



Gender Pay Gap Report

OMD Group Limited

2021

Introduction

Since 2017, all companies with at least 250 employees have had to publish their gender pay gap statistics. In this report we explain our gender pay gaps and provide insight around the key drivers of our statistics.

We recognise that we have more to do. We remain motivated and committed to action. This report contains details of our commitments and our progress towards change.

Gender Pay Gap

Key Definitions and Reporting Requirements

Gender pay vs equal pay

The gender pay gap is the difference between average hourly rates between female and male employees, irrespective of role or seniority. It gives companies a metric by which to understand the demographics of their workforce. This is different from Equal Pay which is the legal requirement to pay two men and women equally for equal work.

What is the gender pay gap?

As mentioned above, the gender pay gap is the average difference between female and male pay. Employers must publish two figures for their gender pay gap: the mean pay gap and the median pay gap.

The **mean pay gap** gives an overall indication of the gender pay gap by taking all hourly rates of pay and dividing by the total number of people in scope. The mean pay gap can be distorted by a few large values.

The **median pay gap** shows the difference in the midpoints of the ranges of hourly rates of pay for man and woman by ordering individual rates of pay from lowest to highest and comparing the middle values for men and women. The median pay gap can't be distorted in the same way as the mean.

Neither mean nor median is "better" than the other. Both are useful and provide different information. It is best to consider them together. As well as the pay gaps, we must also publish quartile statistics. These show the proportion of men and women in the workforce when ordered by pay and split into four equal sized "quartiles".

What is the Bonus Gap?

The bonus gap seeks to demonstrate the difference in average bonus pay that male and female employees receive across a year. This can again be calculated as a mean, dividing total bonuses paid to each gender by the number of people in scope. The median shows the difference in the midpoints of the ranges of bonus pay received by men and women.

The figures we are required to publish around the bonus gap include

- The percentage of men and women receiving bonus pay
- Mean (average) gender pay gap using bonus pay
- Median gender pay gap using bonus pay

How is the data collected?

The legislation requires employers to analyse data for a period covering a particular "snapshot" day: 5th April 2021.

Calculations for the mean and median pay gap are based on hourly rates of pay during the period that includes 5 April 2021. Pay quartiles look at the proportion of men and women in four pay bands when we divide our workforce into four equal parts. Anyone who was on leave and in receipt of reduced pay for any reason is not included in the calculations for the pay gap and quartile statistics.

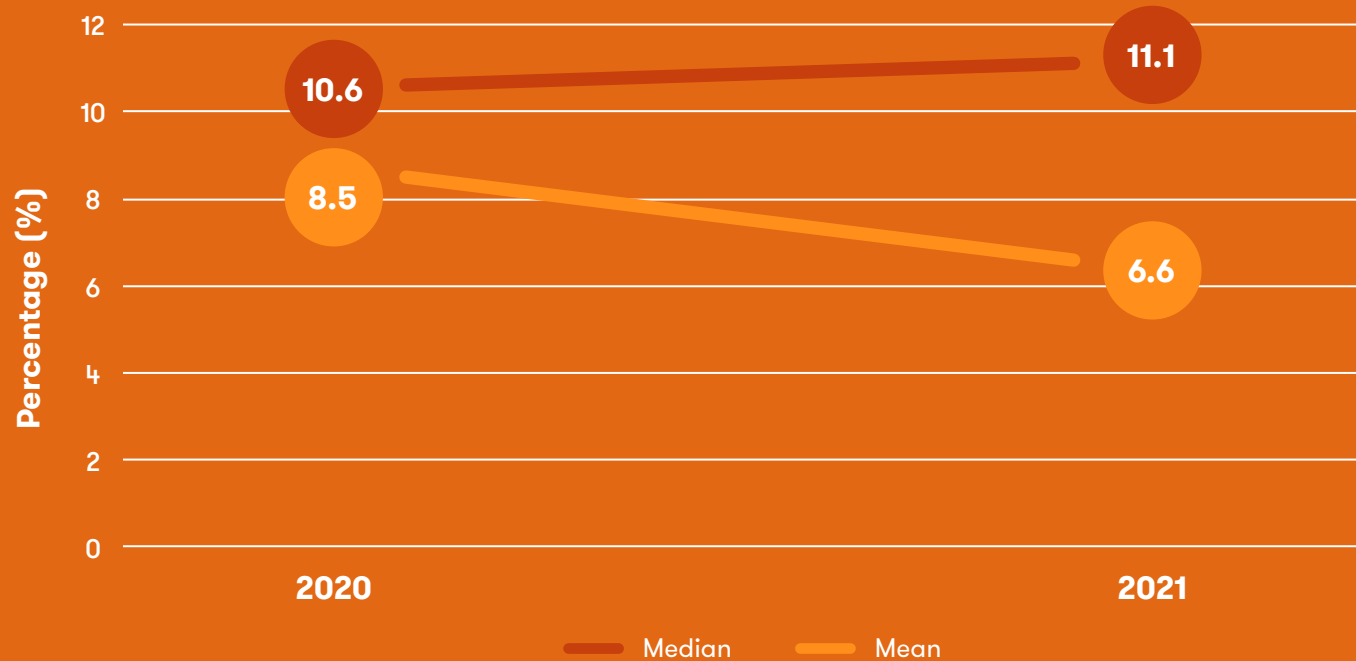
The mean and median bonus gap considers bonus pay received in the 12 months leading up to 5 April 2021. The bonus gaps are calculated only from those employees who received a bonus.

