

# Gender Pay Gap Report 2021

**PHMG/**

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# The state of play

**Since 2017, companies in the UK with more than 250 employees have been required by law to report their gender pay gap statistics annually.**

This requirement was temporarily relaxed in 2020 as a result of the coronavirus pandemic, so while we have focused primarily on our Gender Pay Gap for the latest reporting period, our report this year also provides statistics for the prior year.

The gender pay gap is the difference in average earnings between all men and women in the organisation; this differs from equal pay, which is the legal requirement for people carrying out the same or similar work to be paid equally, regardless of gender.

We're committed to creating an environment where everyone is treated equally and has the same career development opportunities. Not only is this fair, but we believe that greater inclusion and diversity, including a

gender-balanced workforce, leads to more rewarding and successful workplaces.

We support, promote and invest in a range of initiatives designed to encourage and accelerate the development of women leaders. We're dedicated to maintaining inclusive working practices and make every effort to increase diversity of all kinds through best practice in recruitment, training, mentoring, parental leave and flexibility.

This document is designed to explain our commitment to supporting female progression in the workplace, showcase the relevant gender pay gap figures, and report on our achievements in minimising discrepancies.

We'll also outline the steps we'll continue to take in moving towards our goal of further reducing the gap.

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# How we promote diversity

Every company has a responsibility to build a diverse workforce. And at PHMG, we're working hard to ensure every background, ethnicity and gender is well represented.

A balanced staff-set encourages creativity and collaboration; creates a wide and varied viewpoint for

discussion; harnesses innovation; and leads to a better workplace and a quality product.

**This all translates to our clients, resulting in exceptional levels of customer service and overall satisfaction.**

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## PHMG's company mantra comprises



Passion



Hard work



Continuous improvement

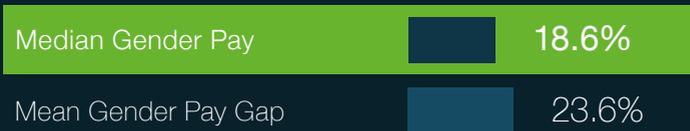
These qualities are apparent in every one of our staff members, regardless of their gender expression. Adopting these principles in daily working life is key to success at PHMG, but we

must also do all we can to reduce the gender gap and ensure a clear path for progression is available to all employees.

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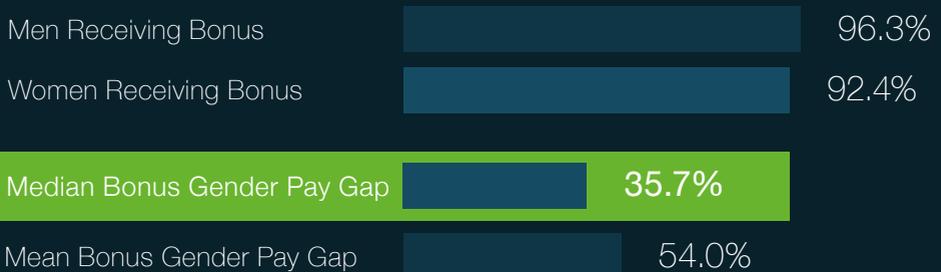
# The figures

These figures represent a snapshot of our UK business on 5th April 2020. The Gender Pay Gap shows the difference between the mean (average) and median (mid-point) pay and bonus earnings of male and female employees, expressed as a percentage of male employees' earnings.



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# Bonus pay gap



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# Pay distribution

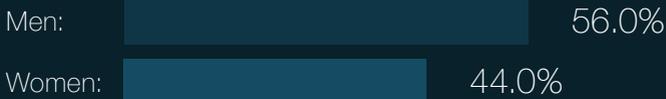
Of the people in each quartile of our payroll (including bonuses, commission, etc.), how many are men and how many are women?

