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# Epsilon UK

## Gender Pay Gap Report 2023

# Epsilon's Commitment to Inclusion

At **Epsilon**, we celebrate the differences that make us unique and embrace the similarities that unite us.

To ensure an engaged and inclusive workplace, we are creating a culture where all employees are seen, heard, valued, respected, and supported by reinforcing the Epsilon values. We believe **inclusion is a growth strategy for transformational change and our customer loyalty is built on the strength of the organisational culture.**

Diversity, Equity, and Inclusion is the key to unlock the full potential our business relies on to strengthen our client and community relationships that allows us to remain competitive by removing the bias that hinders our employee's creativity and innovative spirit. We can only be successful when all people contribute to the benefit from a culture where we are treated as equals. We strengthen our culture by creating a business imperative for all employees to advance diversity, equity, and inclusion by systemically addressing and interrupting bias, and by seeking out and championing diversity.

It's our **mission** to create an environment of empathy, belonging, and collaboration among our employees. We harness this same commitment to DE&I that we have within our organisation and strive to pass it along to the clients and communities, we serve.

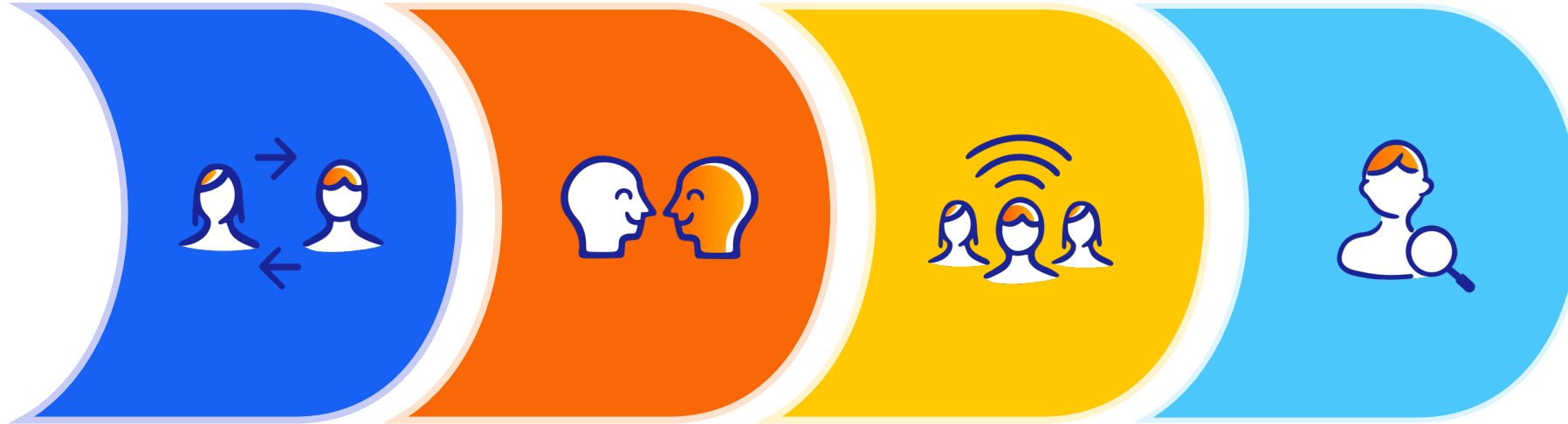


*“The annual Gender Pay Gap Report is a valued opportunity to measure progress of our commitments to gender diversity at all levels. It is a rigorous, complex effort that requires asking the right questions to ensure people are compensated on factors directly related to their role, contributions and impact. We are committed to conducting ongoing reviews and taking appropriate actions that not only yield the most meaningful and relevant findings, but also ensure that our employees continue to be paid fairly and equitably.”*

**Duane La Bom**

*VP of Human Resources and Global Chief Diversity Officer*

# Our results



The gender pay gap is the difference in average pay between men and women in an organisation. Epsilon's median gender pay gap for 2023 is 31.4 %.

The gender pay gap is different from equal pay which is defined as 'the right for men and women to be paid the same when doing the same, or equivalent, work' (Equality Act, 2010).

The Epsilon UK entity includes separate agencies, CJ Affiliate & Hawkeye, whose data is also included in our results.

The following has been calculated using the UK Government guidelines to determine our gender pay gap for 2023.

# Our results

	Salary Pay Gap	Bonus Pay Gap
Mean	31.5%	48.9%
Median	31.4%	49.2%

%M/F	Male	Female
Upper	68.2%	31.8%
Upper Middle	48.4%	51.6%
Lower Middle	31.2%	68.8%
Lower	31.2%	68.8%

Proportion of M/F employees by pay quartile

Bonus	Male	Female
% Received	85.1%	84.7%

Proportion of M/F employees that received a bonus in 2023



# Our results

2023 is the second year Epsilon UK has been required to report our gender pay gap results. Our results show a reduction in our median salary gap (2.5%) and our median bonus gap (20%). We've also made improvements in 3 out of the 4 pay quartiles.

