

GENDER AND ETHNICITY PAY GAP REPORT

MIND THE PAY GAP

5 April 2022 snapshot date
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IPSOS PAY GAP REPORTING

Introduction

At Ipsos we firmly believe that the diversity and range of skills, experiences, backgrounds and ideas we have here in the UK creates a richer working environment for us all and a stronger offer for our clients.

This report details both our 2022 **Gender Pay Gap**, which we have reported on since 2017 when the legislation was introduced by the UK Government, and the third edition of our **Ethnicity Pay Gap** for which there is currently no legal requirement to publish. We want to be open about the challenges we face in both areas, acknowledge we are not where we need to be and hold ourselves accountable to driving change.

Ipsos' workforce is 58% female and 42% male. However, our average Gender Pay Gap in April 2022 was 17.4% in favour of male employees, so we know we need to do better.

Over the last three years we have been encouraging our employees to provide us with their ethnicity so we could calculate our Ethnicity Pay Gap to understand the issues we need to tackle and create appropriate action plans. We are now at a disclosure rate of 91% reflecting an improvement in our processes and our people feeling comfortable to share this information.

Our Ethnicity Pay Gap compares the pay gap for ethnic minority (Black, Asian and Minority Ethnic) employees compared to white employees. Our workforce is 75% white and 25% ethnic minority. This is more diverse than the UK working population as a whole, but we have a mean Ethnicity Pay Gap of 21.9% in favour of white employees which we want to address.

The pay gaps are due to an under-representation of women and ethnic minorities at our most senior levels which is unacceptable. We are committed to reducing both pay gaps with a focused inclusion and diversity strategy that is supported by detailed action plans. We have shared in this report some of the initiatives already in place, such as piloting a talent sponsorship with high potential female and ethnic minority employees to accelerate careers, as well as our ambitious plans for moving us further forward.

We also want to continue to contribute to the public debate on diversity and equality in Britain today. We fund various research projects exploring the experiences of ethnic minority people as well as continuing our research partnership with the Global Institute for Women's Leadership and King's College London.

The changes we are making within Ipsos will take time to have an impact on both pay gaps. We want to keep moving in the right direction and have commitment from across the organisation to continue to do what we feel is right, driven by our collective passion to make Ipsos a welcoming place where everyone can thrive.

Kelly Beaver MBE
Chief Executive, UK & Ireland
Ipsos

ACTIONS WE HAVE TAKEN IN 2022 TO REDUCE OUR PAY GAPS

Belong, our Inclusion and Diversity group, works closely with the UK Management Committee as well as our Gender BALANCE Network and REACH (Race, Ethnicity and Cultural Heritage) Network. We have a range of other employee networks that collaborate closely, recognising intersectionality.

These employee networks run a programme of events for all staff. They also work to identify areas of policy and culture change that will help ensure our organisation is equitable in terms of opportunity, recognition and pay.

In 2021 we created a Belong roadmap that has been shared with all staff, setting out our longer term goals for the next five years and a clear action plan. Closing the Gender and Ethnicity Pay Gaps are two key strands of our roadmap, helping to keep these issues top of mind and drive accountability.

Actions taken in 2022:

- We started a pilot of our talent sponsorship programme with high potential Directors.
- We have reviewed our recruitment practices with the aim of increasing the diversity of candidates applying for senior level positions.
- By the end of 2022 we will set aspirational targets on the representation of women and people from ethnic minority backgrounds in Director positions.
- We have updated our maternity careers support. Piloting transitional coaching intervention for extended-leave returners focused on career development with specialist external trainers.
- We have continued to recruit into our apprenticeship scheme – 10 new recruits in 2022.
- We raised awareness of our part-time/flexible working policies to improve consistency across the business.



TECHNICAL NOTES

In 2017 the UK Government introduced new legislation requiring all companies in the UK with more than 250 employees to report their Gender Pay Gap. The Gender Pay Gap is the difference between the average pay of men and women within a company or workforce. This is distinct from equal pay where it is unlawful to pay people unequally for carrying out the same jobs.

