

Gender Pay Gap Report 2018

What are we reporting?

- > In the UK, we are required to report Gender Pay Gap details for all our companies with more than 250 people (Lowell Financial, and Fredrickson [Fred's]) – our 'statutory disclosure'. To provide a clear picture of pay within the region, we have included information on Lowell Solicitors within Total UK numbers, which are in addition to what is required by legislation.
- > The reporting regulations require us to use data for the pay period including 5 April 2018 to calculate the Gender Pay Gap for all women and men employed at 5 April 2018: the 'Snapshot Date'. This includes basic salary and several other elements, including bonus payments and allowances, and is shown pro-rata to hours worked.
- > The bonus calculation uses details of all bonus payments received in the 12 months prior to the 5 April 2018 for all women and men employed as at 5 April 2018.

Our figures

Our reported **mean Gender Pay Gap** is **24.75%**

Our reported **median Gender Pay Gap** is **10.70%**

Our reported **mean Gender Bonus Gap** is **50.13%**

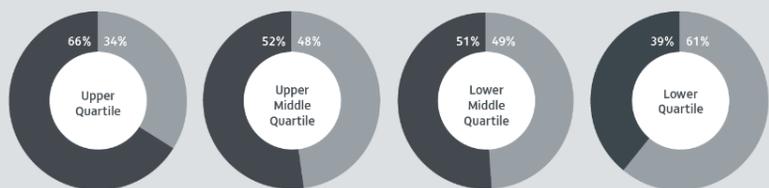
Our reported **median Gender Bonus Gap** is **27.84%**

UK TOTAL

Difference in mean pay	24.75%
Difference in median pay	10.70%
Difference in mean bonus pay	50.13%
Difference in median bonus pay	27.84%

BONUSES PAID 72.1% 69.1%

PAY BANDS



GENDER BREAKDOWN BY LOWELL JOB LEVELS

Job Level	Male (%)	Male Count	Female (%)	Female Count
EXEC	92%	(12)	8%	(1)
LEVEL 1	65%	(31)	35%	(17)
LEVEL 2	60%	(120)	40%	(79)
LEVEL 3	46%	(609)	54%	(723)
FREDS & CONTRACTORS	55%	(197)	45%	(159)



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Key findings

At an overall UK level, the Gender Pay Gap has widened across the main metrics (Median/Mean Pay, Median/Mean Bonus).

There is no significant change in women represented at Senior Management and Exec Level.

Average Female Pay (Mean/Median) & Median Bonus Pay have increased from 2018, however Average Male Pay (Mean/Median) & Median Bonus Pay has increased by a greater margin.

Female Mean Bonus Pay has reduced from 2018 by a greater margin than Male Mean Bonus Pay - increasing the Gap.

The percentage of women represented in the Upper Pay Quartile remains largely static year-on-year.

There are higher numbers of women in the Lower Quartile compared to men in this period.

Our approach

We believe in fair pay for all our colleagues based on their role and how well they perform within it. Our commitment to colleagues and candidates is to provide each of them with the same opportunities to become part of our team or advance within it.

We have the policies, practices and measures in place to ensure we provide equal pay in line with the law.

Our promise is to continue to analyse the Gender Pay Gap data to better understand the factors affecting it and to act on any issues that do not fit with our approach to fairness and equality.

Key factors and outcomes

- The proportion of female colleagues within Level 3 roles increased significantly during the period, when combined with static female representation in Exec and Level 1 roles, this was a key factor in the widening of the Gender Pay Gap metrics in 2018.
- The widening of the Bonus Gap can be attributed to a number of other factors:
 - Overall numbers of females employed has increased more than males versus 2017, particularly in lower grades. This had the effect of reducing mean pay for women.
 - A greater number of female colleagues received zero bonus in 2018 than the year before. We note that this is largely due to the pattern of recruitment and probation period – during which colleagues are not eligible for bonus payments.
- Performance rating distribution between males and females is also a factor:
 - Overall, female colleagues received higher proportions of our highest performance ratings.
 - However, lack of representation in more senior roles meant the overall affect contributed towards lower mean and median bonus levels for female colleagues.

Statutory disclosure

Lowell has two legal entities in the UK with 250 or more colleagues. Under the Gender Pay Gap regulations we must report data for each, which is shown on the following page.

Declaration

I confirm that Lowell's Gender Pay Gap calculations are correct and meet the requirements of the regulations. The details, calculations and data reported here have been reviewed by the Lowell People Team, who have confirmed they comply with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

