FRAGOMEN

Gender Pay Gap Statement 2022



2021/2022 was a challenging period as we leaned into the "new normal" following the pandemic Our approach has always been to focus on our people and initiatives to further promote women and minorities across the firm.

Across Fragomen LLP, 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. In the UK, 72 per cent of our employees are women and nine out of ten UK Partners are women - we are proud of these statistics which are unusual for law firms.

In the period of the reportable data, headcount increased by 193 and 73% of our new hires were female. 58% of our hiring was across entry level roles and were a mix of full time and part time positions. Recruiting for part time roles was a purposeful decision to engage prospective candidates who were looking for more flexible working hours.

Our gender pay gap data is published below and we have seen a slight increase in the mean gender pay gap from 4.1% to 8.8%.

We will be taking an extremely careful approach to ensure that this is an isolated event and that the measures we are putting in place are having the desired impact.

From a bonus perspective, widening our bonus policy so that all job levels are eligible has meant a positive change in our Mean bonus pay at -14.2%.

We've outlined the initiatives we have introduced to address the gender pay gap below and we're very excited to continue to evolve our offering and ensure diversity and inclusion is very much a part of the Fragomen DNA.

Nadine Goldfoot

UK Managing Partner

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What is the gender pay gap?

The regulations requiring big employers to publish data on their gender pay gaps came into effect on 6 April 2017, with the first reports 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

Quartiles data:

Quartile	Male%	Female%
Upper	30%	70%
Upper Middle	27%	73%
Lower Middle	27%	73%
Lower	27%	73%

Salary data:

Mean Gender Pay Gap (salaries) = 8.8% (+4.3% from 2021)

Median Gender Pay Gap (salaries) = 5.4% (+6.2% from 2021)

Bonus data:

% men with bonus = 57.9% (+48.8% from 2021)

% women with bonus = 45.0% (+37.2% from 2021)

Mean Gender Pay Gap (bonus) = -14.2% (-0.3% from 2021)

Median Gender Pay Gap (bonus) = -5.7% (+36.4% from 2021)

Why has our gender pay gap changed?

Having analysed the data, we have identified that this change is driven by the structural changes and growth primarily in our Operations team, which has traditionally attracted more women than men (as per the hiring statistics above) and at salary ranges which are lower than those within our professional track. Growth in this area, rather than in say our professional track which has grown at a slower rate in comparison, has meant that our overall mean salaries are lower.

To ensure that our approach to paying men and women for undertaking comparable work is for the same pay, we took our analysis further than the mandatory reporting and examined what we pay our men and women doing the same work across each of our different job levels (legal and non-legal roles) in our offices in London and Sheffield.

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By Job Level:

Management Group Mean Gender Pay Gap (salaries) = -16%

Associate Mean Gender Pay Gap (salaries) = -12%

Professional Group Mean Gender Pay Gap (salaries) = 4%

Business Support Mean Gender Pay Gap (salaries) = 0%

How are we addressing the Gender Pay Gap

Compensation Review

Each year we undertake a detailed and comprehensive review of our salary offering using internal and external market data. Throughout the period referenced above, our salaries increased across all levels and the average increase was 9.6%. In 2021, we expanded the pool of people that were eligible for a bonus so that more employees than ever received a bonus that year. For 2022 and onwards, we have made this a permanent policy.

Encouraging Flexibility

In 2021, we introduced our hybrid working model - #fragomenworks. This model encourages greater flexibility in supporting our employees' work patterns between home and the office, with the option for all employees to work at home for up to three days per week. In addition, local arrangements are facilitated with flexibility around start and finish times to aid greater balance of work and caring responsibilities.

We also introduced 'Summer Afternoons' across the summer months encouraging employees to finish early an afternoon each week.

Working Parents & Family Focussed Initiatives

Across 2021/2022 a series of family focussed initiatives were introduced:

- Increase in paternity pay, to support the change in narrative around men taking time away from work after the birth/adoption of their child
- Increase in maternity pay
- Phased return to work post maternity leave (80% hours, 100% pay for 3 months post return)
- Management training and toolkits on supporting parents in the run up to, during and on return from family leave
- Introduction of Parents and Carers' Network and Parents' Mentoring Scheme
- Parental Coaching Programme

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Responsible Business Strategy

Whether in the office or working remotely, we are proud of our team spirit and we reflect this in the way that we work and everything we do. Our Responsible Business

Strategy (RBS) prioritises Fragomen's social responsibility through a bedrock foundation with five focus areas including:

- Wellbeing
- Diversity, Equity and Inclusion
- Charity, and Pro bono work
- Social
- Environmental and Sustainability

The RBS initiative offers great opportunities for everyone at Fragomen to get involved and 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.