The Gender Pay Gap is calculated by comparing the hourly earnings of men and women based on the snapshot date of 5 April 2022. Both the mean and median are expressed as a proportion of men's earnings, for example a 17.4% Gender Pay Gap means that women earn 17.4% less than men on average. The mean and median gender bonus gap is based on bonus pay, that can include Ipsos shares, received in the 12 months leading up to 5 April 2022.

We have calculated the Ethnicity Pay Gap using exactly the same approach, with the same snapshot date, in the absence of any UK legislation. The Ethnicity Pay Gap figures represent the pay or bonus gap between ethnic minority and white employees, expressed as a proportion of white employees. For example, a 21.9% Ethnicity Pay Gap means that ethnic minority employees earn 21.9% less than white employees on average. The base size is lower for the Ethnicity Pay Gap as the analysis has been based on those employees where we have their ethnicity data, which is 91% of our employees.

Ipsos comprises several legal entities in the UK, as a result of various acquisitions, legacy and legal reasons. Two – Ipsos MORI UK Ltd and MORI Ltd – are required to report their Gender Pay Gap under current regulations. We have also chosen to publish the figures for our entire UK business, which contains these two legal entities as well as others which do not meet the reporting size threshold. This combined figure is labelled as UK Group in the charts and tables.

For the Ethnicity Pay Gap we have reported only at the UK Group level.



