

The Economist Group

Gender pay  
gap report  
2023

# Foreword

The Economist Group is committed to championing diversity, equity and inclusion. As an organisation dedicated to fostering an environment that values and respects the unique contributions of every colleague, we recognise that tracking and analysing key metrics is fundamental to achieving meaningful change.

At the forefront of our efforts is the thorough analysis of our gender pay gap, a pivotal measure that compares the average pay of women and men across the organisation, irrespective of their roles. This goes beyond equal pay, which looks at the average pay of women and men for the same (or similar) work.

In our seventh year of reporting, based on a snapshot date of April 5th 2023, we are pleased to share significant improvements in narrowing our gender pay gap. Our UK data shows that our gender pay gap has shrunk by 4.1 percentage points at the median (from 20.4% to 16.3%) and 4.2 percentage points at the mean (from 21% to 16.8%) compared with April 2022. These figures mark the lowest disparities recorded since the mandatory reporting began in 2017. Additionally, the proportion of women in senior roles continues to grow.

We acknowledge that there is still more work to be done, particularly in ensuring that this progress is sustained and reflected globally at The Economist Group, as we remain dedicated to eliminating the gender pay gap. With determination, we will continue in our pursuit of a workplace that thrives on inclusivity and equality for all.



**Lara Boro**  
Chief executive  
March 2024

# Introduction

In accordance with the statutory requirements set forth by the UK government, organisations employing 250 or more colleagues are required to report annually on their gender pay gaps. The snapshot date of April 5th, set by the government, serves as a standardised reference point for all reporting organisations, ensuring a consistent and comparable analysis of gender pay gaps.

The gender pay gap is calculated by comparing the average pay between women and men across the organisation, irrespective of their roles. This differs from equal pay, which evaluates the average pay for women and men undertaking the same (or similar) work.

It is important to note that a positive gender pay gap does not imply that women receive lower pay than men for the same job. Instead, it indicates that, on average, men tend to hold higher-paying positions than women.

The purpose of this report is to highlight the underlying causes of the gender pay gap, the factors affecting it and to track our progress over time. It is also the opportunity to articulate the measures we are implementing to address gender pay differences.

In compliance with gender pay gap reporting requirements, gender is presented in a binary manner, recognising only men and women. The data used in this report is derived from our colleagues' records, and we acknowledge that it may not accurately capture the gender identities of trans and non-binary colleagues, as well as other diverse identities.

# 1. The UK gender pay gap

(as per UK government reporting guidelines)

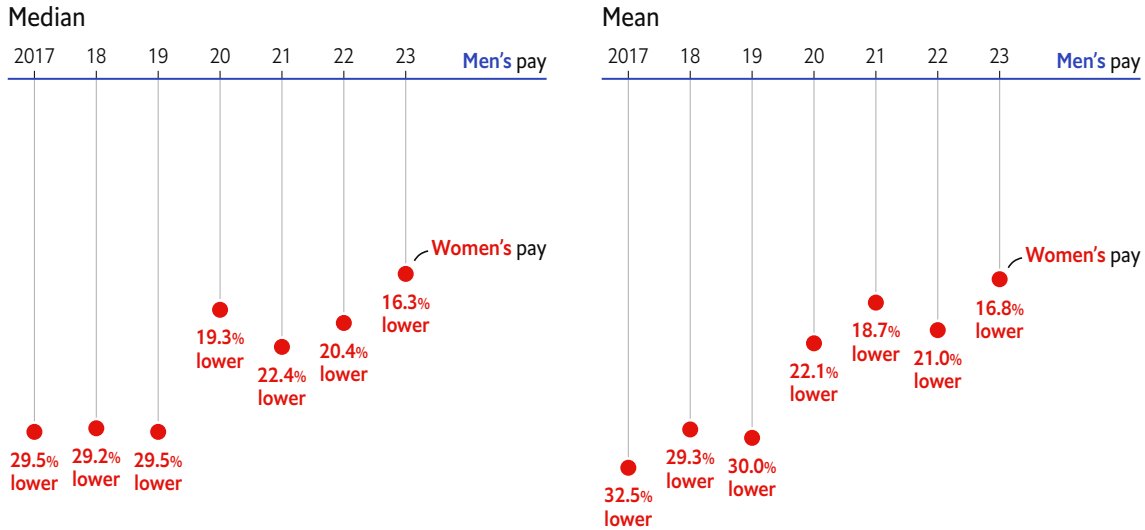
On the snapshot date of April 5th 2023, the Group employed 893 colleagues in the UK, comprising 463 women (52%) and 430 men (48%).

