

The Economist Group

Gender pay gap report

2018



Foreword

In this second year of reporting the gender pay gap, there are some small improvements in our employment and salary patterns globally. Most notable is the improvement in female representation in all higher salary quartiles including the top quartile.

In the UK specifically there is an improvement in the mean gender pay gap (which is the pay gap as per the UK Government reporting guidelines) and the underlying employment trend shows a healthy gender balance in recruitment and career progression.

The report also describes actions taken to achieve gender parity and inclusion in its widest sense.

While our gender pay gap improvements are modest, we can and will do better year by year until gender parity is achieved.



Chris Stibbs

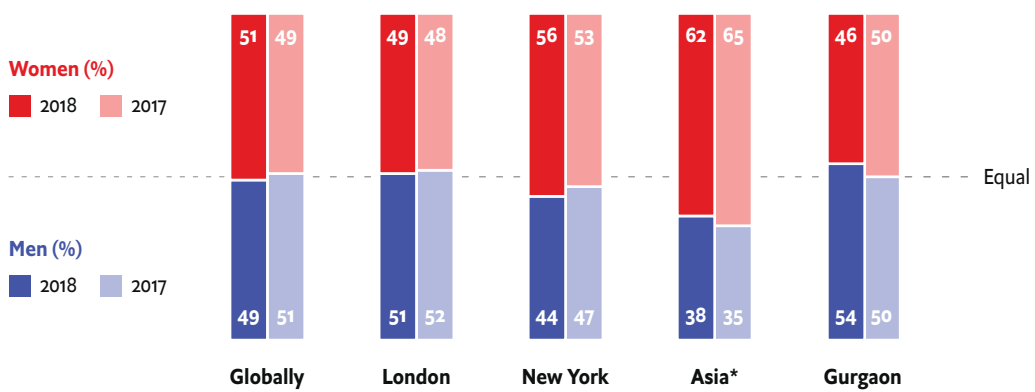
Chief executive

22nd March 2019

1. Global employment and salary patterns

Global gender balance

Women and **men** employment distribution across The Economist Group



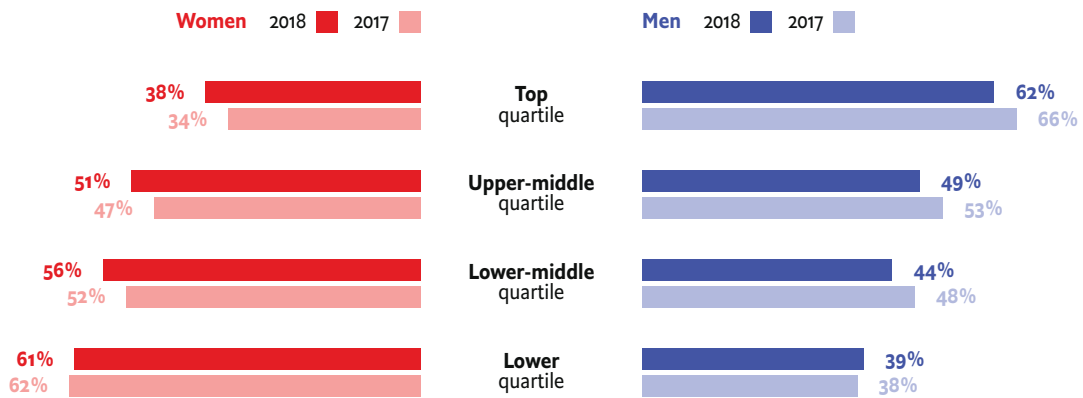
The overall gender balance, in terms of the number of men and women employed, is similar year to year. The weighting towards women employed in New York has increased a little and the weighting in Asia is slightly less than last year. There is also a small shift towards men employed in Gurgaon.

*Asia: Hong Kong and Singapore

1. Global employment and salary patterns

Global salary distribution

Employment distribution across each salary quartile* for **women** and **men**



While the changes year to year are modest, they are in the right direction with improved female representation in the lower-middle to top quartiles demonstrating the gender gap is front of mind in recruitment and career progression. However, we need to ensure more women, who are well represented in the lower-middle and upper-middle quartiles, progress to the top quartile.

