

michelmores

**Gender pay gap
report 2019**

At Michelmores we are committed to creating an inclusive working environment where everyone has the opportunity to reach their potential, whilst being their authentic self at work. We believe that the source of excellence lies in the difference between us as individuals. Our people are the key to our success.

As a Best Companies employer, we are an advocate of gender pay gap reporting as a tool to improve transparency on pay. We use the information from our gender pay gap reporting to help inform where we need to focus, in order to reduce or eliminate pay gaps. We recognise that change does not happen overnight, and so have made a long-term commitment to closing the gap.

Headline results

- In 2019 our mean gender pay gap has reduced by 4.6% compared to 2018, and is lower than reported in 2017.
- In the last 12 months we have seen a 5% increase in the number of women in the upper pay quartile, which reflects the increasing number of women in senior roles across the business.
- Since 1 May 2018 our female representation at Partner level has risen from 21% to 26% and for the same period our female representation at Senior Associate level has risen from 40% to 65%.

Understanding our results - employee data

Pay and bonus gap

Based on our analysis, we are confident that men and women are paid equally for doing equivalent roles at Michelmores. This is represented by further analysis, looking at specific job levels.

Our analysis shows that our gap primarily exists because of the disproportionate female to male ratio in the Firm, particularly in PA and Business Support roles (which are typically lower paid roles) and due to the locational variance of our offices.

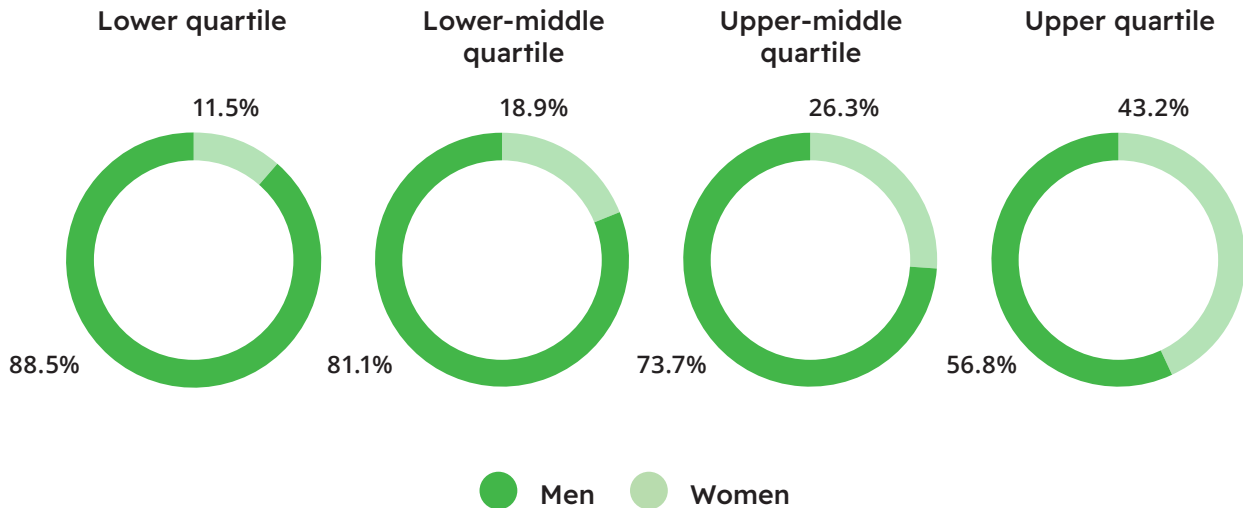
**Employee Pay and Bonus Gap:
difference between men and women**

	Mean	Median
Hourly pay	35.78%	41.85%
Bonus	51.56%	35.08%

	Role	Mean	Median
Legal	Senior Associate	15.87%	6.16%
	Associate	13.35%	7.39%
	Solicitor	4.55%	2.17%
	Trainee	6.19%	12.07%
	Support	10.39%	4.52%

Pay quartiles - employee data

The charts illustrate the gender distribution across the Firm in four equally sized quartiles.



