

2022 UK GENDER PAY REPORT

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2022 GENDER PAY REPORT

Murgitroyd is a leading firm of Patent and Trade Mark attorneys with approximately 500 employees across the UK, Europe, Asia and the Americas. This report focuses on our UK business only. In this reporting period we had 292 UK employees, 201 female and 91 male. The report excludes colleagues on long-term sick leave and parental leave.

Gender pay shows the aggregated difference in average hourly earnings between men and women, regardless of seniority, experience and other differences in role, at a specific date i.e. **5th April 2022**. In this way, it differs from equal pay which looks at differences based on gender within equal, or like-for-like roles.

Different jobs attract different levels of remuneration and like many professional services, our gender pay gap is largely due to the type of job roles undertaken by both women and men. It is reported that the STEM (Science, Technology, Engineering and Mathematics) graduate ratio for 2022 was 65 % men and 35% women (<https://bit.ly/STEMWOMENDATA>). Although this differs by subject and the picture is improving overall, 2022 government data shows that women continue to be under-represented within industry across a range of core STEM roles (reference <https://bit.ly/WorkForceStats>). Murgitroyd continues to ensure our focus on women in STEM remains high on our agenda for progression opportunities as well as recruitment. We also actively engaged with IP Inclusive, participate in industry groups and various panels focused on enhancing the role of women in IP including their representation, advancement and impact across the sector.

DEFINITIONS IN RESPECT OF GENDER PAY AND BONUS GAPS

HOURLY PAY

The rate of pay individuals received for one hour, on the snapshot date of 5th April 2022, regardless of their role.

MEAN, OR AVERAGE, PAY GAP:

The difference between the average hourly rates of pay for female vs. male employees as at 5 April 2022. The mean is calculated by adding all the individual hourly pay rates and dividing by the number of individual hourly pay rates.

MEDIAN PAY GAP:

The difference between the median hourly rates of pay for female vs. male employees as at 5 April 2022. The median is calculated by ranking all the individual hourly pay rates in numerical order (low to high), then finding the number that's in the middle. That number is the median.

PAY QUARTILES

These are calculated by ranking employees' hourly pay in numerical order, (low to high), then dividing these into four equal quarters. In the tables and charts that follow below each quartile is reported as:

Quartile 1: Lower, i.e. those earning in the lowest 25% of the population

Quartile 2: Lower Middle, i.e. those earning above 25% and up to 50% of the population

Quartile 3: Upper Middle, i.e. those earning above 50% and up to 75% of the population

Quartile 4: Upper i.e. those earning above 75% of the population

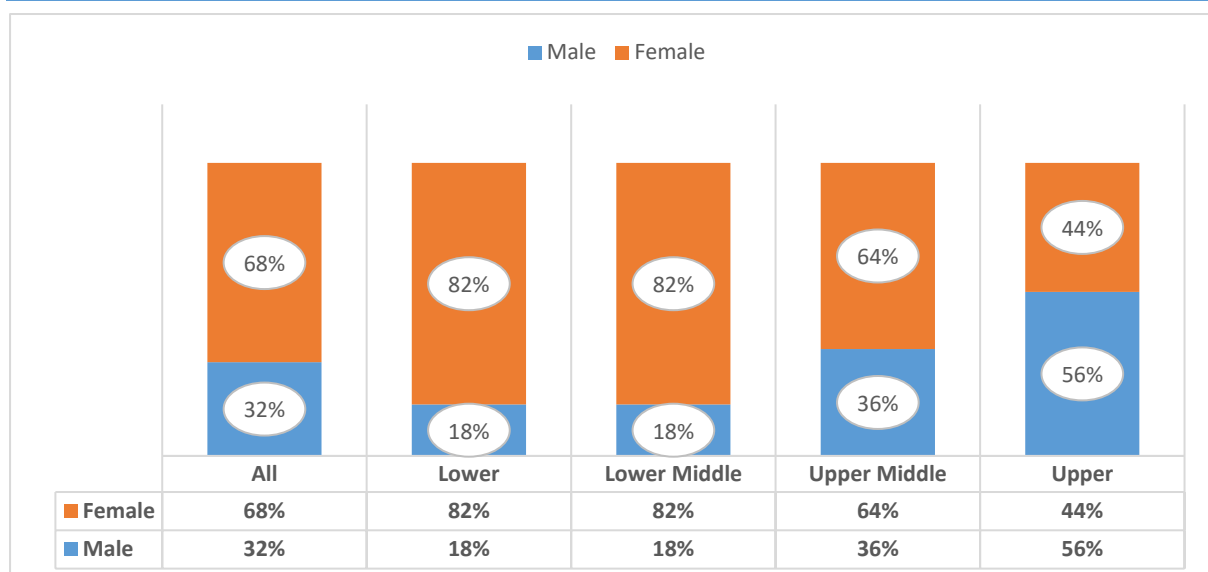
DIFFERENCES IN GENDER PAY BETWEEN MEN AND WOMEN IN 2022

