



# 2018 ESSENCE UK GENDER PAY GAP REPORT

# DEFINITIONS

## GENDER PAY GAP VS EQUAL PAY

Equal Pay means men and women being paid the same salary for carrying out the same or similar work, which is a legal requirement.

This report, which follows new UK Government regulations that came into force in April 2017, is about

the Gender Pay Gap: the difference in average hourly pay between all men and all women in a workforce. A Gender Pay Gap is the result of gender imbalance – for example having more men than women in senior roles

## PAY GAP

The difference (median and mean in hourly rate of pay between all men and all women in an organisation, expressed as a percentage of men's earnings – at the Snapshot Date of April 5 2018.

## MEDIAN PAY GAP

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

## MEAN PAY GAP

The difference in the average hourly rate of men's 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 of April 5 2018.

## PROPORTION RECEIVING BONUS

The percentage of men and women who received a bonus in the 12 months preceding the Snapshot Date of April 5 2018.

## PAY QUANTILES

Shows the proportion of men and women in different pay bands, with the workforce divided into four equal parts (quantiles

# WHAT IS THE GENDER PAY GAP?

The Gender Pay Gap is a UK Government initiative that measures the respective average earnings of male and female employees within an organisation. It looks at average earnings irrespective of the roles performed or the seniority of any individual.

It is important to note that the Gender Pay Gap is not the same as an Equal Pay analysis, whereby we measure the difference in salary of male and female employees that do the same or similar jobs.

UK companies with 250+ employees are legally bound to publish their figure each April (as at April of the previous year)

The median is the middle point. The median compares the middle point for women against the middle point for men. This will give us the median Gender Pay Gap.

The mean is the average. The mean pay gap is the difference in the average hourly rate of pay between all men and all women.

## QUARTILES

Shows the proportion of men and women in different pay bands at Essence London office divided into four equal parts (quartiles)

	MALE	FEMALE
<b>SENIOR</b>		
Quartile 4	68%	32%
Quartile 3	55%	45%
Quartile 2	52%	48%
Quartile 1	47%	53%
<b>JUNIOR</b>		

The quartile distribution shows under representation of senior females in the Essence business in London

## RESULTS - PAY GAP

As at 5 April 2018 (the snapshot date) the Essence Global Ltd UK Median Pay Gap was 16.67%.

The 2018 National Median Pay Gap according to the Office of National Statistics is 17.9%,

This is a reflection of the under representation of senior females in the Essence business in London and the fact that senior people are typically paid more. However, by comparison, in April 2018, we were tracking slightly better than the national average.

Our under representation of senior females is the biggest single factor that has caused this differential. At other levels of the organisation, females and males are represented to equal levels.

## RESULTS - BONUS GAP

In the 12 months preceding 5 April 2018 (the snapshot date) 68.49% of males received a bonus and 64.67% of females received a bonus, which is broadly aligned with our male / female ratios.

The number of bonuses awarded is determined by a number of factors, regardless of gender: an employee's contractual agreement, qualifying status for eligibility (such as start date and performance).

Essence Global Ltd UK Median Bonus Pay Gap as at 5 April and the preceding 12 months - 11.5%

The Bonus Pay Gap is similarly symptomatic of an under representation of senior female leadership, since senior roles are more likely to have higher bonus earning potential.

# SIGNS OF IMPROVEMENT

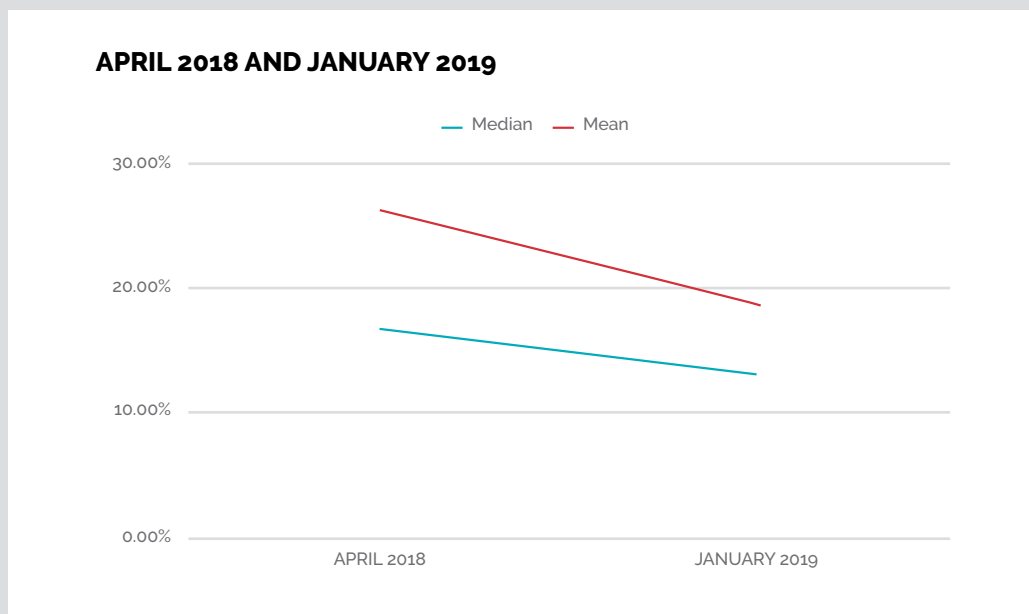
We are a long way from reaching our ultimate aim for a balanced male/female team in all parts of the organisation. But we are now tracking in the right direction.

