

# **Hogarth Worldwide: Gender Pay Gap Report 2017**

**March 2018**

## **Introduction**

At Hogarth we strive to create a working environment where everyone is treated equally regardless of gender, ethnicity, age, religion, sexual orientation or disability. We pride ourselves on creating a diverse and balanced workforce (for example 33% of our UK workforce originates from outside of the UK) as we believe this is a true representation of Hogarth's values work and ethos.

The "Gender Pay Gap" is defined as the difference between the average earnings of all men and women in an organisation. This is a separate issue to equal pay, which is the ethical and legal requirement for people carrying out the same or similar work to be paid equally, regardless of gender. Thus an organization can be entirely compliant with equal pay legislation, but still have a Gender Pay Gap if the different genders in the workforce are not equally distributed as far as seniority and experience are concerned. It is now a requirement for all UK companies with over 250 employees to publish their Gender Pay Gap data.

## **Results**

In the UK we have a gender balanced workforce. 53% of our workforce are women and 47% men. However, there are fewer women in the UK at the senior executive level where pay is highest and consequently we have a Gender Pay Gap. Our female representation at executive level is primarily non-UK based and forms part of our Global Leadership Team (GLT).

Our pay gap reflects the lower proportion of women in upper pay bands in the UK. The bonus gap is larger than the pay gap as in more senior roles performance based, variable bonuses represent a potentially greater proportion of total remuneration. A disproportionate number of these senior roles are

currently held by men. Due to historically inconsistent timings with bonus payments our current figures, which are reported under strict legally defined formulae, include two years of annual bonus figures, which artificially increase this figure. We do not anticipate this inconsistency to re-occur.

<b>Gender Pay and Bonus Pay Gap</b>		
Difference between men and women	Mean (average)	Median (middle)
Gender Pay Gap	26.7%	22.0%
Gender Bonus gap	78.7%	20.0%

Gender	Proportion Who Receive a Bonus	Pay Quartiles	No. of Employees	Males	Females	Split
Male	11.2%	Quartile 1	179	71	108	40 : 60
Female	9.4%	Quartile 2	179	59	120	33 : 67
		Quartile 3	179	112	67	63 : 37
		Quartile 4	179	120	59	67 : 33

### Statement

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.

**Richard Glasson**

**Jeremy Thompson**

CEO



CFO



## **Hogarth Worldwide: A Global Business**

At Hogarth, we pride ourselves on being a global business. To give a representative picture of Hogarth Worldwide we have also chosen to share our worldwide consolidated data. Globally our mean Gender Pay Gap stands at 17%. This is significantly more favourable than our UK gender pay gap because there is a better balance of female employees in more senior roles are employed outside the UK.

### **Our Commitments**

Hogarth is committed to improving the gender balance of our management and senior leadership teams, which is the key to tackling our Gender Pay Gap. We know that our Gender Pay Gap is not an equal pay issue but one of representation issue in senior roles.

The following commitments reaffirm our position on this:

- We have always recruited and will continue to do so solely based on merit. We believe opportunities should be available to all and we will continue to challenge ourselves to be as inclusive as possible and to never discriminate.
- To encourage flexible working wherever practically possible. We will continue to ensure we take a consistent approach to ensure career development is not in any way impacted by factors such as taking any form of parental leave such as for maternity, paternity or adoption.
- To review all relevant Hogarth UK policies, practices and procedures (such as maternity leave and flexible working) so they are consistent with objectives of reducing the Gender Pay Gap over time.
- We will continue to carefully measure our progress both under the umbrella of the mandatory reporting and with further internal measures.

## **Initiatives**

Hogarth is also committing to a number of additional initiatives in the UK and globally.

The impact of these initiatives is unlikely to be instant, therefore we anticipate a gradual improvement over the coming years:

- Unconscious bias training will be rolled out across the UK in 2018.
- A thorough review of the mechanism of our pay review structure to ensure that the process does not risk gender related bias.
- Relevant training to our Global Leadership Team which currently has a 44% female representation at a global level.
- Supporting employees who would like to join Bloom (a professional network for women in communications) by providing membership subscriptions for conferences and events.
- Analysis of data from exit interviews to identify common themes for employees leaving Hogarth that could influence the Gender Pay Gap.
- We will be launching affinity groups in the UK.