GENDER PROFILE

Murgitroyd's gender profile is around one-third male and two-thirds female. In some roles within Murgitroyd, such as Paralegal Support and Paralegals, women make up a significant number of the population. This is reflected in the Lower and Lower Middle quartile data. The Attorney group including Director level roles, is 44% female.

Chart 1 below shows the percentage of Male and Female overall and within each of the four quartiles.

TABLE 1: PERCENTAGE OF MEN AND WOMEN OVERALL AND BY QUARTILE



The gender profile by roles has a significant impact on the overall gender pay gap reported in Tables 2 and 3 that follow.

Gender Pay Gap – Hourly Pay as at 5 April 2022

In Table 2 below, the reported mean gender pay gap is 43%. The major cause of this difference is the gender profile of roles, with the significant proportion of female colleagues in the Lower and Lower Middle quartiles.

TABLE 2: OVERALL MEAN AND MEDIAN GENDER PAY GAP AS AT APRIL 2022

Pay	Mean	Median
Hourly Pay	43%	50%

For greater context, Table 3 below brings together the gender distribution and the gender pay gap overall and for each quartile.

TABLE 3: MEAN AND MEDIAN GENDER DISTRIBUTION AND PAY GAP BY QUARTILE AS AT APRIL 2022

Gender	All	Lower	Lower Middle	Upper Middle	Upper
Male	32%	18%	18%	36%	56%
Female	68%	82%	82%	64%	44%
GPG Median	50%	-4%	-9%	12%	9%
GPG Mean	43%	-3%	-5%	12%	14%

This data highlights the gender pay gap in the Upper Middle and Upper quartiles and reflects the impact of the gender profile for paralegal and secretarial roles in the Lower and Lower Middle ranges.

A positive % (+ x %) result is the gap, e.g. a result of 15% indicates that on average women are being paid 15 percent less than men in that quartile. If the result is a negative % this shows that females in the group are earning more on average than the males in the same grouping.

Appendix 1 provides further context in reviewing the gender pay gap by job type.

GENDER PAY GAP – BONUS PAYMENTS IN THE 12 MONTHS TO 5 APRIL 2022

Table 4 shows the mean and median bonus pay gap for the 12 month period to April 2022. Some of the performance bonus payments included in the data set were paid to staff acquired following external business acquisitions in this period. When reviewing the mean there is a skew driven by some extra-ordinary bonus payments made to a relatively small eligible population. These one-off bonuses are included as well as 'ordinary' bonuses paid, which include pro-rata payments for part-time employees or those eligible for part of the year. The median reports no difference between males and females, which largely reflects the festive bonus that was paid equally across all roles in this period.

TABLE 4: BONUS GENDER PAY GAP FOR (AVERAGE AND MEDIAN)

Pay	Mean	Median
Bonus	34%	0%

89% of males and 87% of females received a bonus payment in the 12-month period up to April 2022.

HOW ARE WE ADDRESSING THE GAP?

Murgitroyd is committed to creating and maintaining a truly equal, diverse and inclusive work environment, where everyone has an opportunity to achieve success and realise their potential. We are addressing a range of activities across the organisation, including recruitment, development and daily leadership actions.

