

UK Gender Pay Gap Report

INTRODUCTION

Gender Pay reporting requires all UK companies with over 250 employees to report a set of pay calculations based on the gender of our employees. The reports are publicly available.

This is a government requirement, mandated by the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, and the calculations are reported across Vogue House and London HQ combined because most employees are paid through the payroll of The Condé Nast Publications Ltd.

Gender Pay Reporting shows the difference in average hourly earnings between women and men (in our case for all Condé Nast UK based employees). It does not refer to equal pay, which relates to what women and men are paid for the same or similar jobs, or for work of equal value.

Gender Pay Gap reports are based on payroll data at a snapshot date of 5th April each year, and are normally published by 4 April the following year (meaning that the data is usually a year old). Because of Covid-19, reporting the 2019 data is not mandatory, and the 2020 reporting date was postponed until 5 October 2021.

WHAT WE HAVE TO REPORT

The regulations are specific about what has to be reported. This involves carrying out six calculations that show the difference between the average earnings of men and women in our organisations. To be clear, we do not publish anyone's individual salary data. The published figures are:

- Median (middle) gender pay gap in hourly pay
- Mean (average) gender pay gap in hourly pay
- Proportion of women and men in each pay quartile

And less directly relevant for most of us:

- Median bonus gender pay gap
- Mean bonus gender pay gap
- Proportion of women and men receiving a bonus payment

CALCULATING MEDIAN PAY GAP

If all employees were lined up by gender in order of pay from highest to lowest, the median pay is the pay of the woman and the man in the middle of these lines. We calculate the Median Gender Pay Gap by comparing the difference between the median man's pay and the median woman's pay.

CALCULATING MEAN PAY GAP

The Mean Gender Pay Gap shows the difference in the average hourly rate of pay between women and men. To calculate it we work out:

Total of all women's salaries, divided by total number of women

Total of all men's salaries, divided by total number of men

And then compare the two.

The difference between the average man's and woman's salary is the Mean Gender Pay Gap. As the reporting is male compared to female salaries, the gap will show as negative if it is in favour of women.

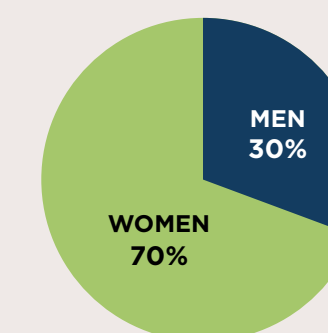
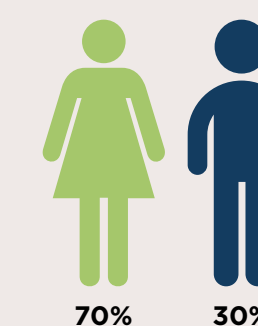
WHAT'S MORE USEFUL - MEDIAN OR MEAN?

Both calculations are made on a range of salaries running from the most senior executive to somebody on their first internship.