*Based on annual salaries

2. Actions taken to improve diversity and inclusion globally

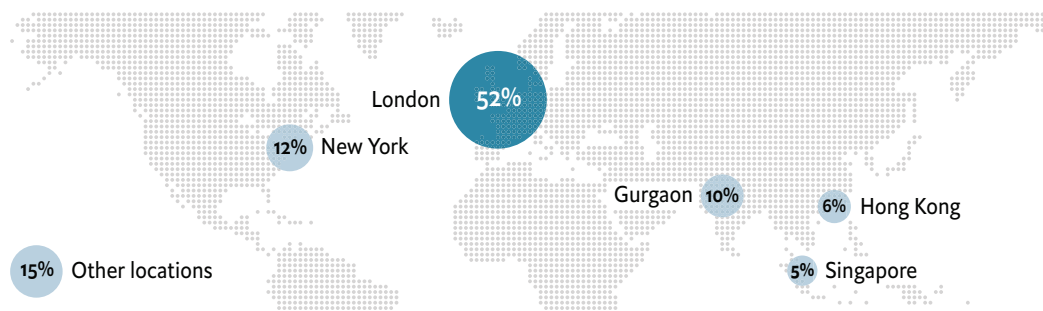
In last year's report we committed to multiple male and female candidates for senior roles and better female representation in management teams. We have placed greater demands on the Talent Acquisition team and hiring managers and held vacancies open for longer to ensure this happens. The Publisher management team has become a model for diversity and career development activities in the Economist Intelligence Unit have been weighted towards developing women and new rising talent in our Gurgaon office.

We also committed to a review of paternity and maternity support and developed a global standard for parental leave which improved maternity leave in the USA and Asia and paternity leave globally with two months paid leave. The policy provisions are the same for adoption and surrogacy too.

Many staff (over 80%) have attended Differences Matter, our diversity and inclusion sessions, which have concentrated on a deeper understanding of inclusion, unconscious bias and personal boundaries in terms of behaviour. We will continue to run these sessions which encourage lively debate and an appreciation of different feelings and points of view.

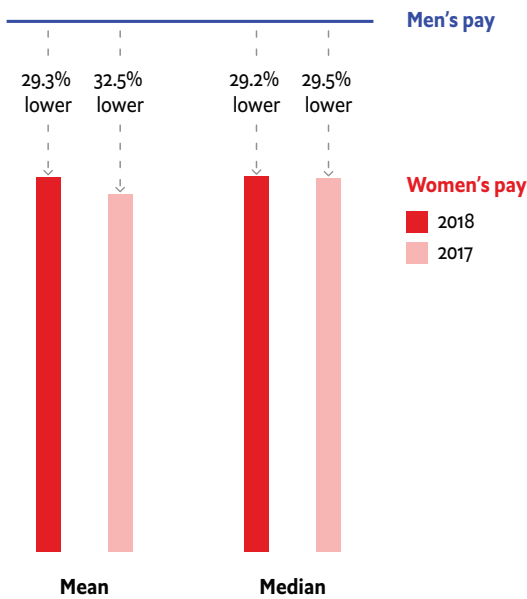
3. The UK gender pay gap (as per UK Government reporting guidelines)

The Group employs 685 staff in the UK, mainly in London which represents 52% of all employees worldwide (see map below) including the majority of editorial staff, publishing, marketing, research, consultancy, head office functions and support staff.



Hourly pay rate*

Women's hourly rate vs men's



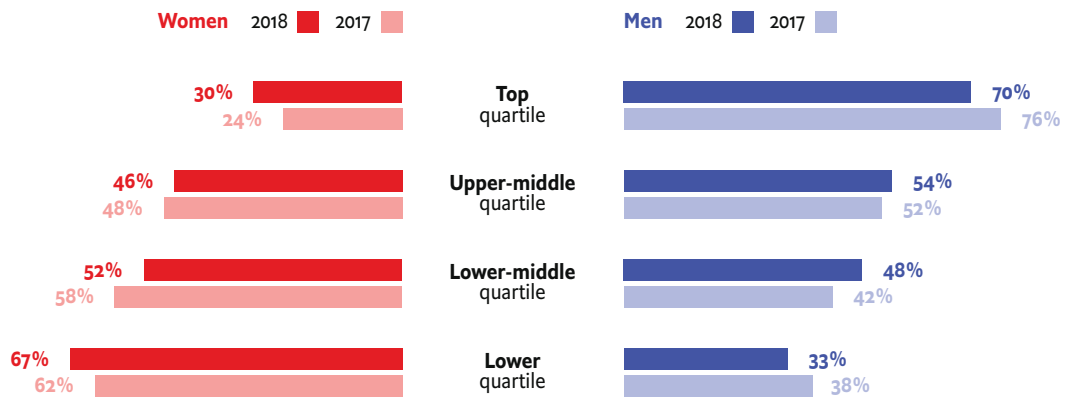
The pay gap at the snapshot date of 5th April each year shows the mean (or average pay gap) has improved by 3.2% and the median has improved by 0.3%. This is explained in the analysis by the pay quartiles (page 7).