Whilst we continue to employ a high proportion of females, some of our most senior long-tenured roles are held by males, impacting our gender pay gap for Epsilon UK.

Epsilon, CJ Affiliate & Hawkeye, all operate on a regional basis within Europe. There are a number of senior female leaders who are based outside of the UK and therefore not included in our results, which impacts our gender pay gap also.

When we calculate the pay gap for each quartile, results show where we have a more even split of male and female employees such as in the Upper Middle quartile, our pay gap is 0.1%.

Whilst the above contributes towards explaining our gender pay gap, Epsilon is committed to continue taking action to to further close the gap.



## Our commitment to closing the gap

- At Epsilon we are confident in our compensation philosophy, paying fairly based on roles and experience and competitively against the market. Epsilon Pays for Performance, which means we reward employees based on outcomes and impact and expect higher performing employees to earn more over time.
- In 2023, we continued to improve our 'Life Stages' programme, and further enhanced our maternity/pregnancy, adoption, paternity/second parent and shared parental leave and surrogacy policies. Other policies we have introduced include domestic violence (which outlines the support available for anyone experiencing domestic violence and raising awareness), neonatal care (outline additional support available to anyone who is affected by a baby needing neonatal care), transitioning at work, carers, fertility and pregnancy loss. We continue to educate and support our employees on topics such as the menopause to ensure we are supporting employees as they go through different 'life stages'.
- Our hybrid flexible working approach, enables all employees, but especially our female talent at all levels to better manage workloads and lives.
- Globally we are partnering with Syndio, a Workplace Equity Analytics Platform which identifies inequities in compensation, representations and promotions to help us close the pay gaps.

## Our commitment to closing the gap

- In the last few years, the EU Senior Leadership team have taken part in the initiative, MARC (Men Advocating Real Change), a programme that invites men to leverage their influence and advocate for gender equity in the workplace. MARC alumni continue to put their learning into practice and drive positive impact by taking action and engaging in continuous learning loops.
- Development of recruitment practices that support the appointment of a more diverse workforce and ensure an inclusive and equitable recruitment experience for all.
- In order to collectively develop our skills and foundational knowledge in diversity, equity and inclusion, we offer a range of training including unconscious bias training which is mandatory for all our employees.
- Our employee action groups, in particular VivaWomen!, is active in supporting women and their development and progress at work through events, topical sessions and networking opportunities.



# FAQ and definitions

## What is the gender pay gap?

The gender pay gap is the difference in average and median hourly earnings between men and women in an organisation.

## Does a gender pay gap mean an equal pay issue?

No. Gender pay is different to equal pay which is defined as 'the right for men and women to be paid the same when doing the same, or equivalent, work'. (Equality Act, 2010). It is illegal to pay people differently for the same or equivalent work because of their gender.

## Why do we have a gender pay gap?

A gender pay gap can be caused by a number of factors such as having more men than women in high earning roles or more women working part-time.

## What is the reporting period?

The salary data is taken from a snapshot of payroll of 5 April 2023 and the bonus data covers 12 months leading up to that date.

## Which employees are included in the report?

The figures cover all employees who have a permanent or fixed-term contract (full or part-time) and are paid through our payroll system. The salary pay gap data does not cover employees who are paid a reduced rate or not being paid due to being on maternity/pregnancy, paternity/second parent, adoption or shared parental leave for example.

Our data is compiled based on the Gender Pay Gap Reporting requirements set out by the UK Government, which for now at least are gender specific. We anticipate this will evolve with time and our reporting will reflect this.



# FAQ and definitions

## What is the median pay gap?

This is calculated by listing all employees hourly pay from lowest to highest, and then comparing the midpoint figure for men and the midpoint for women. The difference between the two is the median pay gap, shown as a percentage.

## What is the mean pay gap?

This is calculated by adding up all employees' hourly pay and dividing it by the number of employees. The pay gap is the difference between the mean (average) figures for men and for women, which is reported as a percentage.

## What is the bonus gap?

The mean and median bonus gaps are the difference between the mean and median bonus pay received by male and female employees in the 12 months ending on 5 April 2023. This applies to all employees, even if they're not in full pay on the snapshot date. We also report on the percentage of male and female employees that receive a bonus in the year.

## What is a pay quartile?

Employers must sort their full pay employees into a list based on hourly pay, in highest to lowest order, and then split this list into four equal parts which shows how many men and women fall into each of the pay quartiles.



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