Our median gender pay gap has been reduced by 4.1 points. It is calculated by ranking all women in the organisation by their hourly pay, from the lowest to the highest, doing the same for men, and comparing the hourly pay of the woman in the middle with that of the man in the middle.

Additionally, our mean gender pay gap has been reduced by 4.2 points. It is calculated by adding together the hourly pay rates of all women and dividing it by the number of women, doing the same for men, and looking at the difference between the two.

## Gender pay gap

Women's hourly pay rate\* vs men's



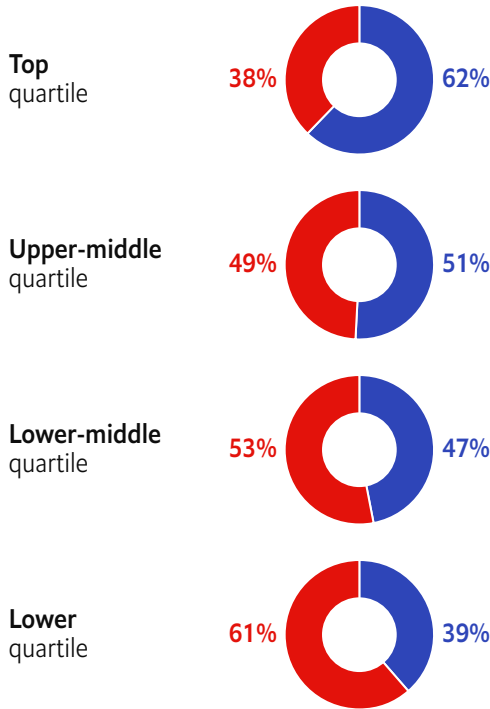
\*The hourly rate for UK government reporting purposes includes salary, allowances and variable pay paid in April  
Source: The Economist Group

Since the mandatory reporting began in 2017, the average hourly rates for women have experienced a growth rate approximately three times faster than that observed for men. This is mainly due to the shift in the proportions of women and men in the highest pay quartile. Consequently, these figures mark the lowest disparities recorded since the start of the reporting.

## Pay quartiles

Pay quartiles are calculated by ranking all women and men in the organisation based on their pay, from the lowest to the highest, dividing them into four equal groups, and looking at the gender ratio within each of those groups.