A note on OMD Group

Figures for each legal entity with at least 250 employees on the snapshot date must be calculated and reported separately. The report for OMD Group Ltd includes both Manning Gottlieb OMD and OMD, because we all fall under the same legal entity.

Gender Pay Gap Results

Gender Pay Gap (2020 vs 2021) - Pay



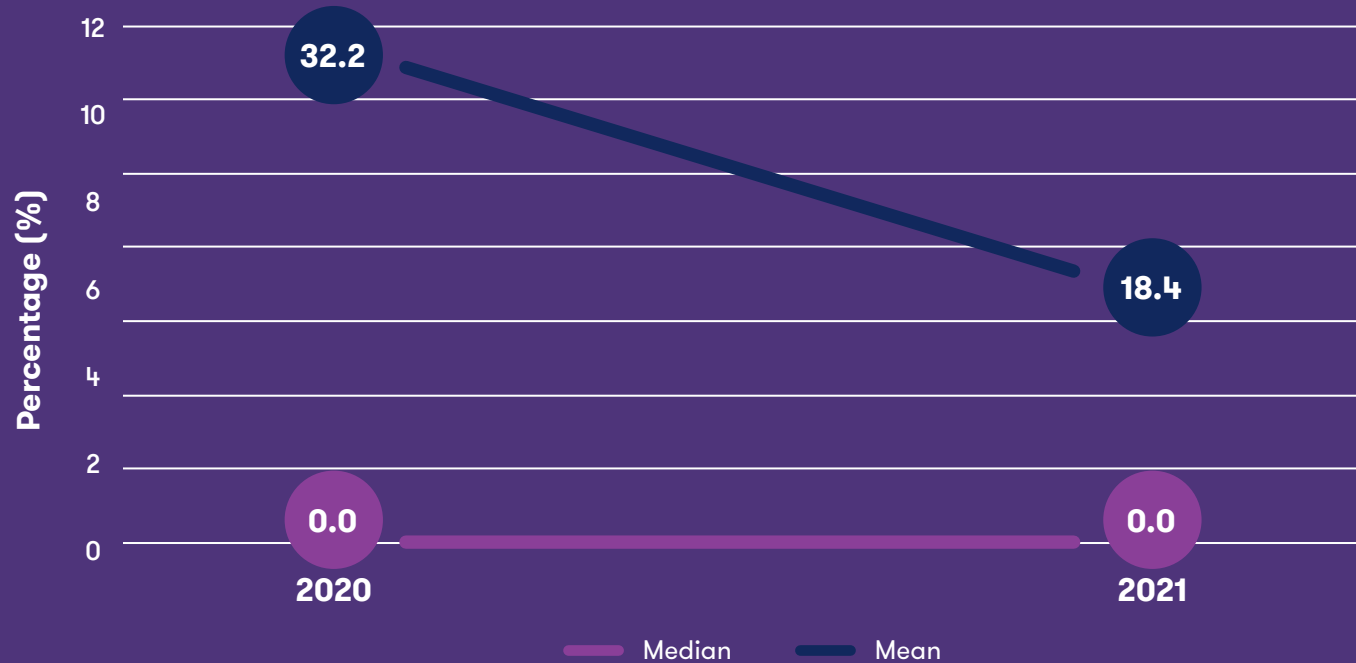
Pay gaps and quartiles

Our mean and median gender pay statistics remain good compared to others in our industry and compared to the national average. According to the Office of National Statistics, the UK median gender pay gap is 15.4%. Our mean gender pay gap has fallen since our last publication for 2020, whilst our median pay gap has increased ever so slightly. We take regular snapshots of our Gender Pay Gap data to see how we are performing and we are committed to continuously looking to reduce this gap.

