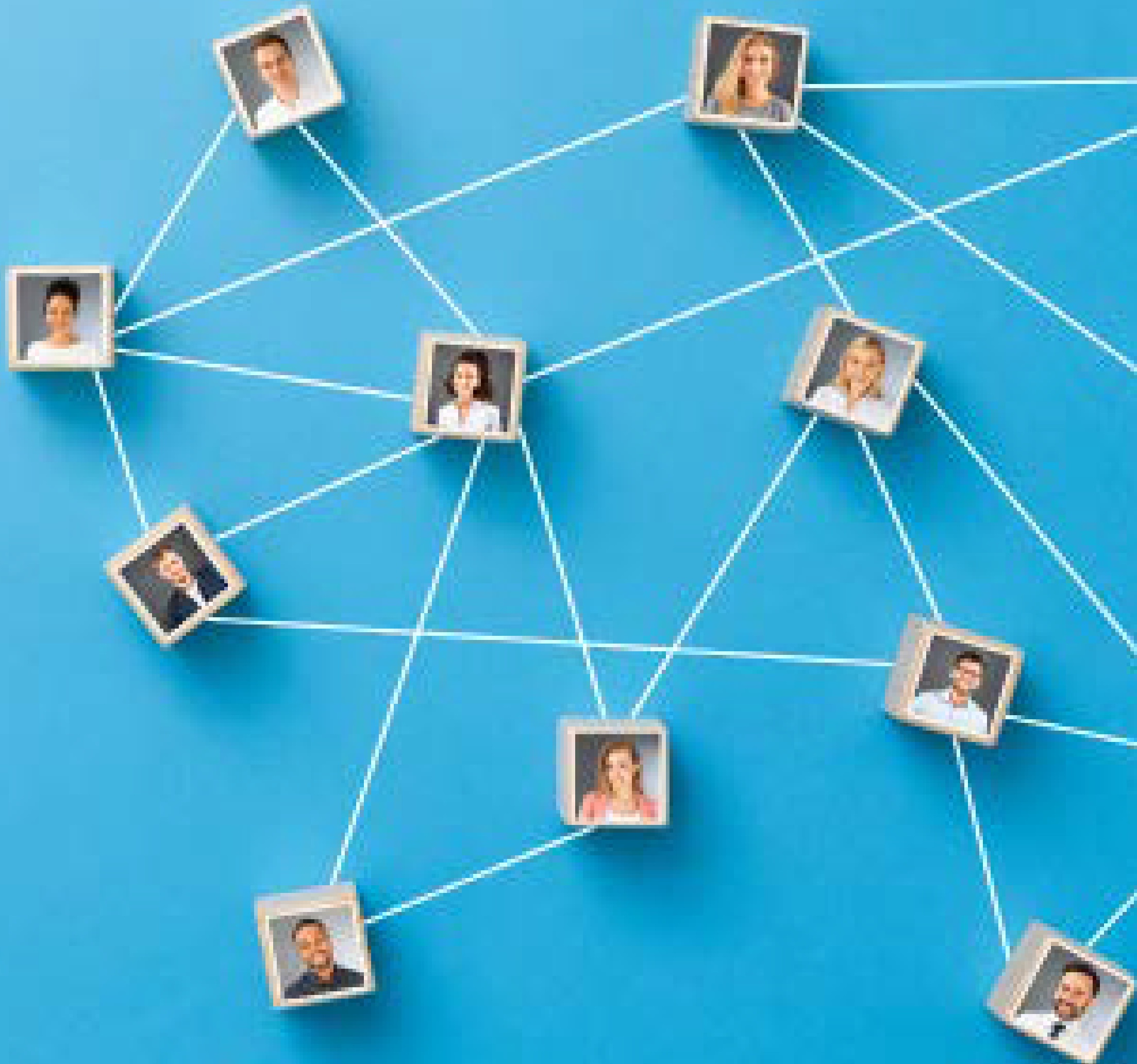


GENDER PAY GAP REPORT 2022

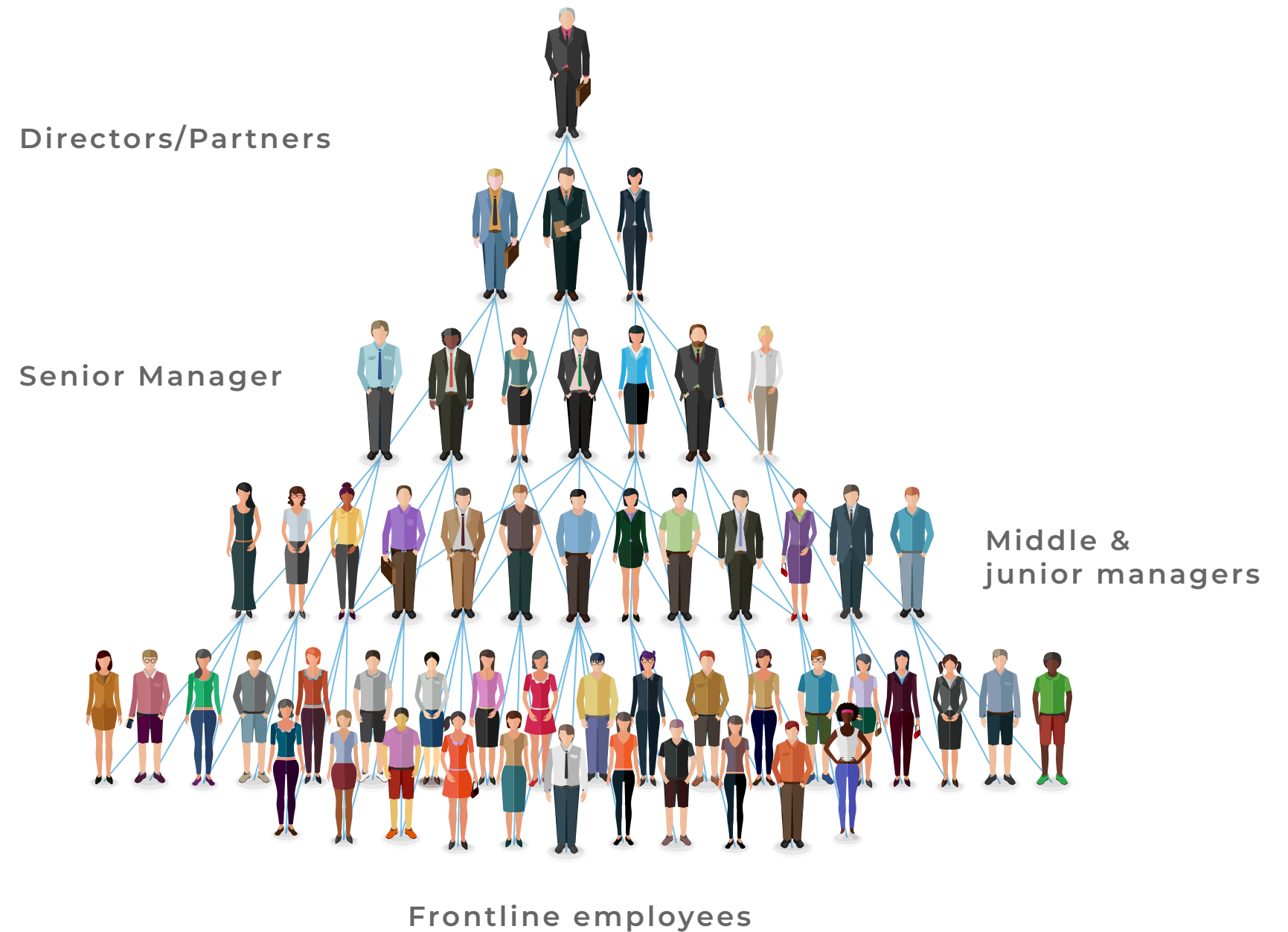


A gender pay gap is the difference in the average paid to an organisation's male and female employees.

It does not take into account the nature of an employee's work or their seniority within an organisation.

It is not the same as an equal pay comparison, which would compare the pay awarded to male employees and female employees doing the same, similar, or equivalent work.

For example, the illustration opposite shows how an organisation paying men and women equally at each level of seniority can still have a gender pay gap, as women are under-represented at higher levels.



Graphic is for illustration purposes, and is not representative of Horwich Farrelly.

How are the median and mean gaps calculated?

We have calculated the median and mean gaps according to the gender pay gap reporting regulations. This means we have taken a snapshot of pay data for all relevant employees (see opposite) on 5 April 2021, then cross referenced this against whether individuals define themselves as male or female.

To calculate the median gap we hypothetically line up all our male employees in one line, and our female employees in another, as illustrated below. The median gender pay gap is the difference in pay between the female employee in the centre of the line and the male colleague in their line.

The mean gender pay gap is calculated by comparing the average hourly rate of pay between male and female employees.

