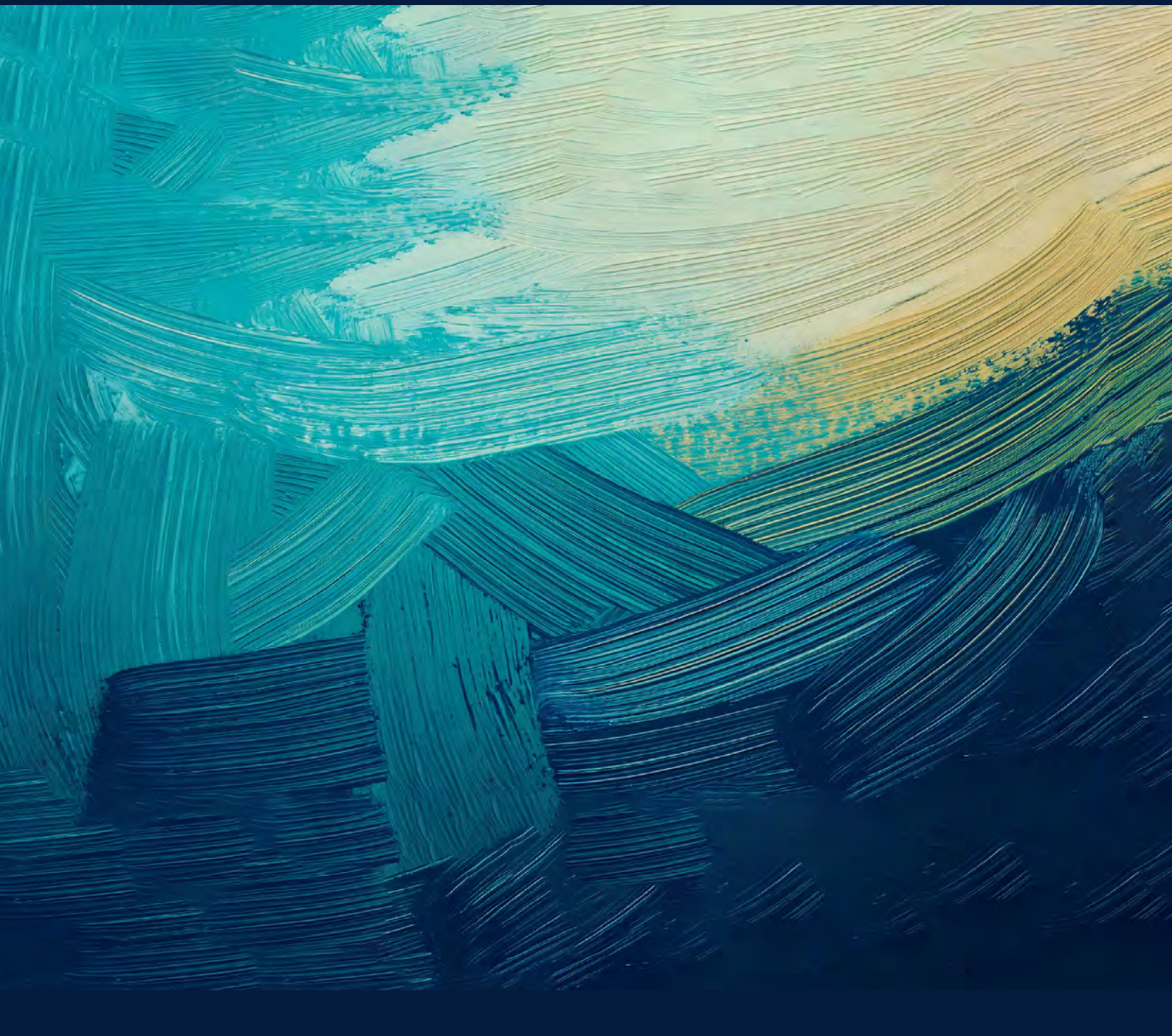


FARRER&Co

Gender Pay Gap Report 2024



Since the introduction of Gender Pay Gap reporting in 2018, the firm is proud to say that we have made progress in many areas linked to our ED&I strategy, and pleasingly at partnership level, 44% of our partners are now women compared to 38% in 2018. Of course, we must acknowledge that there is still more for us to do and we continue our efforts through our recruitment, retention and engagement strategies and the developments we have made to support our people.

Introduction

At Farrer & Co, we are committed to narrowing our gender pay gap and set out the initiatives we are working on to help achieve this later in the report. The pay data is prepared as of 5 April 2024 and the report includes the prior year figures in each section for comparison purposes.