Proportion of **women** and **men** in each pay quartile\*, 2023, %

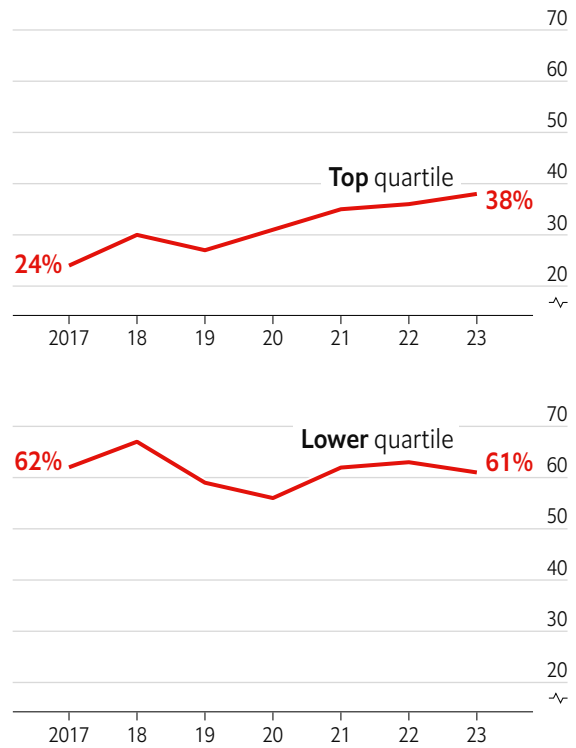


\*Based on hourly pay rates in April  
Source: The Economist Group

The proportion of women and men in our lower quartile is showing minimal change compared with 2017, with women still prominently represented. However, a shift has occurred in the lower-middle quartile, where the percentage of women, initially at 58% in 2017, is now at 53%. In the upper-middle quartile, the gender distribution has maintained a balanced ratio when compared with the start of the reporting.

The most significant improvement is in the top quartile, where the proportion of women has progressed from 24% in 2017 to 38%.

Proportion of **women** in the top and lower pay quartiles\* over time, %



This achievement carries added significance given the limited openings at that level. New hires in that quartile represent, on average, only 15% of our annual new hires.

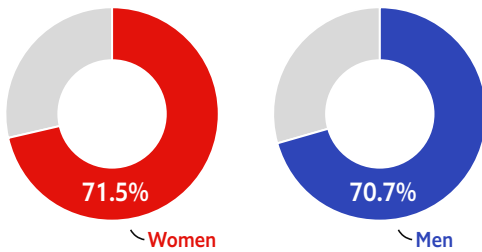
This collective progress means that women now make up 44% of the highest-paid half of our workforce, compared with 36% of it in 2017.

1. The UK gender pay gap (as per UK government reporting guidelines)

## Bonus pay gap

The bonus pay gap is calculated by comparing the total bonus payments made to men over the 12 months leading up to the snapshot date with those made to women.

Proportion of **women** and **men** who received bonus pay\*, 2023, %

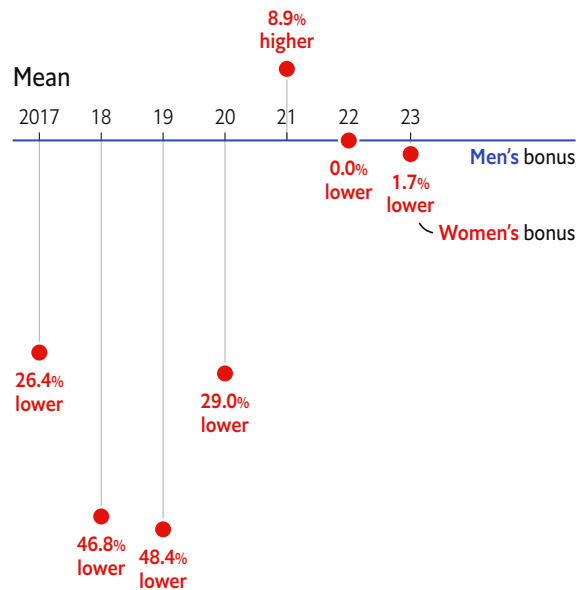
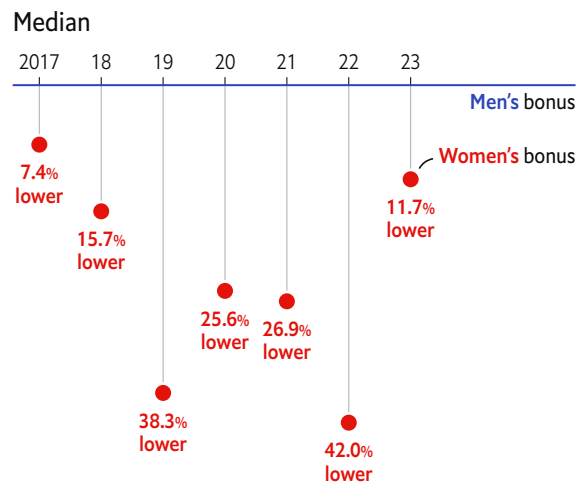


\*Based on bonus received during the 2022/23 tax year  
 †The bonus gap calculation excludes colleagues who did not receive a bonus payment at all during the 2022/23 tax year  
 Source: The Economist Group

Two primary factors contribute to our bonus gap. First, Company bonuses are tied to salaries, and men tend to hold higher-paying positions than women. Second, a higher proportion of men are employed in sales positions, where commissions, on average, surpass bonus amounts.