*The hourly rate for UK Government reporting purposes includes salary, allowances and bonuses and is different to the analysis of annual basic salaries in the first section.

3. The UK gender pay gap (as per UK Government reporting guidelines)

Pay quartiles

Employment distribution across each payroll quartile* for **women** and **men**



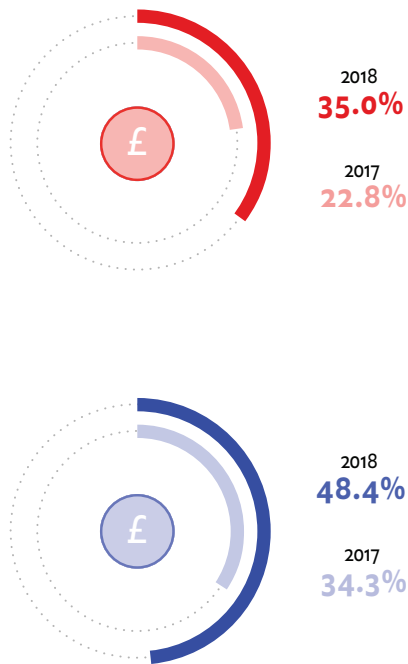
There is an improvement in female representation in the top quartile compared to last year; in actual numbers 69 women were recruited or promoted to lower-middle, upper-middle and top quartile positions compared to 65 men.

*Based on hourly pay rate

3. The UK gender pay gap (as per UK Government reporting guidelines)

Bonus pay

Proportion of **women** and **men** who received bonus pay

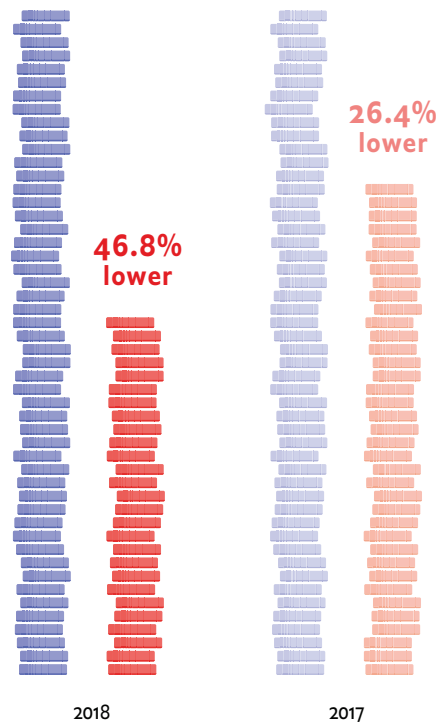


The number of men and women receiving bonus last year has increased in the same proportion. However, most bonuses are a percentage of salary and bonus percentages increase with seniority which are the positions more often held by men.

In 2018, 110 women received a bonus compared to 164 men.

Bonus gap

Compared to **men's** mean bonus pay, **women's** bonus pay was:



The increase in the bonus pay gap in 2018 is due to an error in last year's reporting in that restricted stock and dividends should have been included. Restricted stock is awarded to few individuals, if it was excluded from bonus pay in 2018, the mean bonus gender pay gap would have been 26.4%, which is similar to last year.

4. UK Statutory disclosures

The figures below show the UK median and mean gender pay gap based on hourly rates of pay of staff employed on the snapshot date of April 5th 2018.

	Mean	Median
Gender pay gap	29.3%	29.2%

The following tables show the UK mean and median gender bonus gap based on bonuses paid in the year to April 5th 2018 and the proportion of women and men who received a bonus.

	Mean	Median
Gender bonus gap	46.8%	15.7%

% of women receiving bonus pay	35.0%
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% of men receiving bonus pay	48.4%
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The final table shows the proportion of women and men in each pay quartile, based on hourly pay rates.

	Lower quartile	Lower-middle quartile	Upper-middle quartile	Top quartile
% women	66.9%	51.8%	45.7%	29.7%
% men	33.1%	48.2%	54.3%	70.3%

I confirm the data reported is accurate.

Catherine Hearn

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Group Human Resources Director

22nd March 2019