Part of the reason for our gaps is that we have a higher representation of women in our lower and lower middle quartiles and a slightly higher representation of men in our upper and upper-middle quartiles. 44% of our senior management team are women. We are taking steps to increase the proportion of women in our upper quartiles and this will also decrease our gender pay gaps. OMD Group Ltd now have two female CEO's and one female MD in place. These appointments have all been made through internal promotions that have elevated existing employees.

Bonus Gap Results

Gender Pay Gap (2020 vs 2021) - Bonus



Our median bonus gap is yet again 0%. This is reflective of the large number of both men and women receiving discretionary rewards of the same amount. The mean bonus gap figure is higher, although has fallen a lot over the past five years. The mean bonus gap exists because our largest bonuses are paid to our highest earners. These bonuses affect the mean gap since these roles have a slight over-representation of men although this is changing with females now occupying the most senior positions in both agencies, OMD UK and Manning Gottlieb OMD.

The percentage of men and women receiving bonus pay:



For context, bonuses at OMD Group Ltd are awarded on a discretionary basis to reward personal contribution and do not make up a significant part of remuneration packages.

Commitment to Progress

Our commitment to reduce our gaps

We have mapped our talent journey to identify and remove sources of inequality. We want to increase female representation within the workforce, ensuring that they feel included and are developed into more senior positions. This is key to reducing our gender pay gaps. Actions we have taken to date include:

Attraction. We utilise CV-less recruitment and other platforms which reduce bias in our recruitment selection process and focus instead on competency and skill-based questions. We have reviewed hiring materials to remove gender bias. We continue to hire from more diverse talent pools, through partnerships with new organisations and specialist recruitment agencies. We expand upon these partnerships annually and now work with 15 different recruitment partners across multiple areas of diversity. These include Evenbreak, Resurgo, The Prince's Trust and Multiverse.

Inclusion. Alongside the ongoing education and initiatives from the gender taskforce, we're also supporting our staff at an organisational level by continually gathering insight via a listening programme that includes our quarterly survey *OMG Voices*. We are also delivering training for all employees in areas such as unconscious bias and allyship and training for all people managers and hiring managers for managing for inclusion and valuing difference respectively. A recent addition to our gender inclusion initiatives is a co-mentoring programme created in collaboration with Bloom. This collaboration is an industry first and partners senior male and female peers across our network, with the aim of creating honest dialogue about how we can better break down gender stereotypes and create a more equal workplace.

Development. This is directly linked to creating more female representation at senior levels, and is therefore a key area for continuous improvement, from supplying inspiration to removing barriers. Activities include programmes around role models and mentoring sponsorship, workplace wellbeing initiatives, including those felt acutely by women through fertility challenges, miscarriage, and menopause. As well as a specific focus on alleviating issues associated with being a working parent – for example enhanced maternity and paternity pay policies and more flexible working practices.

Commitment to Progress

Commitment to Progress

We remain firmly committed to achieving progress against all metrics published in this report, and to OMG UK's wider diversity and inclusion ambition:

“We are committed to being the most diverse and inclusive workplace we can possibly be and believe that whilst this commitment starts with us - the agency leaders - D&I is everyone's business in our organisation. That is why we have goals, training and initiatives that run throughout every part of our agencies and beyond into the wider OMG UK OPEN initiatives. We are proud to have a strong female leadership team and are committed to continue to improve our gender balance at every level and to close our pay gap.”

Laura Fenton CEO, OMD UK

Natalie Bell CEO, MG OMD

We believe D&I is everyone's business, and so to achieve this we have three key areas of focus:

- 1. Leadership** structures with a shared collective commitment and accountability to drive and deliver our change mandate
- 2. Tactics** embedded in our policies and processes, aimed at addressing the root cause of these inequalities along the talent journey from arriving to thriving
- 3. Support** networks to ensure our colleagues have access to strong communities built around their specific and personal circumstances

Commitment to Progress

Our commitment to leadership in diversity

We have three change leadership structures, to help our businesses and our people engage with and enact change:

Agency-level taskforces Comprising volunteers across the business who look to deliver tangible change across the 8 priority areas, within each agency. These areas are Gender, Ethnicity, LGBTQ+, Mental Health, Disability, Working Parents and Carers, Socioeconomic and Age. The Gender Taskforce is focused on delivering education and initiatives that remove gender-based barriers to career success and personal wellbeing in the workplace, so that self-defining women and non-binary people can thrive.