Because our top positions of CEO and editor-in-chief are held by women, and these positions are the highest earners in terms of Company bonuses, shares and dividends, our mean bonus gap is smaller than the median. Nevertheless, it's important to highlight that the difference between the two bonus gap figures has narrowed compared with last year. Our median bonus gap has been reduced from 42% to 11.7%, marking the lowest point since 2018.

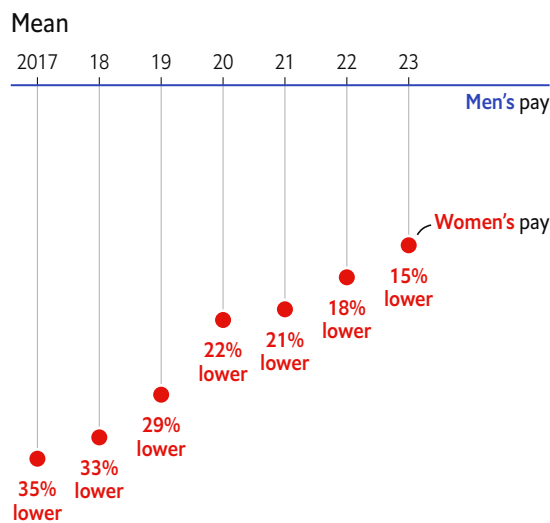
### Women's bonus pay† vs men's



## Understanding the underlying data

### Gender pay gap in ordinary pay\*

Women's pay vs men's



\*The ordinary pay gap as defined for UK government reporting purposes includes salary and allowances but excludes variable pay, which is different to the hourly pay rate used for the gender pay gap calculation  
Source: The Economist Group

The gender pay gap figures include variable pay such as bonuses and commissions paid in April. If variable pay were excluded, our ordinary pay gap (which includes salary and fixed allowances only) shows improvement by 3 percentage points at the mean (from 18% to 15%) and 2 percentage points at the median (from 18% to 16%). Our focus in this area has resulted in a consistent reduction in fixed pay gap each year since the start of the reporting, amounting to 20 percentage points reduction overall.

## Talent acquisition and attrition

Changes in talent acquisition and attrition can significantly impact our data. When we look at the gender pay gap\* for our joiners and leavers between April 2022 and April 2023, we observe that the median pay gap of the colleagues joining us (20%) was narrower than that of the colleagues leaving us (36%). This is because the women who have joined us have higher pay than those who have left, and the men who have joined us have lower pay than those who have left.

### Gender pay gap\*

	Mean	Median
Leavers	29%	36%
Joiners	17%	20%

\*Based on hourly pay rates in April

However, we continue to recruit a higher number of women in lower-paid roles than in senior roles, whereas men are more evenly distributed across the four quartiles. Regrettably, there hasn't been improvement in this area since last year, and it is imperative that we maintain our focus on addressing this disparity.

