



01

GENDER PAY GAP

2020/21 REPORT



Foreword

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Russ Lidstone

Group CEO

At The Creative Engagement Group (TCEG) we have been committed to sharing our annual Gender Pay Gap (GPG) analysis with our global employees since 2018. Measuring the pay disparity between men and women on a global level is a key part of our commitment to Diversity, Equity & Inclusion.

With a 27% reduction in our median GPG since 2018, we are proud of the progress we have made over the last few years.

Whilst we are pleased that we have made progress in narrowing our gender

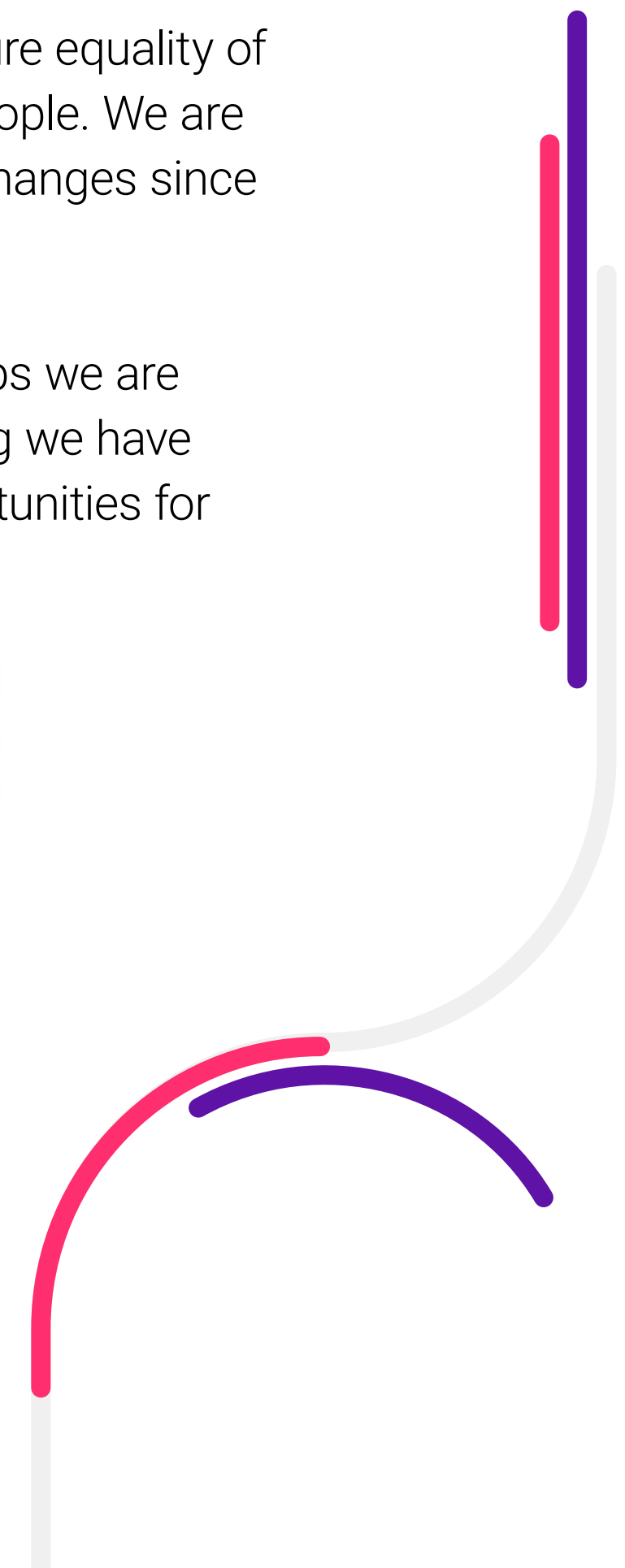
pay gap and the trend for GPG is strongly moving in the right direction, we recognise there is still more to do.

We have a high proportion of females in lower paid roles at the earlier stages of their careers and this is something we remain proud of. However, this combined with a slightly higher proportion of men in higher paid roles affects our GPG.

So, we continue to focus on developing policies and processes which support a positive impact on our GPG and enhance our recruitment, flexible working and

training practices to ensure equality of opportunity for all our people. We are already seeing positive changes since the data reporting point.

I am confident in the steps we are taking and the monitoring we have in place to identify opportunities for additional actions.





