched **new parental leave policies** and introduced a new menopause policy, a fertility policy, and a flexible public holiday policy too.

In 2023 we put together a new framework for women returning to work from parental leave, focused new induction sessions relevant to their role, a buddy programme and also a guide for line managers to follow to ensure their returner is feeling supported. We also offer all returners a return to work with confidence programme with an external practitioner which can be tailored around their specific needs. In 2023, 100% of people returned from maternity leave.

Learning & Development

We want to provide continuous opportunities for our people to learn, grow their skills and advance their careers and support them during their time at H&K.

We have recently been upskilling our employees to be active allies, having rolled out mandatory inclusion and diversity training and will continue to run allyship and DEI inductions for all new employees too.

We have partnered with Google to run a series of workshops globally to empower women to speak openly about their accomplishments in the workplace and beyond to help break modesty norms and glass ceilings.

We re-launched our Leadership Programme for Women and Non-Binary People in March 2024 too.

We remain focused on sponsoring and accelerating the progression of diverse talent, and since 2021, we have been running a sponsorship programme developed to support junior and mid-level diverse talent. We currently have 15 sponsees on the programme and measure the success of this programme through progression and retention.

Hill & Knowlton has a comprehensive range of employee benefits, private healthcare, employee assistance programme with 24-hour GP access, as well as many other options to support the mental health of our colleagues.

We have seven H&K employees who volunteer their time as Mental Health Allies to listen and guide others to key mental health resources. Our allies have been through a training programme with the organisation Mental Health At Work.

Recruitment

We are continuing to collaborate with a breadth of partners, enabling us to reach a wider mix of people, and are keen to also ensure those already employed by us are retained and supported to reach their full potential.

We have continued to review our recruitment processes and systems and in the latter part of 2023, we updated and refreshed our recruitment guidelines for all hiring managers, embedding consistent interviewing and candidate evaluation. It includes standardised interview questions and awareness of unconscious bias.

All our job specifications include a clear statement of our support for agile working and are written in gender neutral language. Our recruitment partners have also been sent our Diversity, Equity, and Inclusion Charter as a guide to our recruitment commitments.

We are a Disability Confident employer and now have Dyslexia SMART award accreditation, which we also state on job descriptions and make relevant accommodations for candidates.

Most recently, we have a partnership in place with Speakers for Schools, a charity that exists to level the playing field for students at under-funded state schools. As part of this partnership, we run a series of **Insights Programmes** for students who are interested in the creative industry more broadly,

and many of whom are from under-represented and lower socio-economic backgrounds.

Conclusion

H&K is committed to achieving real progress in our diversity and inclusion efforts and we are focussed on continually developing our culture and environment to fully embrace the diversity of our workforce through increased accountability at all levels in the business, particularly at senior leadership level.

We are attracting and promoting more women and minority ethnic colleagues than ever before, but need to get better at ensuring people thrive here and choose to stay.

I am committed to ensuring we have an inclusive culture where everyone has a chance to make their mark and have interesting careers.

We confirm that the information in this report is accurate and prepared in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Simon Whitehead CEO



Previous Results

	2019	2020	2021	2022	2023
Mean (average) gender pay gap	15.3%	10.8%	8.9%	10.5%	3.5%
Median Gender pay gap	8.9%	2.6%	8.5%	6.0%	6.3%
Mean (average) bonus gender pay gap	67.5%	54.1%	34.3%	18.3%	18.8%
Median bonus gender pay gap	20.0%	-11.1%	5.6%	14.3%	25.0%
Male % who receives a bonus	18.7%	21.7%	24.0%	31.8%	32.0%
Female % who receives a bonus	23.4%	21.2%	23.3%	33.2%	32.3%