Cross Agency Advisory Teams Created to support the key areas of diversity identified in the Omnicom census last year, each led by two Co-Chairs and supported by a sponsor from the OMG UK Board. We now have 95 people from across the business actively participating in our 8 Advisory Teams.

1. **OMG Women** are working across the group to improve gender balance at every level. Their priorities for 2022 are to establish and foster co-mentoring relationships between male and female employees all with the aim of developing greater understanding and equality.
2. **OMG Multicultural** are focussed on fostering an organisational culture where people of all ethnicities feel they are valued. Their focus for 2022 is improving racial literacy and increasing the ethnic diversity of leadership through the multicultural sponsorship initiative.
3. **OMG LGBTQ+** will continue to rollout Allyship training to employees to help increase understanding of how to be inclusive of LGBTQ+ colleagues. We have recently been named in Stonewall's Workplace Equality Index, achieving both Gold and Top 100 status.
4. **OMG MINDS** exists as a point of contact and support for employees and managers. Team members have created resources to arm all employees with the tools to help themselves and others. Mental Health First Aiders are trained and in place at all agencies to support employees. Agencies also have talking therapy resources in place to provide employees with free mental health support through access to counselling.
5. **OMG Disability** are working to ensure policies and procedures are disability inclusive and are committed to extending our Disability Confident Leader accreditation.
6. **OMG Working Parents** have continued to share relevant parental resources alongside fostering an empathetic environment in support of colleagues who have had to balance increased caring and parental responsibilities during the pandemic.
7. **OMG Socio economic** are working with community and charity partners to address constraints that exclude people from lower socio-economic backgrounds being able to access our industry and thrive in their career once they are here. A successful Media Academy programme in 2021 saw several people from diverse backgrounds accept roles across our network following a free online media training course and career mentoring. This programme will be rolled out again in 2022.
8. **OMG Age Positive** are addressing age bias against older and younger colleagues within our industry and have challenged some industry practices such as awards excluding those outside of a particular age bracket. Other initiatives such as a 'transition to media' programme are being explored. This will encourage people from careers outside of our industry to transition into media roles via a thorough training programme that will fast track their entry.

Diversity & Inclusion Steering Group at an OMG, UK level. This includes all agency leadership who actively drive diversity and inclusion across the 8 key areas of focus for our business.

Commitment to Progress

Our commitment to supporting communities

We continue to invest resources into our flagship communities, celebrating and supporting women in Omnicom, as well as other intersectional groups.



OMG MINDS

OMG Minds exists as a point of contact and support for employees and managers. The group aims to promote wellbeing, through an open and collaborative work culture and encouraging people to talk about their mental fitness. Team members are working to create resources to arm all employees with the tools to help themselves and others. The team also includes several trained mental health first aiders.



OMNIWOMEN UK + ALLIES

Founded in 2014, OMNIWOMEN UK + ALLIES is dedicated to promoting networking and career opportunities for, and developing the skills of, Omnicom's future female leaders. There are chapters all over the world, including New York, China, the UK, and Germany, to name a few.



OPEN DISABILITY UK + ALLIES

OPEN Disability, founded in 2019, drives inclusion, visibility, and awareness of people with physical, cognitive, and learning disabilities or long-term illnesses. OPEN Disability works to promote understanding of the value of people with disabilities (both visible and invisible) and to drive community between and representation of people with disabilities within our workforce and outputs. Our UK chapter is the first global chapter.



OPEN PRIDE UK + ALLIES

Founded in 2016, OPEN Pride UK + ALLIES promote awareness, acceptance, and advocacy by creating opportunities for leadership, visibility, community involvement, networking, and business. Through its global chapters, OPEN Pride works to foster an inclusive and engaging work environment for Omnicom's LGBTQ+ community and its allies.

Conclusion

Gender diversity continues to be a top priority for us. It is imperative for us to reduce our gender pay gap and we are taking the long-term measures that are needed.

Over the past five years, we have seen good progress towards reducing our bonus gap but have more to do on our pay gaps.


We have developed infrastructure, policy, and support to create progress through the group, and we remain committed to continuous improvement against these gender diversity metrics in the future.

Declaration

I confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Laura Fenton, CEO OMD UK



Natalie Bell, CEO MG OMD