Murgitroyd:

UK Gender Pay Report 2024

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2024 Gender Pay Report

Murgitroyd is a full service intellectual property firm with a commanding presence across Europe, the Americas and Asia. This report focuses on our UK business only. In this reporting period we had 303 UK employees: 199 females and 104 males. 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 2024. 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 similar to other companies in professional services, our gender pay gap is largely due to the type of job roles undertaken by both women and men. This is outlined in more detail later in the report.

In relation to the gender profile across STEM based disciplines (which feed our Patent Attorney group), it is reported that the STEM (Science, Technology, Engineering and Mathematics) graduate ratio will show a very slight increase, from 21% 2022/23 to 21.5% for 2023/24. This indicates ongoing efforts to address gender disparities in STEM fields remains a work in progress. Other data shows that as of 2023, women comprised 15.7% of the engineering and technology workforce in the UK, a decrease from 16.6% in 2022. The decline appears to reflect a difficulty in retaining women in STEM related sectors. Taking a wider perspective on the issue, it appears that there is much more work to do to encourage and retain women in STEM-based occupations.

Set against this backdrop, we acknowledge the need for all participants in the IP sector to support the advancement of women within the sector. As such we remain 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 whole 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 2024, 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 2024. 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 2024. 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

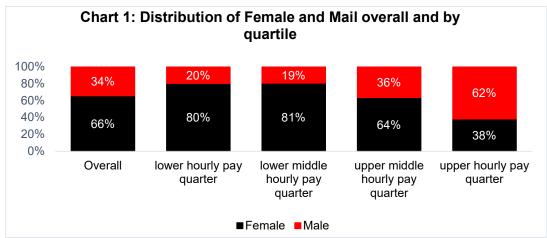
These are calculated by ranking employees' hourly pay in numerical order, (low to high), then dividing these into four equal quarters. In the tables and charts that follow below each quartile is reported as:

- 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: <u>Upper Middle</u>, i.e. those earning above 50% and up to 75% of the population
- Quartile 4: <u>Upper</u>, i.e. those earning above 75% of the population

Differences in gender pay between men and women in 2024

Gender profile

Murgitroyd's gender profile remains one-third male and two-thirds female. In some roles within Murgitroyd, such as Paralegal Support and Paralegals, women make up a significant proportion of the population. This is reflected in the Lower and Lower Middle quartile data. The Attorney group, including director-level roles, is 55% Male and 45% female. They are reflected in the upper middle and upper quartiles. Chart 1 below shows the percentage of Male and Female within each of the four quartiles.



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 2024

In Table 2 below, the reported average gender pay gap is 43.9%. 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 as outlined in Table 1.

Table 2: Overall mean and median gender pay gap as at April 2024

Рау	Mean	Median
Hourly Pay	43.9%	43.9%

For greater context, Table 3 shows the gender pay gap overall and for each quartile.

Table 5. Median and average pay gap by quartie as at April 2024						
Gender	All	Lower	Lower Middle	Upper Middle	Upper	
Median GPG by Quartile	43.9%	-6.7	-0.3%	16.5%	10.8%	
Average GPG by Quartile	43.9%	-2.8%	-0.2%	11.9%	8.4%	

Table 3: Median and average pay gap by quartile as at April 2024

This data highlights the gender pay gap in the Upper Middle and Upper quartiles and also reflects the impact of the gender profile in the Lower and Lower Middle ranges (both at 80%+ Female).

Negative percentages reflect where female colleagues are paid more than male colleagues within those quartiles (e.g. Lower Quartile and Lower Middle Quartile), based on the average and median data captured.

Gender Pay gap – bonus payments in the 12 months to 5 April 2024

Table 4 shows the average and median bonus pay gap for the 12-month period to April 2024. Some of the bonus payments included in the data set were paid to staff acquired following business acquisitions and are payable under contractual arrangements within this period.

Table 4: The data for bonus payments: Bonus gender pay gap (average and median)

Рау	Mean	Median
Bonus	5.5%	0.0%

98% of females and 97.1% of males received a bonus payment in the 12-month period up to April 2024.



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 continue to address a range of activities across the organisation, involving recruitment, development and daily leadership actions.

The Executive team have developed and are implementing a business strategy in which equality and diversity are central. The evolution of our reward and benefits work continues along with activity around colleague engagement including a variety of surveys carried out by the business through the reporting year. Our performance and career development framework (myFocus) has also been fully rolled out and supports performance reviews and career development and personal development conversations at all levels.

A number of improvements across a range of organisational development practices have also been implemented including the development of the Attorney Career Progression Framework, our implementation of a Management Essentials programme for all line managers and a dedicated training manual for Patent Scientists) with much of the implementation of this work 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. We are strongly supportive of hybrid and flexible working and are committed to optimising new ways of working that advance equality, diversity and inclusion. Our Values and Behaviours Framework, launched in 2023 and refined in 2024 reinforces the values and behaviours that make Murgitroyd a more equal, diverse and inclusive organisation.

In the course of 2025, Murgitroyd will continue to develop its approach to Reward Management – ensuring when it does that it holds to the values of the business with the ambition to be fair and equitable at all times.

As we move forward, we must ensure that opportunities for progression are equitable and that all avenues are explored to encourage and support more female colleagues to progress through the business and into more senior roles across Murgitroyd.

This was represented in early 2024, with the three Director appointees of 2023/24 all being women. They were appointed based on the strength of their contribution to the business and the IP sector and also based on their capability and capacity to support the future growth of the business.

Our work to date is reflected in the Gender Pay Gap Report, which shows an overall reduction of 3.1% from the prior reporting period. More significantly, the report illustrates a 6.5% reduction in the average gap within the upper quartile (14.9% reduced to 8.4%) and a reduction of 11.94% in the median pay gap within the upper quartile (22.74 reduced to 10.8%). All that said, we recognise that there is work to be done and so will continue to focus on reducing the overall gap further in future reporting periods.



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.

As in prior reports, 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 pay balance in all roles and at all levels of the company across our global network.

John Gillies Chief People Officer January 2025