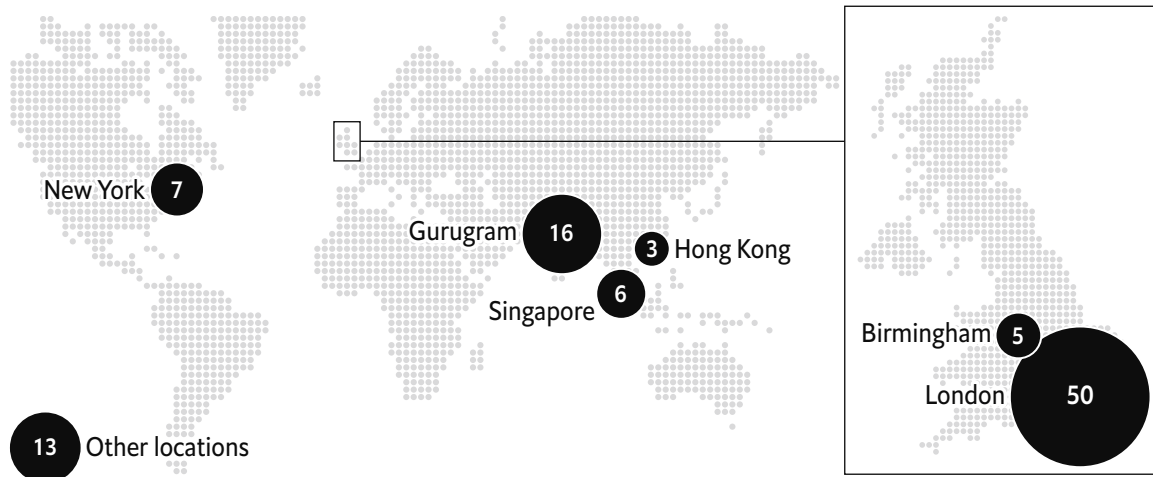


## 2. Global employment and salary patterns

We go over and above our statutory requirements by publicly reporting our data at a global level. The following section compares the earnings of our female and male colleagues across our Group, irrespective of their roles, wherever they are based.

### Main locations

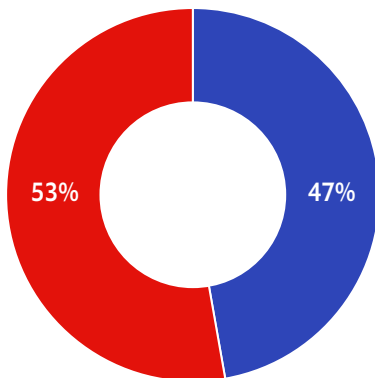
Employment distribution across The Economist Group, 2023, %



Source: The Economist Group

### Global gender balance

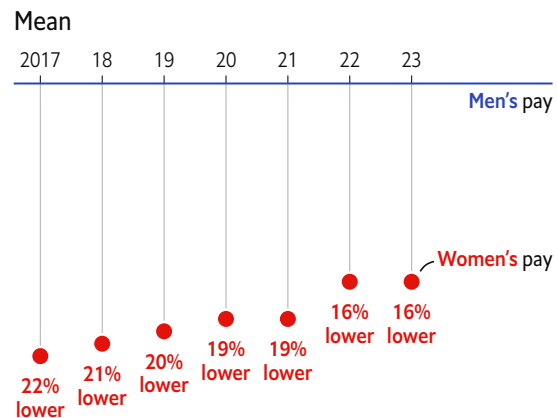
Women and men employment distribution across The Economist Group, 2023, %



