

Gender Pay Gap Statement 2020

Foreword

In what has been a very challenging 18 months, we are proud to report on our gender pay gap 2020 and the initiatives we have taken to further promote women and ethnic minorities across the firm.

Although there was no requirement to report on the data in 2019, (due to Covid-19) we have decided to include it here to show the difference that our initiatives are making in reducing the gender pay gap.

Throughout Fragomen, we have cultivated an employee population that is as richly diverse as are our clients—and the countries that they are coming from and going to. By embracing our differences, our employees enjoy a vibrant, creative work environment and gain insight into other cultures and life experiences. Our employees' diversity gives us a heightened understanding of our clients' needs which manifests in our effective immigration solutions.

Women and minority partners have long played a critical role on the firm's Executive Committee, and serve in leadership roles on various firm committees and in local offices.

Our commitment to fostering a dynamic, diverse workplace is reflected in our employee population. For example, more than 65 per cent of our employees worldwide are women and more than 40 per cent of our employees in the U.S. are from minority backgrounds. For the UK 68 per cent of our employees are women and 6 of our 8 UK Partners are women - we are proud of these statistics which are unusual for law firms.

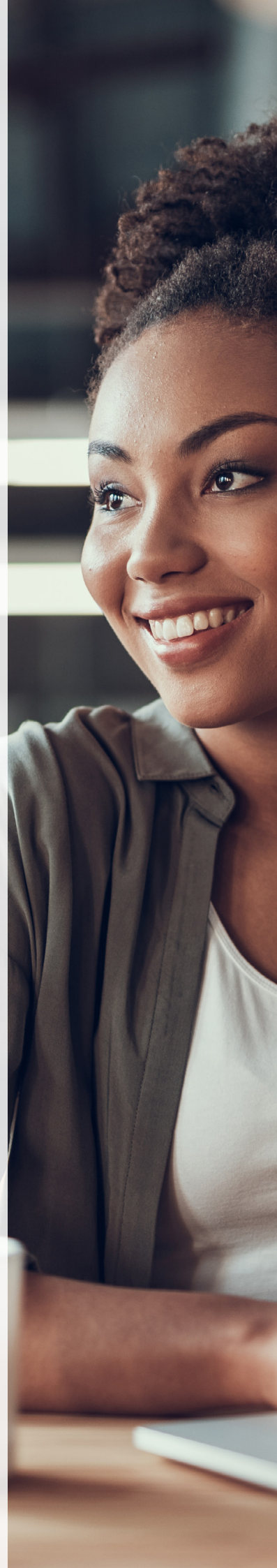


Nadine Goldfoot
UK Managing Partner

WHAT IS THE GENDER PAY GAP?

The regulations requiring big employers to publish data on their gender pay gaps came into effect on 6th April 2017, with the first reports being due in April 2018. The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 apply to private and voluntary sector organisations with 250 or more employees.

The gender pay gap shows the difference in the average hourly pay between men and women. It is measured by the mean (the average) and the median (the middle value in the range of hourly earnings) differences between pay and bonuses for men and women. The gender pay gap is not the same as unequal pay which is paying men and women differently for doing the same (or similar) work. Unequal pay has been unlawful since 1970.



Our Gender Pay Gap

All Employees and Partners Excluding Equity Partners



MEAN PAY GAP

2.6%

↓ reduced by **12.9%** from 2019 (15.5%)

MEDIAN PAY GAP

-7.1%

↓ reduced by **-5.2%** from 2019 (-12.3%)



MEAN BONUS

43.9%

↓ reduced by **18.6%** from 2019 (62.5%)

MEAN BONUS

-25.5%

↓ reduced by **-10.5%** from 2019 (-15.0%)



PROPORTION OF MEN WHO RECEIVED BONUS PAY IN THE RELEVANT PERIOD

18.9%

↑ Compared to **16.7%** from 2019

PROPORTION OF WOMEN WHO RECEIVED BONUS PAY IN THE RELEVANT PERIOD

20.3%

↑ Compared to **17.1%** from 2019

Number of Men/Women in the quartile pay bands:

Quartiles	2019		2020	
	Women	Men	Women	Men
Upper	61.5%	38.5%	67.0%	33.0%
Upper Middle	78.0%	22.0%	75.3%	24.7%
Lower Middle	67.0%	33.0%	67.0%	33.0%
Lower	61.5%	38.5%	59.4%	40.6%

All Employees and Equity Partners (Voluntary data)

Difference in Mean Pay	6.1%	Difference in Mean Bonus Pay	44.8%
Difference in Median Pay	-7.5%	Difference in Median Bonus Pay	-20.1%

Proportion of men who received bonus pay in the relevant period	19.5%
Proportion of women who received bonus pay in the relevant period	20.6%

Number of men/women in the quartile pay bands:	Quartiles	Women	Men
	Upper	67.0%	33.0%
	Upper Middle	74.2%	25.8%
	Lower Middle	67.0%	33.0%
	Lower	60.2%	39.8%

SUMMARY

From our reportable data, compared to our 2019 data we have reduced the difference in mean pay by 12.9 per cent, median pay by - 5.2 per cent mean bonus pay by 18.6 per cent, and median bonus pay by -10.5 per cent. The percentage of women being paid bonuses is higher than men for the second year running. Therefore, since introducing a more transparent bonus policy in 2018 this has had an impact on these figures.

Since our Partner population is small and this can affect the data we decided again to go beyond our statutory requirements and the Firm has volunteered to publish data to include our Equity Partners on top of the data we have to publish.

How are we addressing the **Gender Pay Gap**

Compensation and Career Framework

In February 2020, we introduced a Worldwide Compensation and Career Framework to create greater transparency on career progression. We will also be building out our Compensation and Career Framework in order to give further understanding of clarity and transparency of levels and promotions.

Management Training

During 2020, We rolled out a Manager to Director training programme to support the development of our Firm's future leaders. We have further invested in training for our Management group to continue to ensure we have a consistency of skills at all levels and to further support the development of the firm's future leaders.

Flexible Working

We continue to support flexible working across all levels, to aid greater balance of work and caring responsibilities, and are looking to roll out an agile working policy to enable even greater flexibility of home working on a regular basis.

Responsible Business Strategy

Whether in the office or working remotely, we are proud of our team spirit and we like to reflect this in the way that we work and everything we do. Our Responsible Business Strategy (RBS) prioritises Fragomen's social responsibility through one cross-cutting theme and five focus areas. These focus areas include: Wellbeing; Diversity, Equity and Inclusion; Charity and Pro bono work; Social; and Environmental and Sustainability. The RBS initiative offers great opportunities for everyone at Fragomen to get involved and help steer a variety of initiatives and activities at the Firm. These range from social events and activities, to regular wellbeing newsletters and diversity discussions and forums.

Conclusion

We are extremely proud of our diverse workforce at Fragomen and we are fully committed to promoting diversity, equity and inclusion for all employees and applicants, regardless of race, ethnicity, heritage, gender, age, religion, disability, sexual orientation, gender identity or intersex status, by recommending and introducing initiatives to ensure equality of opportunity for all Firm employees.

Even though it has been a tough year, we have overcome many challenges and as a firm are fully committed to further reducing our gender pay gap and will be introducing more initiatives to make this a reality. This includes during 2021 the roll out of an agile working policy to allow for more flexibility across the firm and to create more opportunities where we can make our gender pay gap even better.