This report is divided into three main sections:

1. Section One of this report focuses on our statutory obligations and includes some analysis of the data.
2. Section Two provides additional data and analysis, including our partner data. Although partner data is not a statutory obligation, we choose to include this as it is a better reflection of the gender balance of the whole firm. We believe that reporting on and seeking to address the gaps are important measures by which the firm will be viewed by our partners, employees and clients.
3. Section Three provides details of the firm's current initiatives and actions since our last report

Before we take each section in turn, it is important to remember the difference between "gender pay gap" and "equal pay".

Gender pay gap information falls within The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 which came into force on 6 April 2017. The Regulations require all employers with 250 or more employees to publish statutory calculations every year showing how large the average pay gap is between the two groups of men and women employees.

By contrast, equal pay is the right to be paid the same level of pay for "like work", work rated as equivalent and work of equal value; whereas the gender pay gap is the difference in average pay and bonuses received by male and female employees within a workforce, irrespective of their role, responsibilities, or seniority.

Section 1: Employee data

(all relevant employees excluding partners)

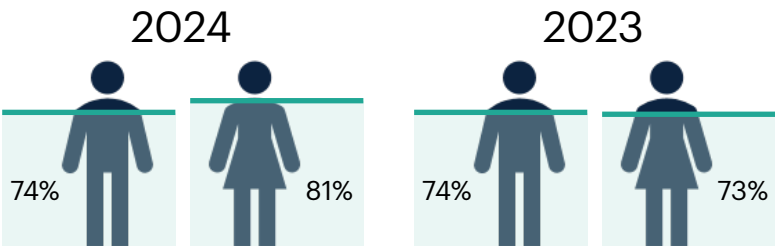
Employees pay and bonus gaps

	2024	2023
Mean pay gap	14%	19%
Median pay gap	29%	23%
Mean bonus gap	16%	23%
Median bonus gap	44%	38%

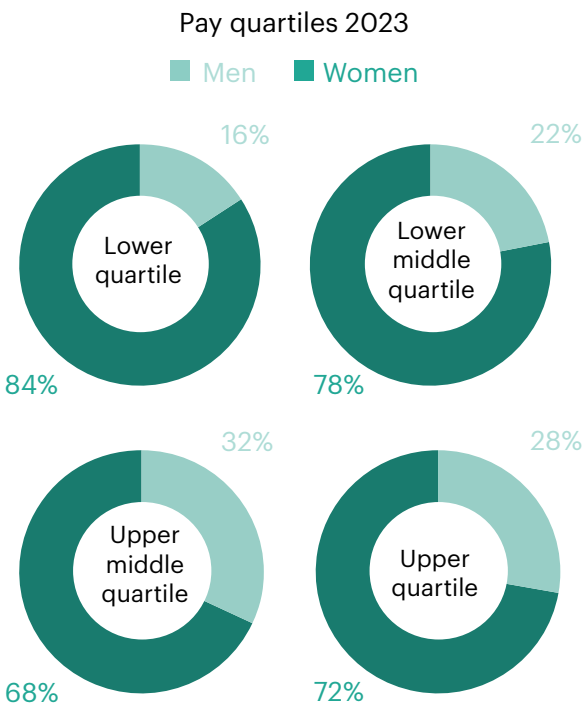
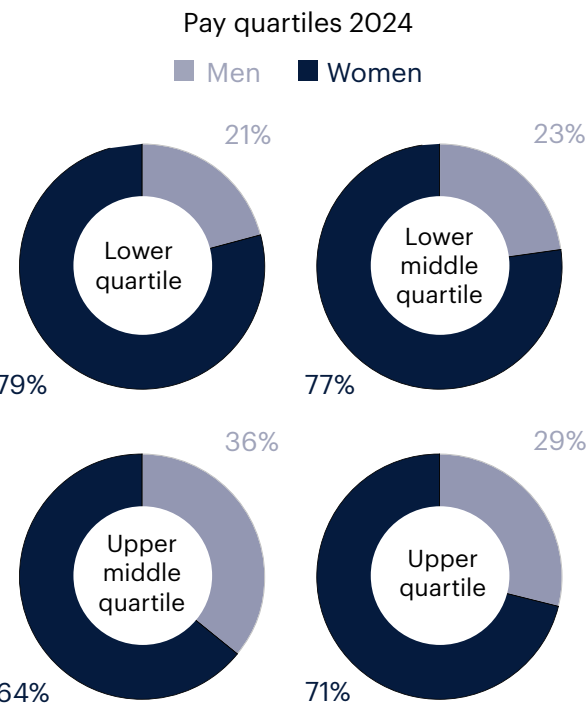
The mean average is calculated by adding up all the salaries (or bonuses) for a group and dividing that by the total number of employees within that group.

The *median* average is the salary or bonus amount which is in the middle of each list when sorted in ascending order.

Proportion of men and women receiving a bonus payment (excluding partners)



These charts show the percentage by gender in each of the pay quartiles (salary plus bonus on an FTE basis) across the employee population (excluding partners).