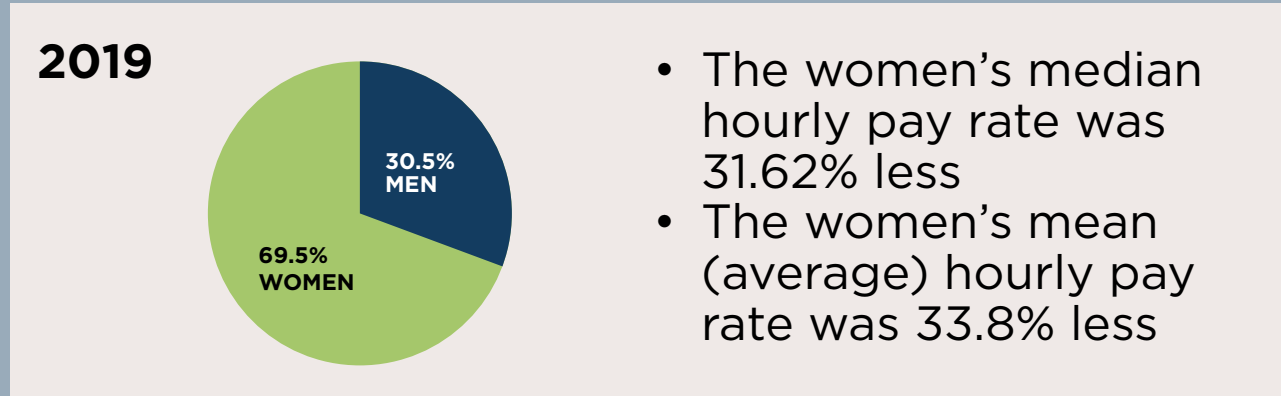
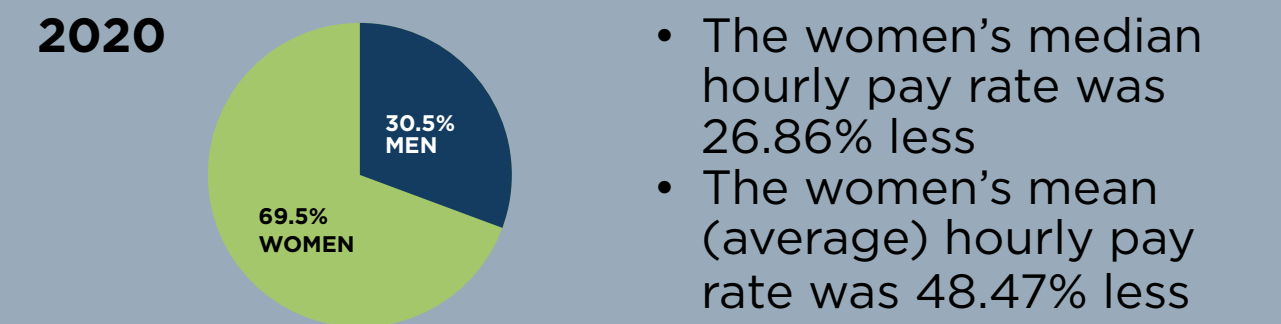
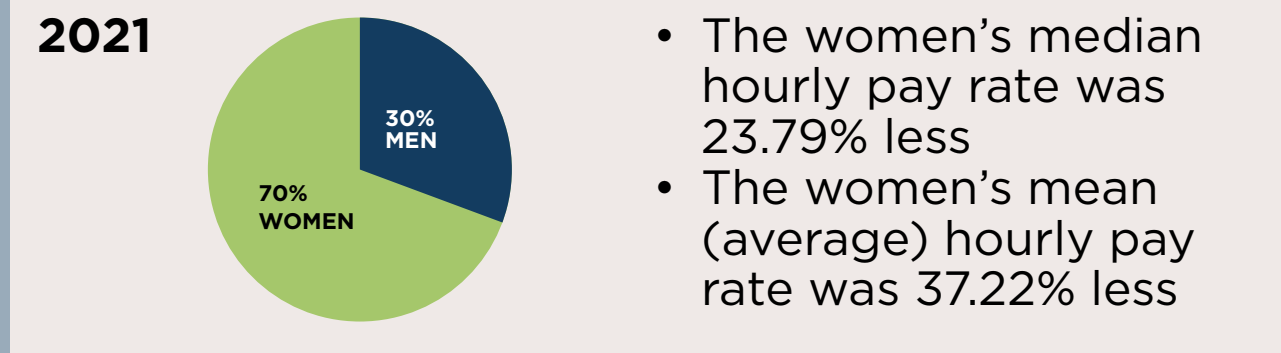
When looking at pay, Median (the middle) could be considered the more useful measure. In most instances, it is closer to the experience of the typical woman and man in the company.

That is because the Mean (average) figures tend to be skewed by extremes, giving a picture that doesn't reflect most people's experience. That skewing effect is exaggerated when the data set is similar. And the effect is further exaggerated because men make up a small proportion of our total staff in the UK.)