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What is the Gender Pay Gap?

The Gender Pay Gap (GPG) is a measure of the difference between the average hourly earnings of men and women.

The aim is to demonstrate the percentage differential between the average female pay and average male pay in an organisation.

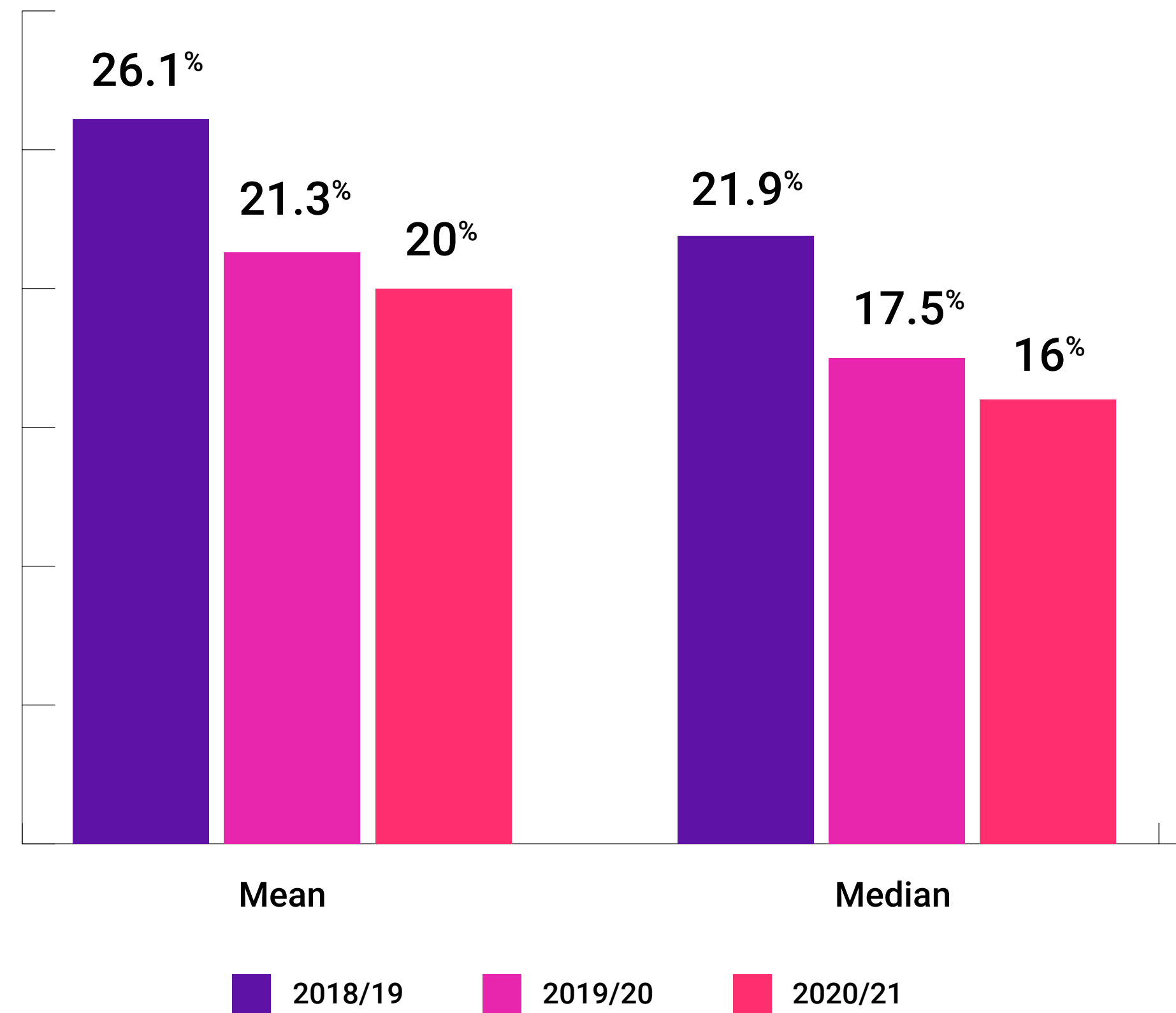
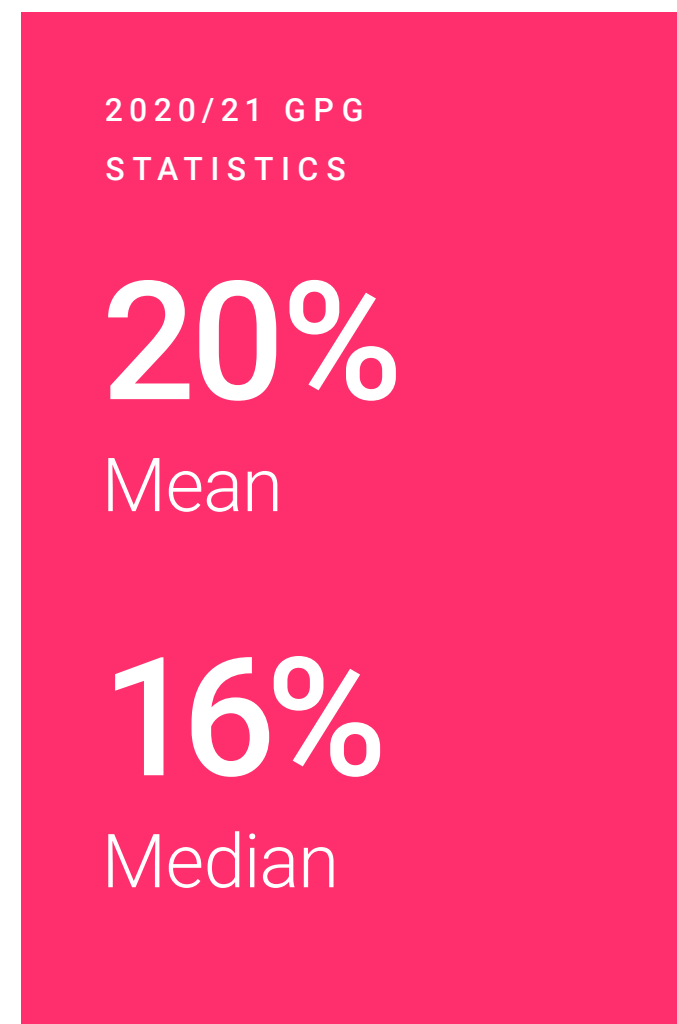
The GPG is very different to 'equal pay' and should not be confused with it. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs, or work of equal value.