Analysis in brief (employee data)

This year, the mean pay gap has narrowed from 19% to 14% because more women have moved into the upper middle quartile for pay so the gap has reduced when compared to last year. The median pay gap has widened from 23% to 29% because the pay difference between males and females has increased.

The pay gap exists because, although we pay equal salaries for equivalent roles across our job levels, there is greater representation of women within the lower and lower middle pay quartiles among our business services teams, in particular our Practice Assistant (PA) roles who for this snapshot period are all women. In addition, 22 women across the business were on long-term family leave, and are therefore excluded from the pay gap calculations, which further compounds these figures especially when more than half of them sit within the upper pay quartile.

The mean bonus gap has narrowed from 23% to 16% and the median bonus gap has widened from 38% to 44%. While the proportion of men receiving a bonus has remained the same as last year, the proportion of women receiving a bonus has increased from 73% to 81%.

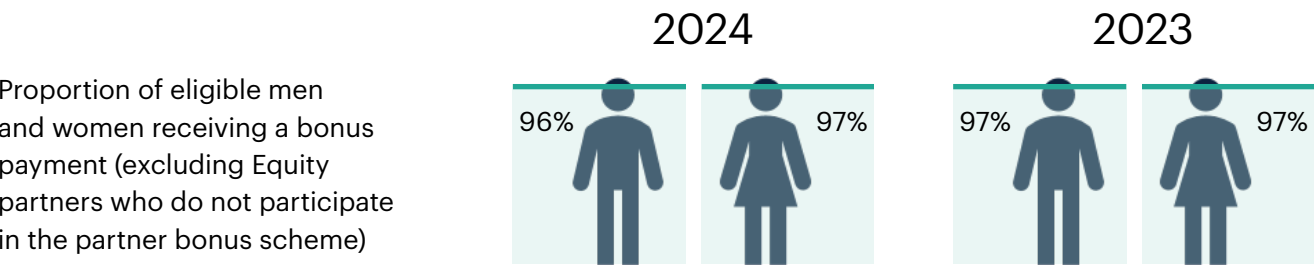
The bonus gap exists due to the firm's tiered bonus structure where bonus awards are based on job level and at a percentage of actual salaries (rather than full-time equivalent). Because our Practice Assistants are predominantly women, and we have more women working part-time hours, then we necessarily have more women receiving bonuses at the lower and the lower to middle quartiles which increases the median bonus gap further.