Source: The Economist Group

### Global fixed gender pay gap

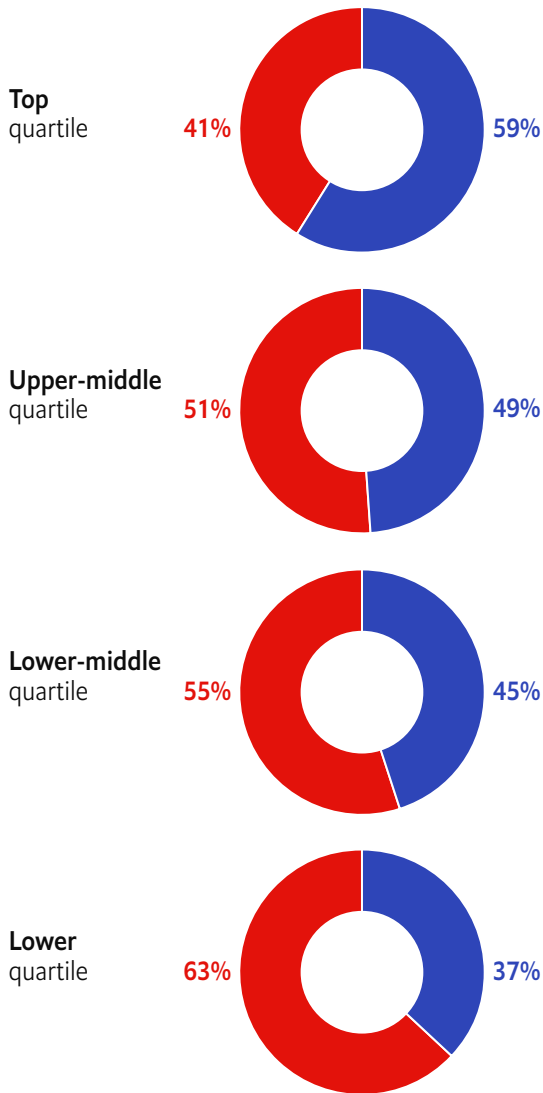
Women's earnings\* vs men's



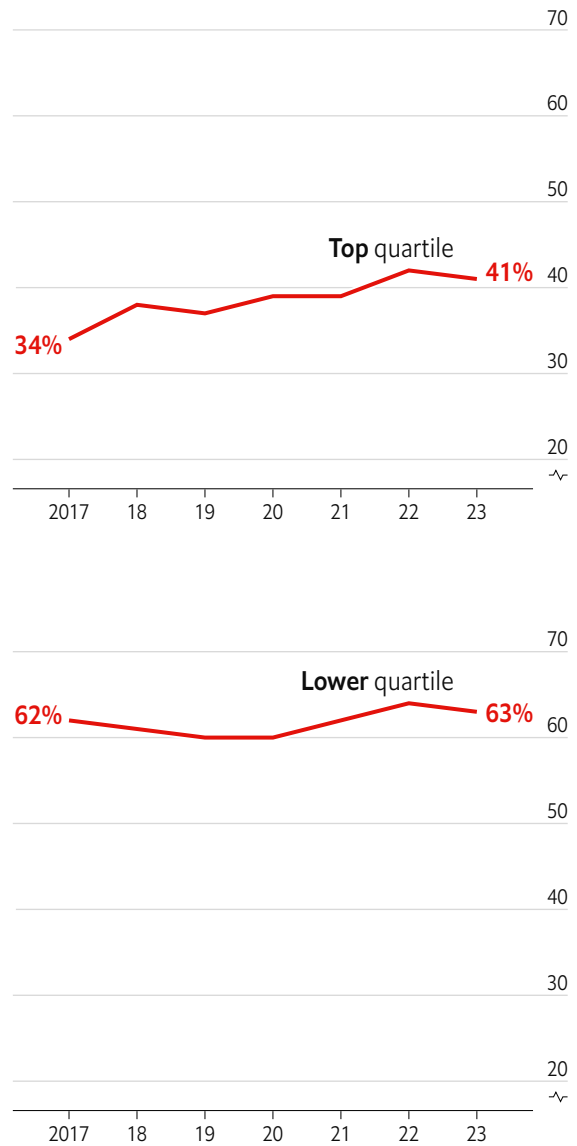
\*Based on annual base salaries, adjusted for purchasing power parity-PPP  
Source: The Economist Group

## Global salary distribution

Employment distribution across each salary quartile\* for **women** and **men**, 2023, %



Proportion of **women** in the top and lower salary quartiles\* over time, %



\*Based on annual base salaries, PPP-adjusted  
Source: The Economist Group

### 3. Actions taken to improve diversity, equity and inclusion globally

**While this report focused on gender, we are committed to an inclusive environment for all our colleagues regardless of gender, race, religious beliefs, disability, sexual orientation, age, or marital status. This section outlines the initiatives undertaken within The Economist Group to improve diversity, equity and inclusion.**

**The editorial team at *The Economist* takes independent measures appropriate for the newsroom, such as intensifying the search for talent from a wider range of backgrounds.**

#### **Talent acquisition**

We use tools to make job descriptions gender neutral and a range of job boards to ensure that roles are marketed and accessible to diverse candidates. We not only rely on candidates to apply but actively source them, building pipelines with a mixture of direct applicants and sourced ones. We've established partnerships, especially in the technology sector, like our collaboration with GirlCode in the UK. Shortlists must be gender balanced and include one or more candidates from an underrepresented group with the company. Our external partners, such as search firms, must adhere to our diverse shortlist requirements.