All of our data looks at average hourly earnings for men and women across the board. We are confident that there is no gender bias in the way we award salaries to those doing the same job.



2020/21 UK hourly Gender Pay Gap

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Our **mean gender pay gap*** 2020/21 in the UK is 20%, a **23% reduction** since 2018.

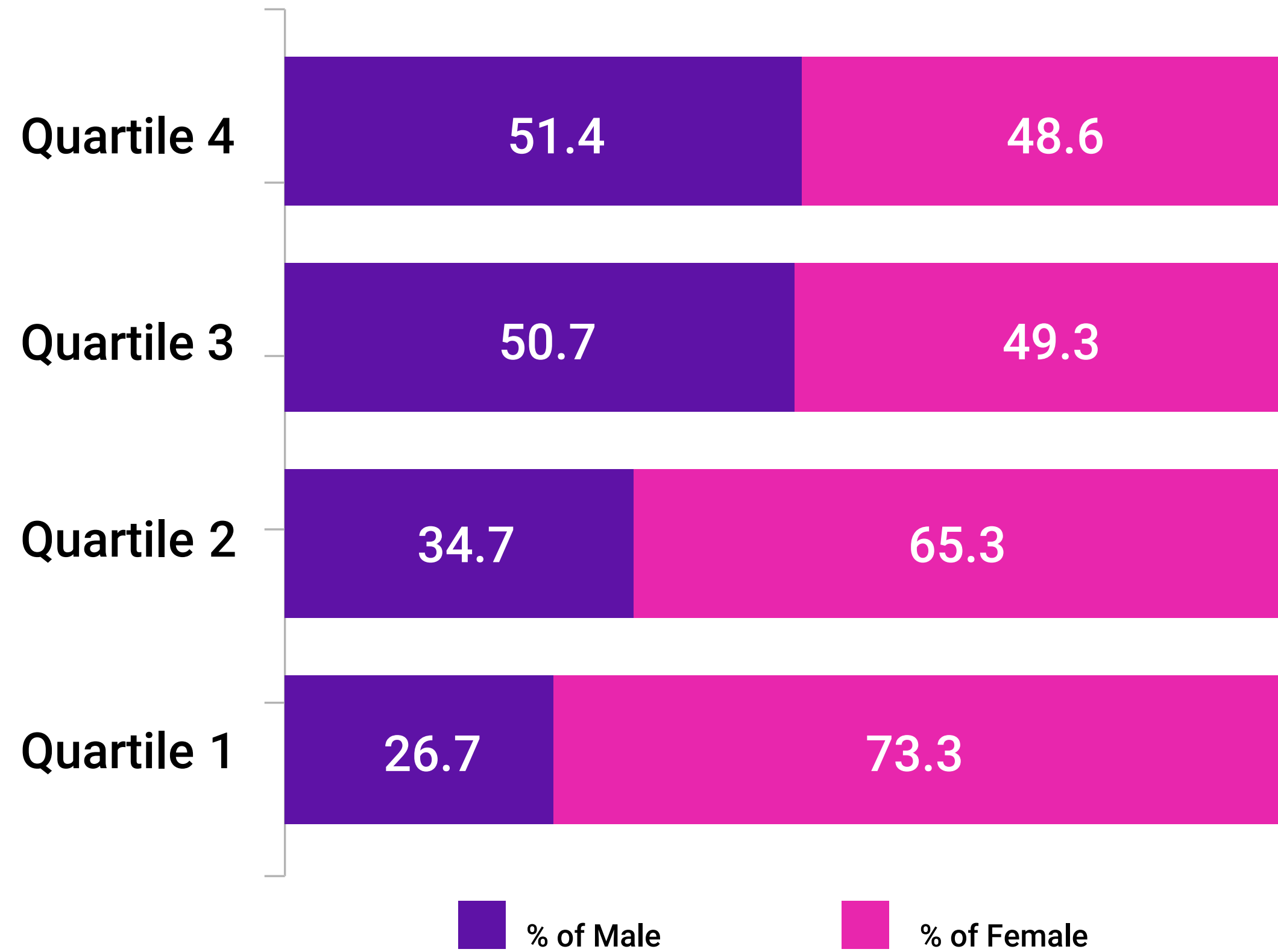
Our **median gender pay gap*** is 16% in the UK. Between 2018 and 2021, we have seen a **reduction of 27%**.

*GPG mean is the % difference between the average pay of all males versus the average pay of all females. GPG median is the % difference between the male who is in the middle of the distribution pay versus the equivalent female. The median GPG is arguably the better indicator to define anomalies as a few high or low paid salaries can misrepresent the mean.