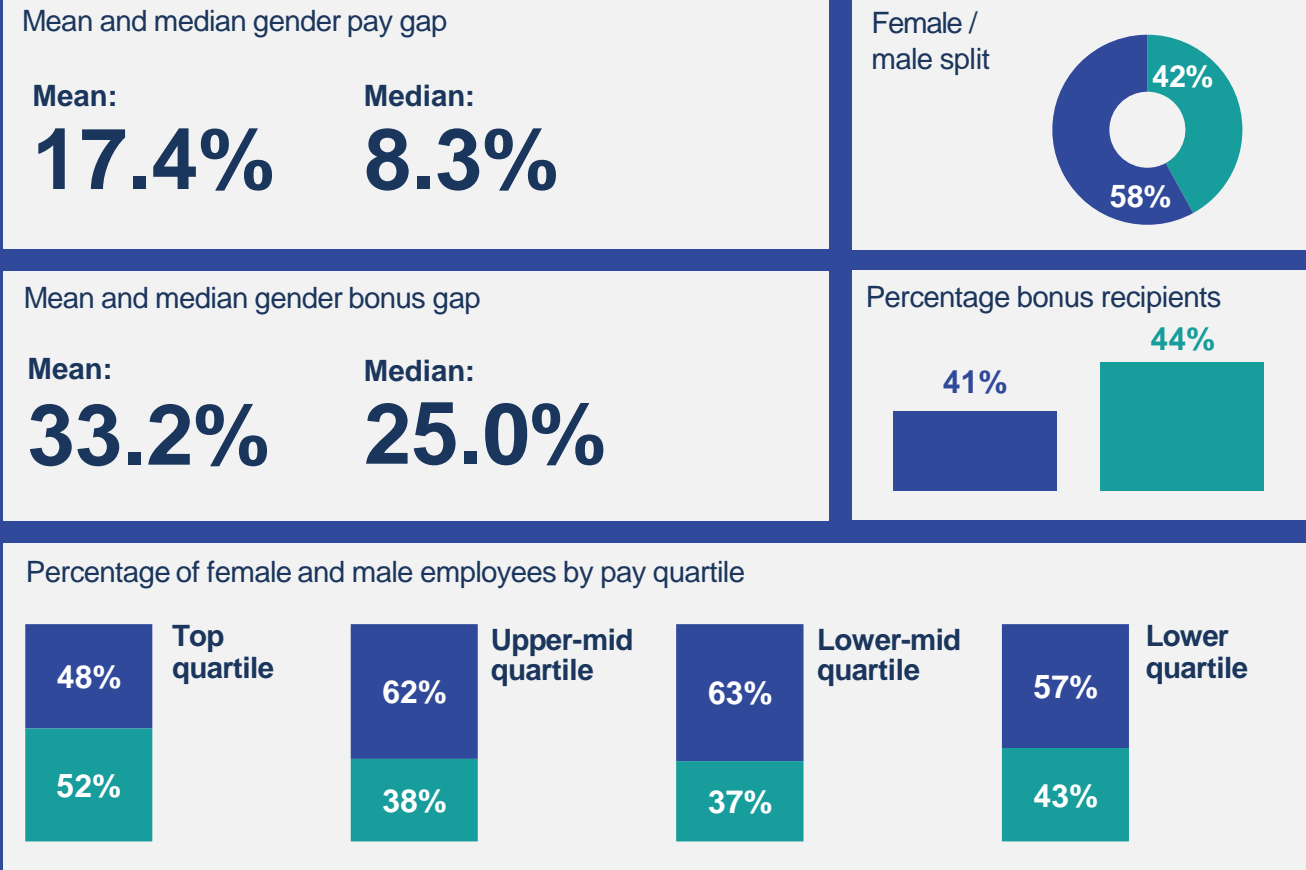
GENDER PAY GAP

UK GROUP

2022 GENDER PAY GAP

All legal entities (2,508 employees/workers)

Female Male



Mean pay gap

The difference in the average hourly rate of men’s and women’s pay.

Median pay gap

The difference between the midpoints in the ranges of men’s and women’s hourly pay. The median point is calculated by taking all salaries in the sample, lining them up in order from lowest to highest, and picking the middle-most salary. Median is less likely to be distorted by outliers or extremes at either end of the spectrum.

Proportion receiving bonus

The percentage of men and women who received a bonus in the 12 months preceding 5 April 2022. Bonus includes vesting Ipsos shares, performance bonus and other one off payments such as long service awards.

Bonus gap

The percentage difference (median and mean) in total bonus or Ipsos shares payments received by men and women in the 12 months preceding 5 April 2022.

Pay quartile

The proportion of men and women in each of four equal groups, defined by pay-band – lower, lower-mid, upper-mid and top.

UNDERSTANDING OUR GENDER PAY GAP

Our Gender Pay Gap (mean gap of 17.4%) is driven by a lower proportion of women in our most senior leadership roles and a higher number of women in the lower quartiles.

The proportion of women decreases as we move up the levels of our organisation and it is our most senior people who receive the highest level of remuneration.

Our bonus gap is greater than our pay gap because our senior roles, which have a greater proportion of males, are more likely to have a larger performance based remuneration. Bonuses, which can include Ipsos shares, are paid annually and subject to more fluctuations depending on when they are paid relative to the Gender Pay Gap cut off date.

The picture this year is a little worse than in 2021 due to an increased headcount that has led to a lower proportion of women in the upper pay quartile.





CLOSING THE GENDER PAY GAP IN THE FUTURE

We will continue to push ahead in 2023, with the following initiatives:

- Continue the focus on gender pay indicators during pay reviews, particularly at the more senior level
- Communicate internally our aspiration to increase the representation of women at our senior levels to ensure a more equal representation of the company as a whole.
- Monitor gender balance across job functions, and our Service Lines, to avoid unbalanced departments due to some roles more easily attracting men over women.
- Enhancing our attraction and selection processes to improve our targeting and widen our talent pool to include a more diverse range of candidates.
- Greater focus on training hiring managers and senior leaders in the organisation to encourage more inclusive recruitment processes. We have had a very successful re-vamp of our Early Careers recruitment processes and want to take these practices and apply them to all our roles to ensure more diverse hires.
- Continue to provide career support to people returning from maternity (and paternity) leave, to help them realise their ambitions and ensure they feel able to stretch themselves with new challenges
- Continue our sponsorship programme for high potential female and ethnic minority employees.
- Begin a programme of reverse mentorship for our Management Committee to help build our inclusive culture, increase engagement and retention, attract talent, and increase diversity in leadership.