The same approach is used to compare the

difference in median and mean bonus pay. However, rather than taking a snapshot of a single day, this is based on bonus pay in the 12 month period to 5 April 2021. The percentage of male and female employees awarded bonus pay over the same period is also recorded.

How are the pay quartiles calculated?

This report also includes details of the percentage of male and female employees in each pay quartile e.g. the gender split of those in the highest paid quarter of employees, the second highest quarter, and so on.

What’s included in our calculations?

In line with Government guidance, our median and mean pay calculations, and quartile pay bands, are based on data from April 2021 only, including ordinary pay and bonus pay.

Ordinary pay includes basic pay, and pay for leave. It does not include pay given in lieu of

leave, overtime, pay relating to redundancy/ termination of employment, or benefits which are not in the form of money.

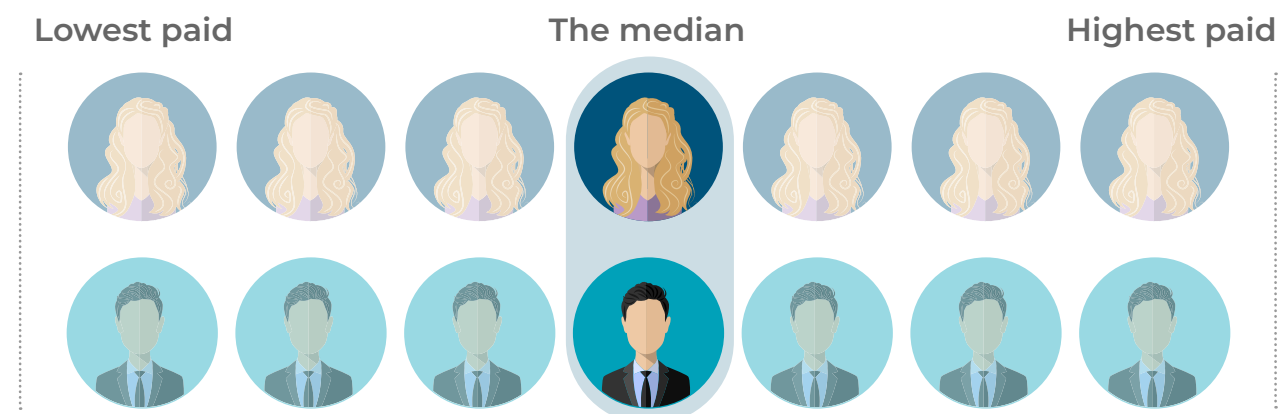
Bonus pay includes any additional pay awarded to individuals for exceptional performance. In our case the bulk of bonus pay is awarded under the firm’s annual bonus scheme.

What is a relevant employee?

Relevant employees are individuals employed by Horwich Farrelly on the snapshot date of 5 April 2021, including Directors and Salaried Partners. Any individual employed on the snapshot date and paid their usual full basic pay during the relevant pay period is a full-pay relevant employee.

If an individual was paid less than their usual basic pay during the relevant pay period for reasons other than leave, they still count as a full-pay relevant employee.

If an individual was paid less than their usual basic pay, or nil, during the relevant pay period as a result of being on leave, then they are not a full pay relevant employee. It does not matter whether the leave was taken during the relevant pay period – what matters is whether the pay is reduced during that relevant pay period due to the leave.



Our median gender pay gap at the snapshot date of 4th April 2021 is 11.1% with our mean pay gap being 32.4%. This represents an increase on the previous year, broadly in line with provisional ONS figures which show a rise in the median gender pay gap across the UK.

Bonus

Our median bonus gap stands at 33% and the mean bonus gap at 51%. The percentage of women receiving a bonus increased by 9% and the percentage of men receiving a bonus fell 7%.

COVID-19 impact

At the snapshot date of April 2021, our business was still being impacted by the COVID 19 pandemic with some employees on furlough. Furlough disproportionately affected women compared to men, as the type of roles that were furloughed were more likely to be undertaken by women. As furloughed colleagues are not “full pay relevant employees” (because they were paid a reduced rate whilst on furlough) it was not possible to include them in the Gender Pay Gap figures. This has resulted in somewhat distorted figures and has impacted our Gender Pay Gap results.