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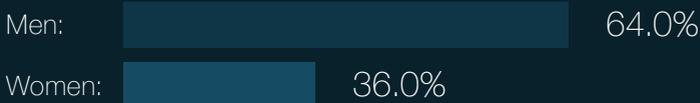
## Lower quartile



## Lower middle quartile



## Upper middle quartile



## Upper quartile



# Progress over time

In our report we have prioritised the Median Gender Pay Gap, as the Mean can be skewed by a small number of very high earners.

	2020	2019	2018	2017
Median Gender Pay Gap	18.6%	23.7%	19.7%	25.7%
Mean Gender Pay Gap	23.6%	29.1%	31.7%	31.6%
Median Bonus Gender Pay Gap	35.7%	34.5%	48.1%	42.9%
Mean Bonus Gender Pay Gap	54.0%	51.0%	49.9%	53.0%
Proportion of Men Receiving Bonuses	96.3%	95.5%	95.3%	96.2%
Proportion of Women Receiving Bonuses	92.4%	91.6%	97.9%	97.9%

The following table details the gender distribution in each quartile of PHMG's payroll for the last four reporting periods:

	2020		2019		2018		2017	
	Men	Women	Men	Women	Men	Women	Men	Women
Lower Quartile	46.0%	54.0%	57.5%	42.5%	57.7%	42.3%	54.2%	45.8%
Lower Middle Quartile	56.0%	44.0%	62.2%	37.8%	59.2%	40.8%	69.5%	30.5%
Upper Middle Quartile	64.0%	36.0%	65.8%	34.2%	60.6%	39.4%	73.5%	26.5%
Upper Quartile	78.4%	21.6%	84.9%	15.1%	90.1%	9.9%	87.8%	12.2%

# Interpreting these results

**This latest set of figures indicate that progress has been made over the last two years, with our Median Pay Gap now at its lowest-ever level.**

However, we are interpreting the statistics with caution and understand that the figures presented may not accurately reflect the true nature of PHMG's Gender Pay Gap; the business was utilising the Government's furlough scheme on the snapshot date of 5th April 2020.

At this time a significant number of colleagues were furloughed. In accordance with the reporting parameters, furloughed colleagues are not included in our calculations.

We believe this is why we've seen an apparently significant (but ultimately misleading) rebalancing of the gender distribution in our lower and lower-

middle pay quartiles in 2020. We expect our next Gender Pay Gap report to provide a more accurate picture of reality and align more closely with our 2019 figures, which we have also published.

There is, however, some good news. Women represent a larger percentage of our workforce overall than previously (even accounting for furloughed colleagues), and there is an upward trend in the concentration of women in more senior grades; women now represent the largest proportion of the uppermost quartile of earners since reporting began.

**However, we are particularly mindful that our strong level of staff retention, especially in senior roles, means that future improvements in this upper quartile may become more incremental.**

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# What we're doing

At PHMG, we recognise that a gap currently exists, and are working hard to address this. Real progress has been made so far, and we intend to continue this over the coming year as we pursue our goal of further closing the gap.

An imbalance persists in the gender distribution of our highest earners, so we'll pursue our ultimate goal of equal representation at the most senior levels of the organisation – and make year-on-year improvements in this area. At the highest level, we intend to introduce female representation to our executive board by our 2022 target, and our current management team boasts several worthy candidates.

Since 2020, in recognition that our workforce is not as diverse as it could be – in terms of gender, age, ethnicity, and even personality – we've introduced Unconscious Bias training, to ensure all candidates are evaluated fairly and end a cycle of

hiring managers gravitating towards those who are similar to them. This is already reaping results, with a number of women joining the business in senior roles, and contributing to the progress we are seeing in our results.

Not only that, but – in line with our business-wide focus on continuous improvement – we are committed to further harnessing and developing the skillsets of our existing female staff, with a view to addressing the gender balance of our leadership teams. Additionally, we'll also continue to invest in our PH Perks benefits scheme to introduce further assistance to working families. Since publishing our last Gender Pay Gap report, we have enhanced our parental leave for all staff.

Overall, we'll continue to encourage a culture of quality and inclusivity, building a business in which gender bears no consequence on earning potential.

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