STATUTORY DISCLOSURE

Ipsos in the UK comprises of several distinct legal entities. Those that have 250 or more employees are therefore required to publish their own gender pay gap data.

	Number of relevant employees	Gender split		Mean pay gap	Median pay gap	Mean bonus gap	Median bonus gap	% receiving bonus	
		Male	Female					Male	Female
Ipsos MORI UK Ltd	2,002	42%	58%	15.8%	7.5%	22.5%	25%	40%	37%
Ipsos (Market Research) **	471	41%	59%	20.8%	12.5%	53.5%	25.0%	61%	56%
UK Group*	2,508	42%	58%	17.4%	8.3%	33.2%	25.0%	44%	41%
		Upper quartile		Upper-mid quartile		Lower-mid quartile		Lower quartile	
		Male	Female	Male	Female	Male	Female	Male	Female
Ipsos MORI UK Ltd		51%	49%	37%	63%	41%	59%	41%	59%
MORI UK Ltd**		53%	47%	42%	58%	34%	66%	35%	65%
UK Group*		52%	48%	38%	62%	37%	63%	43%	57%

Accuracy statement

We confirm that the information in this report is accurate as of 5 April 2022 and prepared in accordance with the Equality Act 2010 (Gender Pay Gap information) Regulations 2017.

* Includes companies with less than 250 employees (not shown above).

** Formally MORI

Figures may not add up to 100% due to rounding.