2020/21 UK Pay Quartiles

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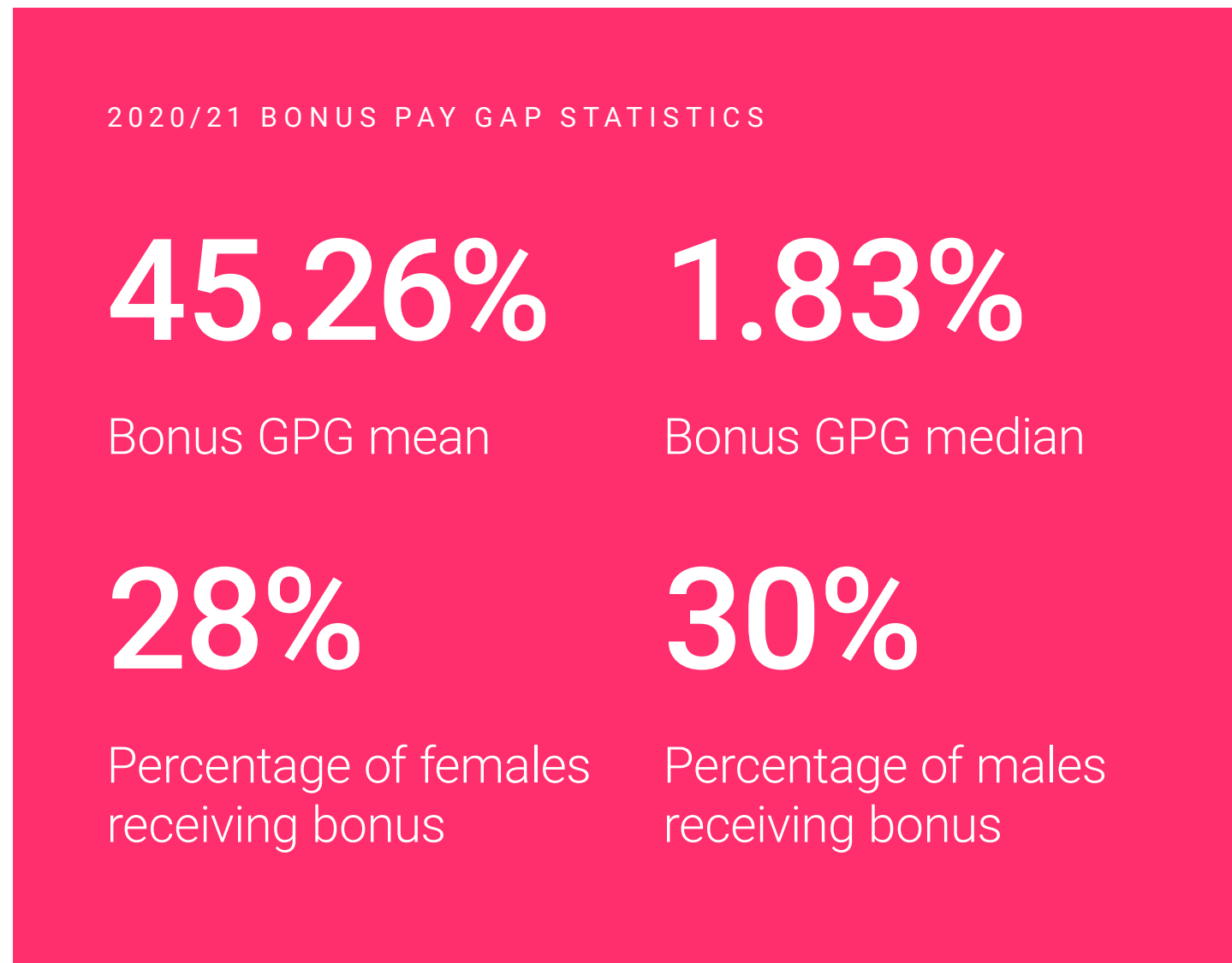
Pay quartiles analyse the proportion of females by pay quartile. Quartile 1 are the lower paid employees and Quartile 4 are the highest paid. You can see from these figures that there are a higher proportion of women in lower paid roles.

As a business we have always employed a relatively high proportion of females, particularly in the early stages of their careers and this is something we remain proud of. In 2020/21 73% of Quartile 1 were female. At the same time, we had a higher proportion of male employees in Quartile 4. These are two key factors which impact our GPG.



2020/21 bonus Gender Pay Gap

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The calculation of the mean and median gender bonus gap includes UK employees who received any bonus pay (including referral bonus and incentive payments) in the 12 months up to April 2020. In 2020/21, 28% of our female employees and 30% of our male employees received any bonus pay.

Mean Bonus GPG

Our mean bonus gender pay gap 2020/21 in the UK is 45.26%. The fact that we have a higher proportion of men in our highest paid roles would seem to be a key factor in this result.

Median Bonus GPG

Our median bonus gender pay gap is 1.83% in the UK, which indicates that the median bonus received by male and female employees is progressing in the right direction.

*Mean bonus gap reflects the % difference between the average bonus pay received by males and females. Median bonus gap is the difference between the male who is in the middle of the distribution pay and the female. Similar to hourly GPG analysis, the median Bonus GPG is arguably the better indicator to define anomalies as a few high or low bonus payments can misrepresent the mean.