Bonus scheme - employee data

This year, the same proportion of men and women received a bonus. However the bonuses awarded to women tend to be lower because of the nature of their roles, as our bonuses are based on a percentage of salary. The reason for the difference in median gap this year, compared with last year, is because the Firm-wide bonus was a cash sum in the financial year ended 2018

Proportion of men and women awarded a bonus in 2019:



91% of men received a bonus



91% of women received a bonus

Our Partner pay gap

As part of our commitment to greater transparency, this year we are reporting our Partner pay gap figures for the first time. This is in the spirit of providing a complete picture of gender pay across the Firm.

Partner Pay
The difference between men and women

	Mean	Median
Hourly pay	5.66%	29.02%

The mean pay gap for Partners is low which demonstrates gender pay parity across the Partner group. The median pay gap is due to two factors:

1. The locational variance of our offices, with our London office having proportional more male Partners
2. A higher proportion of longer serving male Partners, a number of whom are in senior management roles, and who are paid in the upper pay quartile.

Our overall gap

Bringing together the Partner and employee data gives us a metric to understand the overall pay gap across the entire Firm.

	Mean	Median
Hourly pay	59.30%	55.80%

We will continue to track and monitor this overall pay gap position over the coming years.

Achieving gender inclusivity at Michelmores

Currently, 26% of all Partners are women. Our target is to reach 30% women in Partner roles; we are aiming to achieve this by 2022.

To achieve our 30% women in Partnership objective, the Firm has a number of initiatives in place.

In the last year we have concentrated on:

Investment in skills development

This has been through a mixture of one to one coaching for those aspiring to become Partners, as well as structured development programmes for our early career lawyers. A key focus of our structured programme is exploring different ways to enhance business development skills. Our priority has been to build on strengths, so that women can increase their confidence in this area, and find ways which work for them, which may fall outside of the more traditional routes for BD.

Shift to continuous career conversations

Rather than having an annual, isolated discussion about performance and development, all of our colleagues now have regular, ideally monthly, conversations about their career with their Team Leader. This new approach encourages individuals and their Team Leaders to discuss career options and provide feedback more frequently in a less formal setting. We believe this approach provides increased opportunity for our female talent to discuss their career aspirations and access the developmental feedback needed to achieve their career goals.

Equal access to family leave

During the last 12 months we enhanced the shared parental leave pay to match maternity pay (13 weeks full pay, 13 weeks half pay). In the last year we have seen an 800% increase in take up of shared parental leave. We believe that making this aspect of our benefit offer a gender neutral issue, it will help us neutralise the gender pay gap.

In the year ahead, we intend to focus on:

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Looking for ways to close the 'pension pay gap' by providing colleagues with support and guidance on how to make wise investment choices which will help to reduce the gap which comes from women generally taking a less risk approach to long term financial investment.

We believe the steps we are taking will improve progression and development opportunities for women and men, and thereby help to reduce any gender pay gap at Michelmores. We don't expect this to happen overnight, but see this as a long-term commitment integral to the future of the Firm.

Equal Opportunity to Flexible working at Michelmores:

Family leave policies

- Following the promotion of family leave policies, we saw a clear increase in requests for Shared Parental Leave in 2019 by men and women – 6 men (66.7%) and 2 women (33.3%). These requests are from a wide range of our employees, including senior manager and partner positions.

Flexible working

- In May 2020 32% of our colleagues work part time, 17% of which were our male colleagues. 21% of our Partners also worked part time. But it is not just about part time working, it is about innovative flexible working for all.

Agile working

- This has allowed individuals more autonomy and flexibility as to where, when and how they work – increasing employee engagement and productivity which has increased significantly during the pandemic.

We believe the steps that we are taking will improve progression and development opportunities for women and men, and thereby help to reduce the gender pay gap at Michelmores. We know that we have more work to do and will not see results immediately: but we are committed to making further improvements.