ETHNICITY PAY GAP

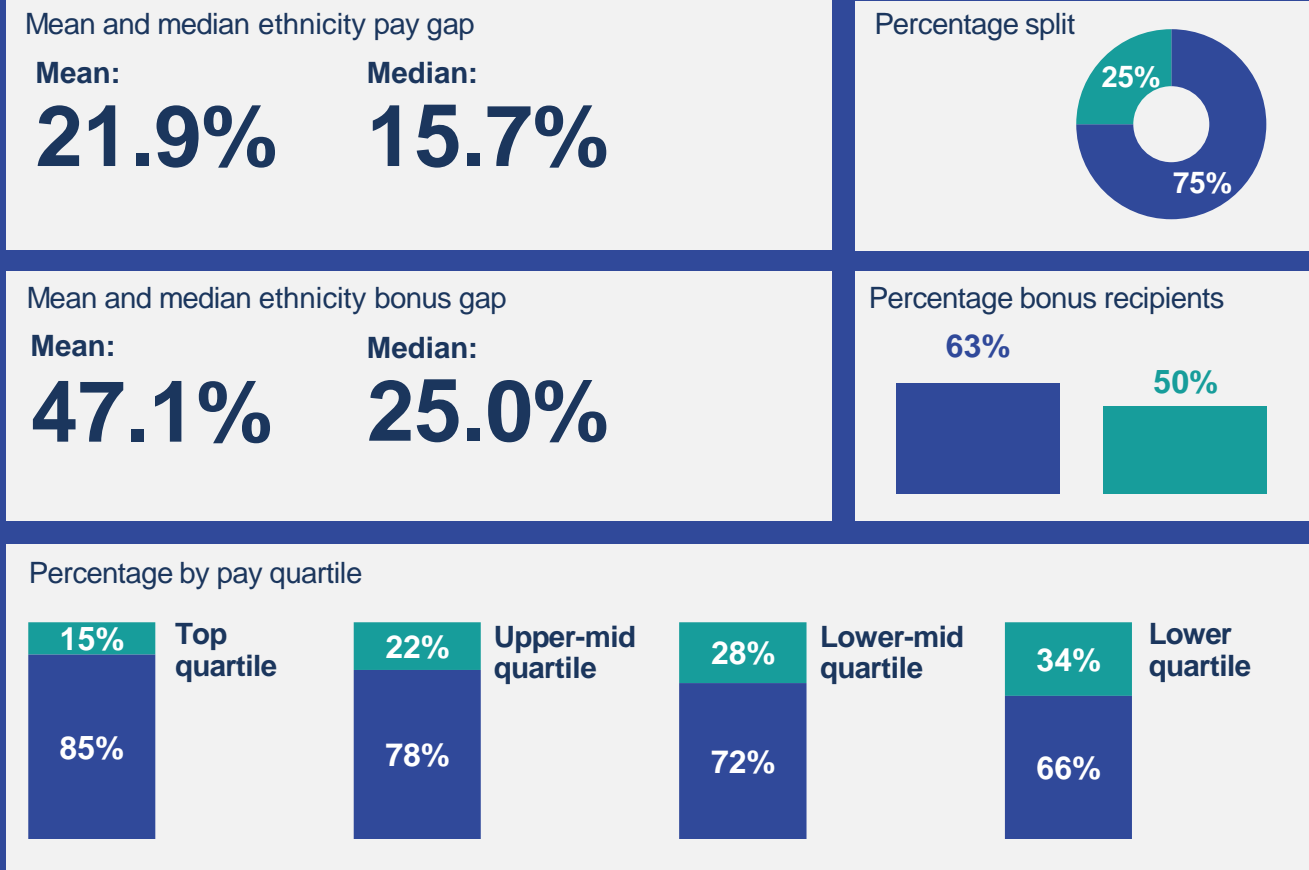
UK GROUP

2022 ETHNICITY PAY GAP

All legal entities (1,485 employees/workers)

Based on employees where we have ethnicity data

White Ethnic Minority



Mean pay gap

The difference in the average hourly rate of ethnic minority and white employees pay.

Median pay gap

The difference between the midpoints in the ranges of ethnic minority and white employees hourly pay. The median point is calculated by taking all salaries in the sample, lining them up in order from lowest to highest, and picking the middle-most salary. Median is less likely to be distorted by outliers or extremes at either end of the spectrum.

Proportion receiving bonus

The percentage of ethnic minority and white employees who received a bonus in the 12 months preceding 5 April 2022.

Bonus includes vesting Ipsos shares, performance bonus and other one off payments such as long service awards.

Bonus gap

The percentage difference (median and mean) in total bonus or Ipsos shares payments received by ethnic minority and white employees in the 12 months preceding 5 April 2022.

Pay quartile

The proportion of ethnic minority and white employees in each of four equal groups, defined by pay-band – lower, lower-mid, upper-mid and top.

UNDERSTANDING OUR ETHNICITY PAY GAP

In the UK our mean Ethnicity Pay Gap is 21.9% driven by a lower proportion of ethnic minority employees in our more senior, higher paid roles. Bonuses, which includes Ipsos shares, are paid out at more senior levels in the organisation versus lower levels.

All the analysis is based on those employees where we have their ethnicity data which is approximately 91% of all our people.

Compared with 2021, the percentage of ethnic minority population has increased from 23% in 2021 to 25% in 2022, showing a small increase in ethnic minority population.

While the two upper quartiles have remained the same as 2021, the bottom two quartiles have increased, reflecting our Early Career recruitment results. This means that we are now reporting more ethnic minority employees in the lower quartiles, which will increase the gap in favour of white employees. This highlights the need to focus on senior level roles moving forward.

CLOSING THE ETHNICITY PAY GAP IN THE FUTURE

We will continue to push ahead in 2023, working to reduce our Ethnicity Pay Gap, with a focus on the following initiatives:

- Continue to include ethnicity pay indicators during pay reviews, across all levels and business units
- Continue to support high potential ethnic minority employees to accelerate their career progression with active sponsorship from UK Management Committee members and other senior colleagues.
- Begin a reverse mentorship programme for our Management Committee.
- Communicate internally our aspiration to recruit more ethnic minority employees into senior positions. This will be cascaded to individual business units to ensure understanding, engagement and action. We will also strive to ensure we have balanced shortlists for all senior roles.
- Monitor Early Careers attrition with a particular focus on ethnic minority employees to support retention strategies.
- Further enhance our inclusive recruitment activities and enhance recruitment collateral to better illustrate our ethnic diversity.
- Invest in and implement new inclusion and diversity training with a particular focus on our senior employees and hiring managers.

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