As at January 2019 the Gender Pay Gap figure at Essence in the UK has significantly improved since 5 April 2018 (the snapshot date).

We are pleased with this progress although we recognise that there is still a long way to go.

“We are pleased with this progress although we recognise that there is still a long way to go.”

	APRIL 2018	JANUARY 2019
Median	16.67%	12.93%
Mean	26.39%	18.70%



# OUR PLAN

Therefore the challenge, and opportunity for Essence, is to increase the proportion of our leadership that are female.

At the start of 2018 we joined the Advertising Diversity Taskforce. The Taskforce is an informal collective of the most progressive agencies in the UK supported by expert organisations and client partners, designed to leverage these skills and drive change.

We have also joined the global Paradigm for Parity Action Plan. Other representative companies participating in this plan are McKinsey, Accenture, Ernst & Young, Bloomberg, Coca-Cola, LinkedIn, Kantar, 72andSunny.

“Our aim is to get to gender parity amongst our leadership roles (VP roles and up) by 2025.

Paradigm for Parity is a coalition focused on achieving a new norm in the corporate world: one in which females and males have equal power, status, and opportunity. Their ultimate goal is to achieve full gender parity by 2030, with a near-term goal of women holding at least 30% of senior roles.

Our targets at Essence will be more ambitious. Our aim is to get to gender parity amongst our leadership roles (VP roles and up) by 2025.

As a near term goal (by end of 2021), we're going to target that a single gender will not account

for more than 70% of a leadership level. We're targeting 60% as a medium term goal (by end of 2023)

We also believe that a purely top-down, management solution cannot operate effectively in isolation. To this end we have also empowered our London Essentials to be part of the solution. In March 2018 we recruited 25 volunteers to create an agency agenda on diversity. The output of this was our diversity statement for the UK: "To make advertising more valuable to the world, we believe that difference is Essential. In Essence we will grow an agency that opens doors, that recognises and embraces every individual Essential and that allows everyone to bring their best self to work. #differenceisessential". Beyond that, we defined the three core pillars of our diversity approach: Attract, Grow and Recognise the Difference. Each of our Diversity initiatives fall under one of these three core pillars.

Programs such as our Unconscious Bias training and Ascend (which brings males, females and gender non-binary people together to talk about diversity, career development and personal growth) have also been put in place to help us improve gender representation. We've also partnered with GroupM and WPP's Walk the Talk program, whereby senior female leadership from across the agency have been empowered to step into bigger and better roles.

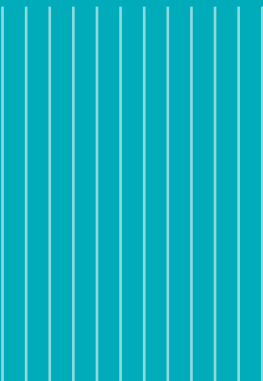




## KEY SENIOR FEMALE HIRES IN 2018



During 2018, we attracted some key female leadership to Essence. We continue to also look at internal promotion and development opportunities as well as ensuring that we hire a diverse range of Talent at Essence regardless of background, identity or circumstances. We continue to be committed to building on this momentum to **ensure** equal opportunities for all





# KEY SENIOR FEMALE HIRES IN 2018



## ANNA BERRY

Anna joined Essence in September 2018 and has taken on the role of VP, Client Partner for BT Group. She has continued to grow client satisfaction levels during that time. Anna joined Essence from MediaCom where she had previously been the client lead on Direct Line Group and Sky.



## CLARE CHAPMAN

Clare joined Essence from Maxus in early 2018 and took on the role of SVP, Media Planning. Clare sits on our regional ExCo team. She has played a pivotal role in transitioning and integrating one of our biggest accounts - BT Group - into Essence. Clare has also played a key role in the adoption and roll out of Signals Planning - our bespoke planning approach.



## ALI REED

Ali joined Essence in April 2018 as our SVP, Head of Client Service for EMEA. Ali sits on our regional ExCo team and has rebooted the Client Services mission and strategy across the agency. Ali also takes senior leadership of our business development team. Prior to joining Essence Ali was Client Partner at OMD.



## DEE MILLER

Dee joined Essence in February 2018 as VP for Operations from Digitas. During her time as Essence she has rolled out a new campaign management system and ensured that our campaign management standards are maintained across the business.



## TRACY THORIUS

Tracy joined our 2Sixty team in January 2018 as VP for Operations. During that time she has played a key role in the significant growth of the 2Sixty team and has been fundamental in the roll out of new processes and engagement of Olive - our campaign management system - across the Essence business. Tracy was previously Ops Director at EY and Head of Transformation at Tesco.com.



# STATUTORY INFORMATION

Median Gender Pay Gap (difference)		16.67%
Mean Gender Pay Gap (difference)		26.39%
Median Bonus Gender Pay Gap (difference)		11.94%
Mean Bonus Gender Pay Gap (difference)		56.50%
Quartile 4 (top quartile)	Male	68%
	Female	32%
Quartile 3 (upper middle quartile)	Male	55%
	Female	45%
Quartile 2 (lower middle quartile)	Male	52%
	Female	48%
Quartile 1 (lower quartile)	Male	47%
	Female	53%
% Males who received a bonus		64.67%
% Females who received a bonus		64.47%



# DECLARATION

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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

Signed by

**TIM IRWIN** | CEO, EMEA