#### **Career development**

Promoting equal opportunities for career development and advancement remains a key focus. We have mapped out our roles across 11 job families, sharing this information with colleagues through the intranet and interactive briefings. This comprehensive framework is introduced to all new hires. Guidance on using this framework to support career development is incorporated into the management development programme, conducted periodically throughout the year.

Our learning experience platform is accessible to all colleagues, empowering them to self-assess, develop and receive feedback on the skills necessary for advancing their careers. The majority of our internal learning initiatives follow a blended learning approach, providing participants with pre and post-event content through this platform. Teams are encouraged to design their own learning programmes within the platform, fostering career development and knowledge-sharing.

#### **Reward**

To improve transparency, we support managers so they can discuss decisions about performance and reward. They are offered both in-person briefings and online training sessions, guiding them on conducting performance reviews and utilising techniques for performance assessment through our rating system. Additionally, we will introduce a course in 2024 to assist managers in navigating challenging conversations effectively.

People managers across the organisation have diversity targets integrated into their annual bonus objectives. Specifically, 5% of their bonus potential is tied to achieving a target reduction in the global gender pay gap within their business units. Another 5% of their bonus potential is tied to achieving a specific improvement in the ethnic mix for key locations.

#### **Training programmes**

Diversity, equity and inclusion training sessions continue to be delivered. Our hiring managers receive comprehensive tools and training to ensure a fair and inclusive recruitment process. They learn to recognise and mitigate unconscious bias, foster diversity, and create a more inclusive workforce. Hiring managers are introduced to a standardised hiring process designed to minimise bias at every stage, from writing job descriptions and conducting candidate evaluations, to navigating the interview stage.

### 3. Actions taken to improve diversity and inclusion globally

#### Affinity groups

Our affinity group events build and promote understanding in different areas of diversity and inclusion to help drive meaningful change within the organisation. These events provide a safe space for colleagues to connect with one another, share their experiences and build a sense of community.

To strengthen engagement with the affinity groups and increase awareness within the company, we have implemented a series of initiatives. These include hosting monthly meetings to encourage collaboration, securing new executive sponsors, and reinforcing the missions and statements of our affinity groups to colleagues. Notably, we held a global inclusion week in October, featuring various activities, such as a cultural celebration and wellness fair. We recently launched a new colleague interview series that focuses on creating an open community where colleagues share their stories, experiences and learn how to thrive in a corporate workspace from other members.

#### Flexible working

Flexible working can contribute to improving gender diversity in the workplace by achieving a better work-life balance, addressing barriers that disproportionately affect women and supporting colleagues' diverse needs. In addition to our policy of two days a week in the office, colleagues are able to work remotely from any location for up to five weeks a year. Also, this past summer marked the second year in which colleagues across the Group enjoyed Fridays off in August.

#### Enhanced paternity leave

In September 2018, we enhanced our paternity leave policy, providing two months of fully paid leave across all our offices. We anticipated that generous paternity leave with no loss of income would encourage our colleagues to take more time off. This policy has proven to be successful. Colleagues, on average, take seven weeks of paternity leave, and about 80% of those taking paternity leave make full use of their two months' entitlement. This shift in behaviour addresses perceived barriers to taking leave and fosters a true cultural change, ultimately leading to more gender equality in the workplace.

#### Colleague feedback

With a strong participation rate of 80%, our engagement survey provides valuable insights into how our colleagues perceive our priorities and areas of improvement. The latest results indicate that colleagues value the efforts that we are making to improve diversity and inclusion in the workplace, and that we are moving in a positive direction. However, colleagues also feel that further efforts are needed in broadening our perspective on diversity and addressing the challenges posed by our global presence with offices worldwide.

#### Tracking progress

We continue to proactively set clear goals to increase equity in opportunities. Quarterly reports containing gender and ethnicity metrics are provided to our business leaders, empowering them to adapt and refine our inclusion strategy effectively.

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I confirm our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



**Kristin Anderson**

Chief people officer

March 2024