Flexible Working

We are extremely proud of our track record in offering flexible and hybrid working. Hybrid, flexible ways of working have evolved swiftly since the start of the Covid19 pandemic and we have further developed our approach to maximise the benefits to all our people of a healthy work-life balance and holistic approach to their wellbeing. We offer genuine flexibility to our people and in the majority of roles, people can work at a time and in a place that suits them. This in turn has accelerated the number of colleagues who are now formally working flexibly or on a part time basis. 14.2% of women employed by HF work less than full time hours, compared to 5.6% of men, with a further 7% of the female workforce working flexibly but on full time hours, compared to 2% of men. Our focus on truly flexible, hybrid working will continue to form part of our strategy to improve gender equality.

Diversity & Inclusion Networks

We are increasing our focus on our Horwich Farrelly D&I networks, including the network for women. The aim of the groups is to truly understand through those with lived experiences, the issues and challenges that are faced every day, as well as providing a supportive

and informative network which can help drive change. As an organisation, we are able to act on feedback and insight from these groups, alongside our employee engagement survey to ensure we’re moving forward and improving our position as a great place to work, where everybody feels they belong.

Talent pipeline

We continually look at ways to develop our people and give them the opportunity to progress. At HF we’re proud to have such a focus on home-grown talent with many of our senior leadership team having worked here for their entire career, including our CEO. We are very encouraged to see that 50% of those promoted to Partner or Associate Partner during this period were female.

Development

We have continued to run our successful Manager Development Programme aimed at those wanting to develop key skills and progress within our organisation, and it is very pleasing to see an increased number of women across all three cohorts during the year.

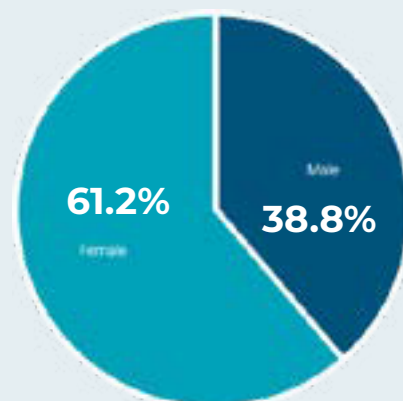
PAY – HOURLY RATE

Difference between male and female employees

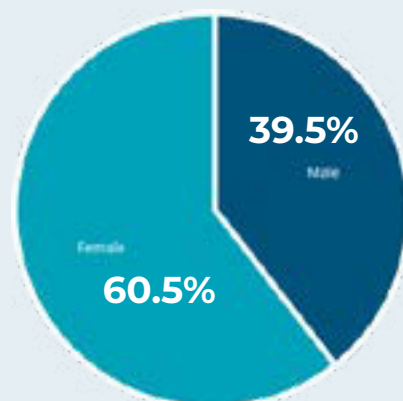
	HORWICH FARRELLY	UK AVERAGE*		HORWICH FARRELLY	UK AVERAGE*
MEDIAN	2.6%	15.9%	MEAN	25.6%	6.5%

PAY QUANTILES

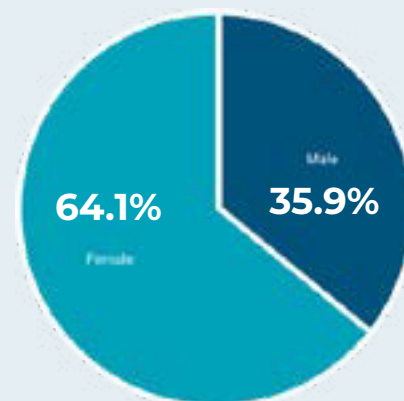
Percentages are rounded to nearest whole number



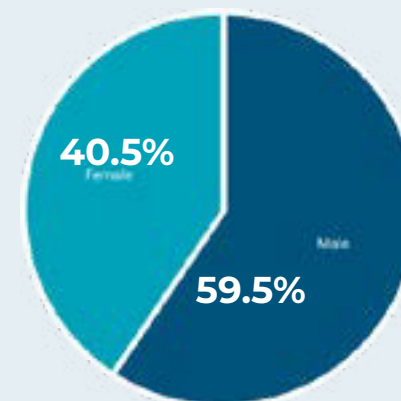
LOWER QUARTILE



LOWER MIDDLE QUARTILE



UPPER MIDDLE QUARTILE



UPPER QUARTILE

% MALES RECEIVING BONUS

66.4%

% FEMALES RECEIVING BONUS

70.6%



I confirm that the data contained within this report is accurate and meets the requirements of the gender pay gap reporting regulations.

A handwritten signature in white ink that reads 'T. Reynard' with a long horizontal flourish extending from the end of the name.

Thomas Reynard
Chief Operational Officer

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