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Our action plan

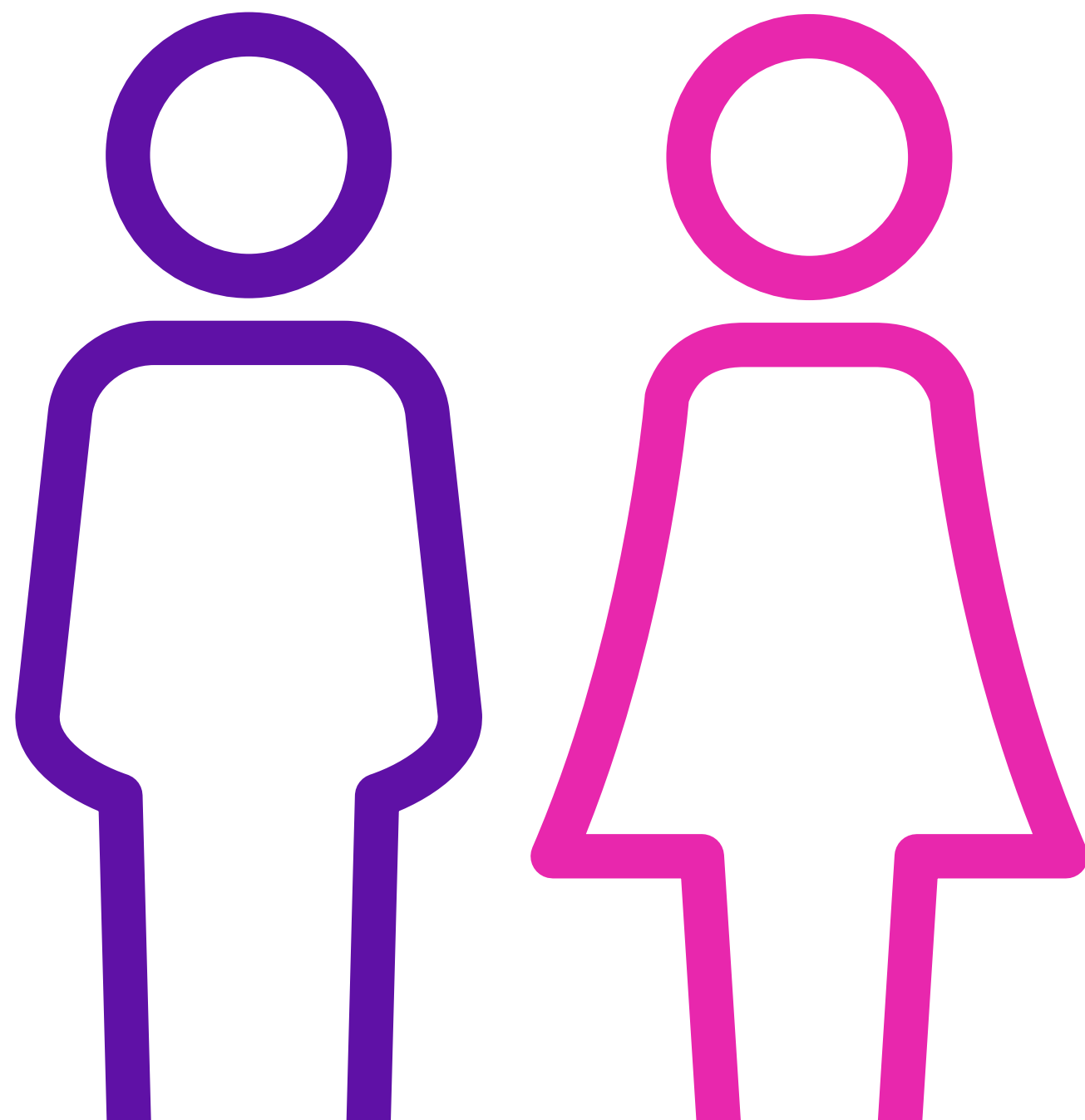


Our objective remains to attract and retain more senior women and to reduce our GPG further. Since the data reporting point (April 2020), we have seen positive changes and more senior women join TCEG. As a business, we remain committed to making further progress:

- We continue to ensure our policies and processes support a positive impact on our GPG
- Our pay and recruitment processes are designed to ensure equality of opportunity irrespective of gender and we will continue to make sure this is the case
- We continue to improve our flexible working practices as we return to a new hybrid way of working
- Training and development is a key focus for 2021, as we launch the TCEG Academy and our own Capability & Competency Framework
- As ever, we will maintain transparency regarding our performance in this area and our senior team will be accountable for this, including the Senior Leadership Team and the People Team



Declaration



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.

Russ Lidstone

05/10/2021

At The Creative Engagement Group, we have always undertaken our Gender Pay Gap analysis on a global level, including all our employees in both the UK and the US.

Using HMRC guidelines, this report is based on payroll information for our UK staff for the period of April 2020.

It doesn't include Logicearth Learning Services or Cormis Partnership, as they were acquired by The Creative Engagement Group after this date.