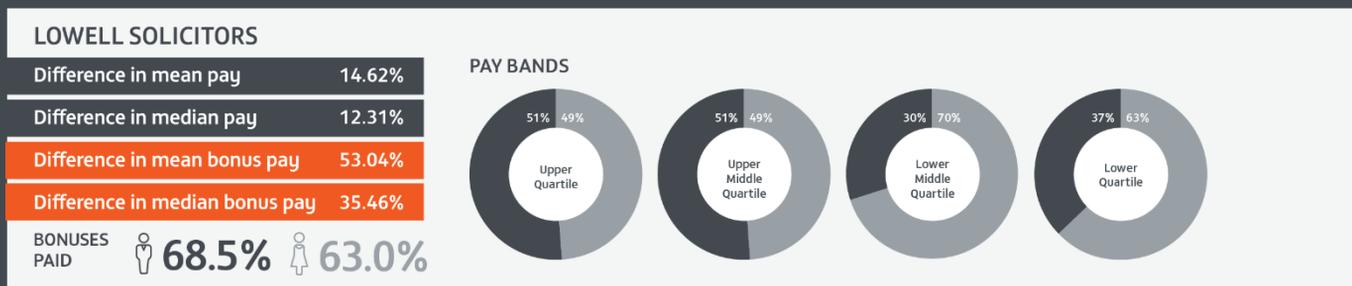
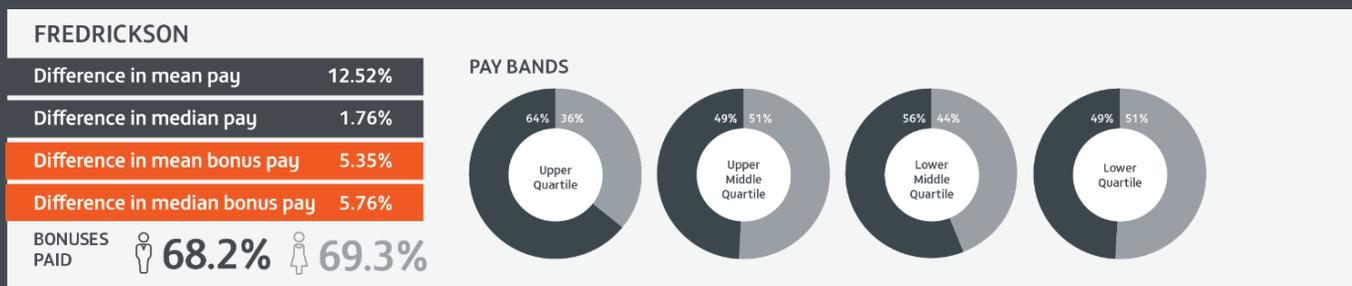
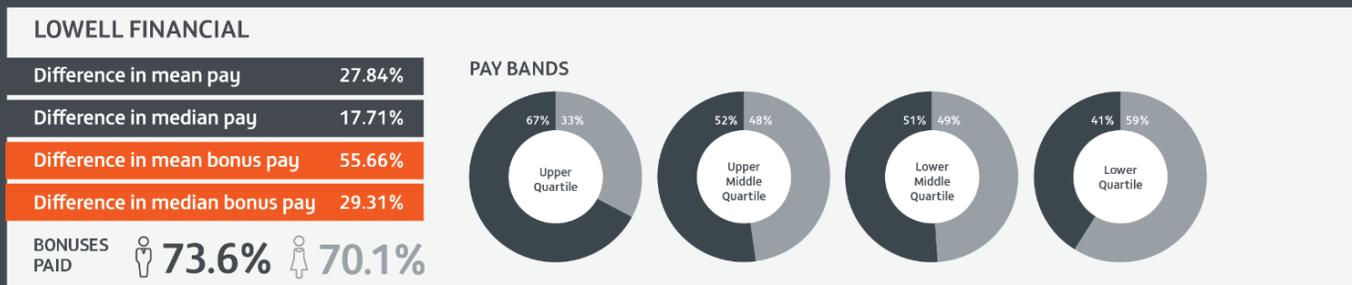


Helen Thornton
UK HR Director



Gender Pay Gap Report 2018

Gender Pay Gap within our UK businesses



What is Gender Pay Gap?

This measures the pay difference between men and women overall, based on average hourly pay. It is solely about gender. It doesn't include any personal characteristics that may affect pay such as length of service, experience or performance.

It doesn't measure Equal Pay - which is the pay difference between men and women who carry out the same job, similar jobs or work of equal value.

Understanding the six Gender Pay Gap measures

Companies are required to report on the following six measures:

Mean Gender Pay Gap – this is calculated by adding together all earnings paid to women, taking the average and then doing the same for men's earnings. The difference between the two averages is then shown as a percentage of men's earnings.

Median Gender Pay Gap – this is determined by ranking in order all the earnings paid to women, identifying the amount that is in the middle of the range and then doing the same for men's earnings. The difference between the two is then shown as a percentage of men's earnings.

Mean Gender Bonus Gap – this is calculated by adding together all bonuses paid to women, taking the average and then doing the same for bonuses paid to men. The difference between the two averages is then shown as a percentage of the figure for men's bonus.

Median Gender Bonus Gap – this is determined by ranking in order all the bonuses paid to women, identifying the amount that is in the middle of the range and then doing the same for men's bonuses. The difference between the two is then shown as a percentage of men's bonus.

The proportions of men and women who received a bonus

The proportions of men and women in different pay bands. This is worked out by looking at all the hourly rates we pay, ranking them, then dividing them equally into four equal sections (highest quartile to lowest quartile) and counting the men and women in each. This gives a view of the spread of hourly pay within our organisation.