Over the past year and post pandemic, the Executive team has been working to develop a business strategy in which equality and diversity are central. We recruited our first Global People Director with a remit to review our reward and benefits, engagement and our approach to performance management. Considerable work is underway to make improvements across a range of organisational development practices with much of this work is informed by consultation with colleagues across the company.

We recognise that improved policies, as well as practices, are crucial to removing barriers in the workplace, particularly for women. In 2022, our Maternity and Paternity policies were improved for colleagues in the UK. We are also supportive of hybrid and flexible working and are committed to optimising new ways of working that advance equality, diversity and inclusion. We are also currently deploying our new Values and Behaviours Framework which has several aims including reinforcement of the values and behaviours that will make Murgitroyd a more equal, diverse and inclusive organisation.

In the course of 2023/2024, Murgitroyd is also taking action to establish a more structured approach to Reward Management. This is part of a wider organisational development review which will establish career progression frameworks and a new approach to managing performance and individual development, alongside work to enhance leadership and management capability. All of this will give Murgitroyd's employees greater clarity in terms of career development, opportunities to progress and the associated reward.

One example of the current progress is graduate recruitment. We regularly review our recruitment policy to ensure that we are actively promoting gender diversity with the aim of progressing towards a better gender balance at all levels and areas of the business. Our efforts in this space have seen positive results in the past year.

For example, we have seen a significant increase in our graduate trainee recruitment with the percentage of female graduates recruited to trainee attorney roles increasing to 57% for 2022, up 24% from 2021.

However, there is much more to do. As we develop all of our future organisational development policies and processes we must ensure that the opportunity for progression is equitable and that all avenues are explored to encourage and support more female colleagues to progress into senior roles in the organisation.

SUMMARY

We are committed to creating and maintaining a truly diverse and inclusive work environment and a business where everyone can realise their potential and achieve success. Our approach to equality, diversity and inclusion will continue to inform our business strategy and organisational development activities including recruitment, career progression, development, reward and wellbeing.

While the data and analysis that inform this report are UK specific and are formatted to meet UK regulatory requirements, we are committed to pursuing strategies and actions designed to deliver an improved gender balance in all roles and at all levels of the company across our global network.

John Gillies

Global People Director

APPENDIX I: HOURLY PAY BY QUARTILE AND GENDER, WITHIN ROLE GROUPS

Directors					
Gender	Quartile 1	Quartile 2	Quartile 3	Quartile 4	Total
All – Count + (%)			4	39	43
Male – Count + (%)			1 (25%)	23 (59%)	24 (56%)
Female – Count + (%)			3 (75%)	16 (41%)	19 (44%)
Gender pay gap*			17%	7%	13%

Attorney / Senior Attorney					
Gender	Quartile 1	Quartile 2	Quartile 3	Quartile 4	Total
All – Count + (%)			11	28	39
Male – Count + (%)			8 (73%)	13 (46%)	21 (54%)
Female – Count + (%)			3 (27%)	15 (54%)	18 (46%)
Gender pay gap			-5%	7%	-5%

Scientist/Trainee					
Gender	Quartile 1	Quartile 2	Quartile 3	Quartile 4	Total
All – Count + (%)		5	12		17
Male – Count + (%)		2 (40%)	6 (50%)		8 (47%)
Female – Count + (%)		3 (60%)	6 (50%)		9 (53%)
Gender pay gap		-5%	-5%		1%

Non Attorney Roles					
Gender	Quartile 1	Quartile 2	Quartile 3	Quartile 4	Total
All – Count + (%)	74	69	47	3	193
Male – Count + (%)	13 (18%)	11 (16%)	12 (26%)	2 (66%)	38 (20%)
Female – Count + (%)	61 (82%)	58 (84%)	35 (74%)	1 (33%)	155 (80%)
Gender pay gap	-3%	-5%	9%	15%	13%

* Note – gender pay gap is the female average hourly pay relative to male. The calculation is the average male hourly pay minus the average female hourly pay, divided by the average male hourly pay.