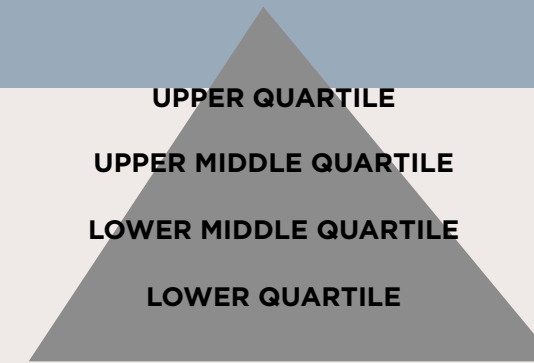
Our UK Gender Split



OUR GENDER PAY GAP GRAPH WHEN ALL SALARIES ARE COMPARED

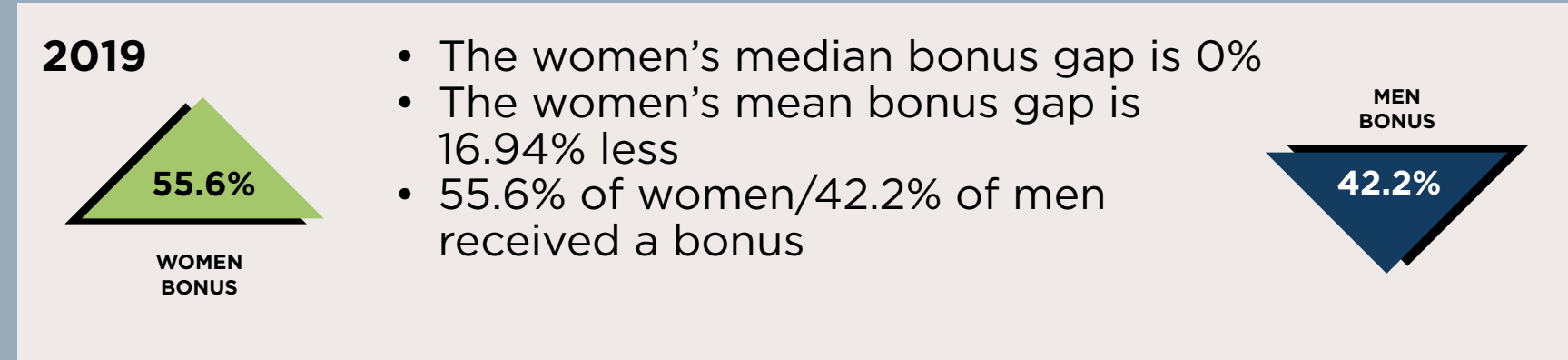
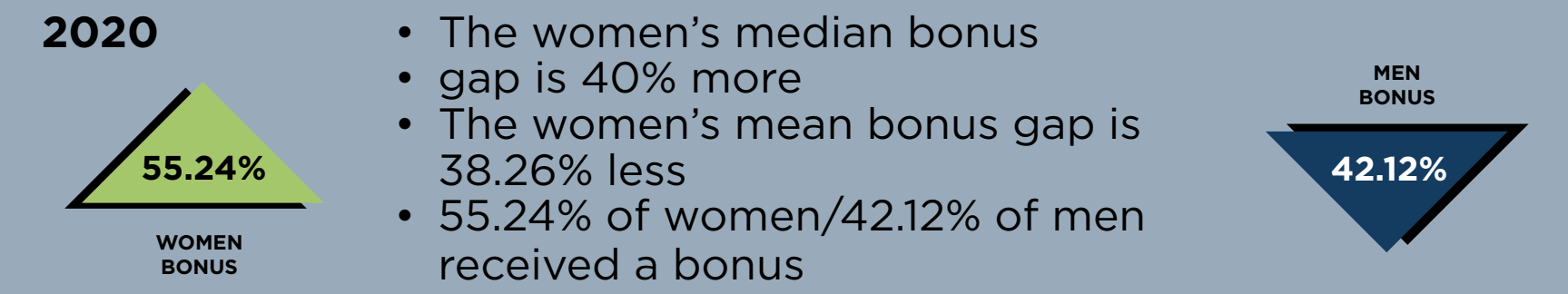
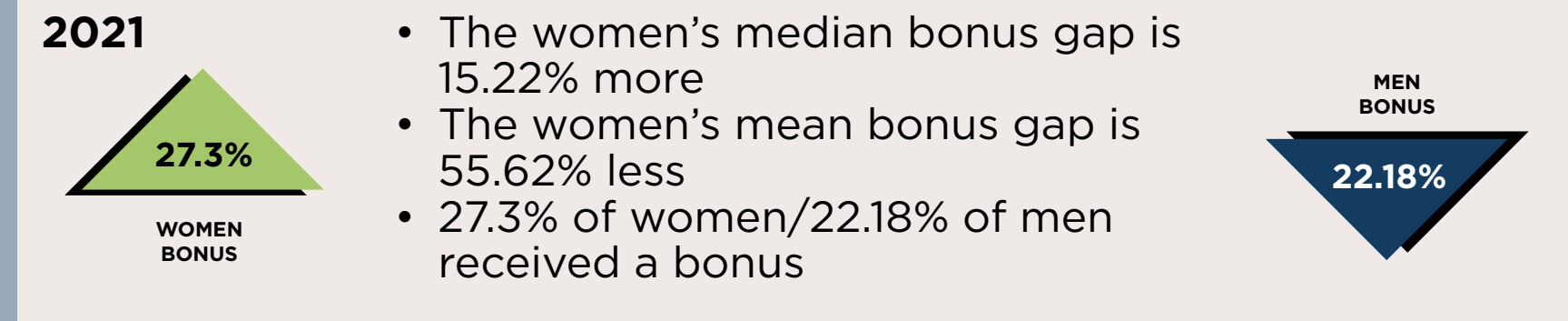


QUARTILES



We calculate the quartiles by ranking staff from lowest paid to highest paid, splitting the list into four equal parts, and then calculating the proportion of men and women in each of the parts. In all quartiles, women make up the significant majority of staff. In this data, a negative number means the gap is in favour of women. In every year, the first three quartiles (lower, lower middle and upper middle) have shown a negligible gender pay gap (always below 5% and often in favour of women); the few people in senior roles in the upper quartile have had a disproportionate effect, particularly on the mean.

BONUS PAY GAP



NEXT STEPS The 2019 and 2020 UK gender pay gap reporting was delayed by the UK government because of Covid-19.

Women make up the majority (70%) of our total workforce in the UK.

The UK business has always maintained a high level of maternity absence, given the gender make-up of the company, and this rose even further during the pandemic. People away on maternity leave are removed from reporting but it can affect both the pay gap in that these employees are often women in more senior roles, in the higher quartiles.

Changes in the structure of the company have meant an increase in senior appointments and in the past year we have appointed Natalia Gamero Del Castillo to Managing Director, Europe and Vanessa Kingori to Chief Business Officer, Condé Nast Britain. Both are based in London.

We've also had greater emphasis on recruitment for women with digital skill sets, an area of expertise that attracts competitive salaries. The company appointed a global chief diversity and inclusion officer, Yashica Olden, as well as created a global D&I employee steering committee as we continue to drive an inclusive and equitable global company.

The company is committed to closing the pay gap and has a number of on-going initiatives that will support this goal, including comprehensive job architecture review, learning and development programmes, agile working programmes and a global mentorship programme launching in November designed to help individuals progress into executive and technical positions.