Section 2: Partner data

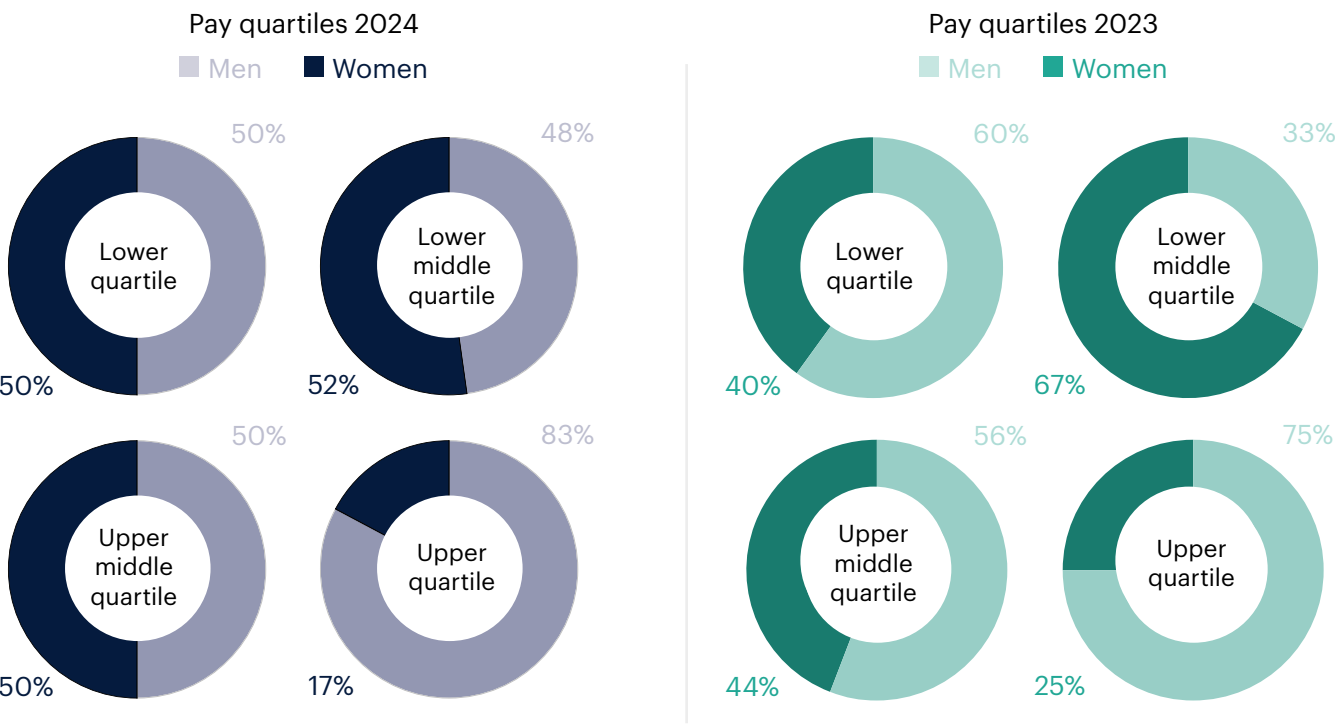
Partners pay and bonus gaps

	2024	2023
Mean pay gap	31%	29%
Median pay gap	31%	31%
Mean bonus gap	28%	17%
Median bonus gap	17%	17%

The pay gap figures include all partners but the bonus gap is calculated between just those partners who are eligible for the partner bonus scheme.



These charts show the percentage of partners by gender in each of the pay quartiles.



Analysis in brief (partner data)

The overall gender composition of the partnership on the snapshot date of 5 April 2024 remains unchanged from last year with 44% female and 56% male partners. Within that total three out of four of the pay quartile groups show an improving gender balance compared to last year but with the percentage of women partners having dropped in the fourth (upper) quartile.

In May 2024, the last promotion date, which is closest to the snapshot date of 5 April 2024, 67% of those promoted to partnership were female.

The small mean pay gap increase from 29% to 31% this year is largely caused by profit share changes within the upper quartile of group of partners which also saw an increase in the percentage share of men.

The partner mean bonus gap has widened from 17% to 28% and this is primarily because many more women partners who received a bonus work on a part-time basis and their bonus payments were accordingly pro-rated and reduced relative to partners who are men.

Whole firm analysis

In general, our pay gap continues to be influenced by the composition and remuneration levels of our partners, and the significant presence of women in our Practice Assistant roles, who make up a large proportion of our lower and lower middle quartile population for employees.

Our tiered bonus structure, where bonus awards are based on job level and at a percentage of actual salaries, is the main contributor to our bonus gap.

	2024	2023
Mean pay gap	51%	53%
Median pay gap	20%	22%
Mean bonus gap	35%	33%
Median bonus gap	49%	38%

Section 3: Ongoing initiatives and actions since our last report

As acknowledged earlier our Practice Assistants have historically been majority or entirely made up of women. New initiatives such as our Practice Assistant Apprenticeship scheme which launched in September 2024 will hopefully help us to grow and nurture a more balanced gender split across this population.

Since the launch of our new Conscious Inclusion ED&I strategy in 2023, we have worked hard to engage with our employees and partners to gain their views and help create an action plan to address key issues. Our fully inclusive Employee Impact Groups cover five core areas of focus: race, ethnicity and culture; LGBTQ+; gender equity; working parents and carers; health, wellbeing and disability. These groups help to educate and engage our people whilst promoting effective allyship, ensuring the majority help to drive positive change at the firm. They work closely with the central ED&I and Human Resources teams, and are supported by the firm's ED&I committee. FarrerRISE, the firm's gender equity group, provides a safe space for people of all genders to share thoughts and concerns. The group aims to support and educate colleagues by offering resources and events that enhance understanding of gender equity topics. By welcoming diverse views from both inside and outside the firm, FarrerRISE encourages meaningful conversations with a view to educating our people. Additionally, the group collaborates with HR to review and refine gender-focused policies, ensuring they work effectively in practice and are regularly updated as needed.

The firm continues to draw on the expertise of external organisations and we are proud to continue our corporate memberships with Working Families and WorkLife Central, as well as welcoming memberships with Inclusive Employers, Includability, Stella Menopause support and Parents in Law. We encourage our people to make use of our family friendly policies and related benefits such as parent transition coaching. We ensure managers are supportive of those working flexibly not just through our agile working framework but to allow those with responsibilities outside of work to do that better through formal flexible working arrangements regardless of gender.

We work hard to ensure that, whatever stage of life or career, we foster an environment that supports our people. Our achievements in this area being recognised as winner of 'Age and Life Stage Initiative of the Year Award' and awarded highly commended in 'Mental Health and Wellbeing Initiative of the Year Award' at the Women and Diversity in Law Summit and Awards 2024.

We have recently launched a recruitment campaign that uses video to showcase what it is like to work at Farrer & Co. These help to reinforce the importance of ED&I and demonstrate examples of the initiatives we provide for our people to foster an inclusive and supportive culture.

A note on language: gender pay gap reporting regulations currently requires reporting on the pay gap between men and women in a binary way, meaning that our report does not include data on other gender identities.

We confirm that the data in this report is accurate to the best of our knowledge and belief.



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