

GENDER PAY REPORT 2020

At HCR we remain committed to recruiting, rewarding, and promoting people on merit, irrespective of gender or other protected characteristics. For the last two years we have gone beyond the statutory measures to ensure we are truly diverse in our recruitment, promotion, and flexible working practices. We want to be fully transparent about our progress in this regard and remain determined to create opportunities for all our people to achieve their full potential at HCR.

A reminder about what the Gender pay gap is

The legal reporting requirements

- Gender pay gap reporting includes six measures with the 'average pay gap' being the one most widely reported.
- The average pay gap is expressed using two calculations - the median and the mean.
- The mean (average of salaries) can be quite skewed as typically the highest paid earn significantly more than the lower paid.
- The median (the middle of the distribution) tends to be reported on more widely as it is a truer expression of the experience of the typical man and women.
- The quartile measure divides the employee population into four. It is expressed as a percentage of gender in each quartile and is used to see if men and women are paid equally in each quartile.
- The average bonus gap is calculated using mean and median.
- The final measure looks at the proportion of women to men receiving a bonus.

The Results

This is the fourth year that we have reported on our gender pay gap and the results for 2020 are below. Click [HERE](#) for the detail.

We are reporting this year that the median has decreased from 39.51% to 37.35%, whereas the mean gap has increased from 28.93% to 31.07%. Whilst a decrease in the median is positive, small changes to the profile or demographics of our workforce can have an effect on these results and therefore this should not be relied as an illustration of progress on this important issue.

We continue to have more male high earners. This is mainly due to recent recruitment in more competitive markets. We also continue to recruit a significant proportion of women to men into support roles; of the 139 people recruited across all of HCR at this time, 58 were in support roles, of which 47 were women.

On a positive note, 80% of our female staff received a bonus in comparison to 68% in the year previous.

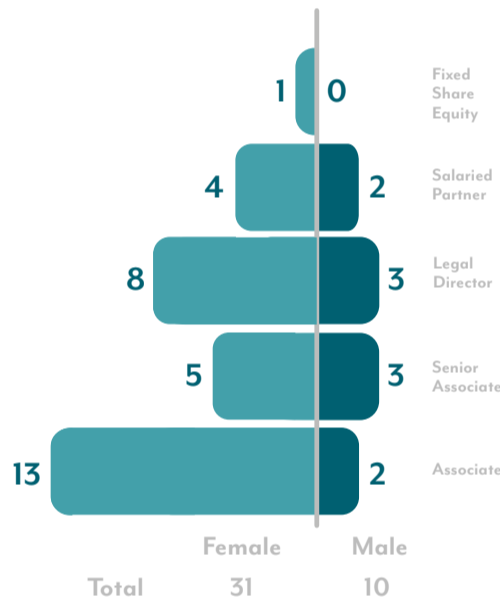
However, it is more critical to focus on the real drivers of the gender pay gap.

2020

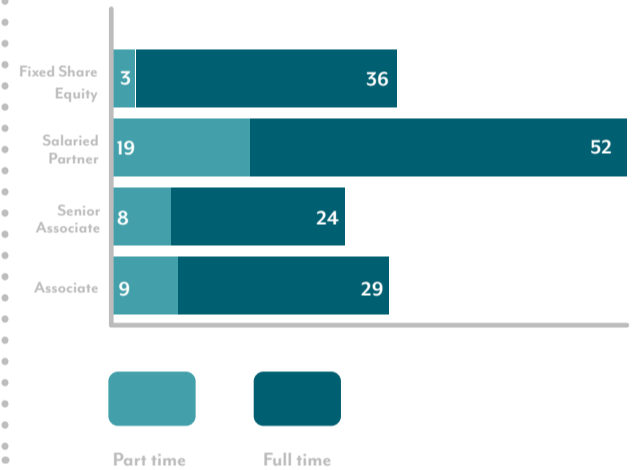
Recruitment 2020

Number of Hires	
Partner Hires	Other Hires
F 7	101
M 9	22

Career Progression - Promotions up to April 2020



Part-time working arrangements

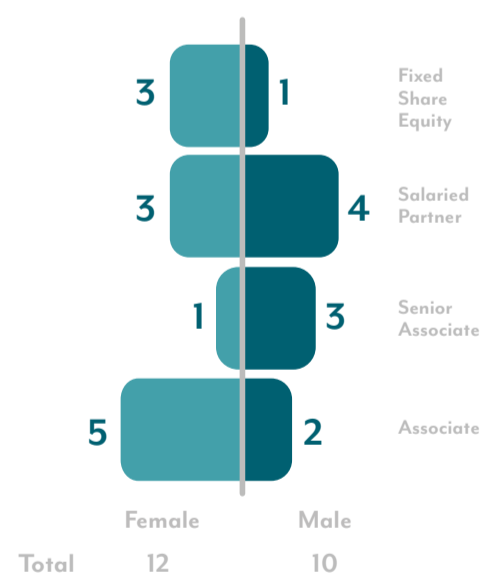


2019

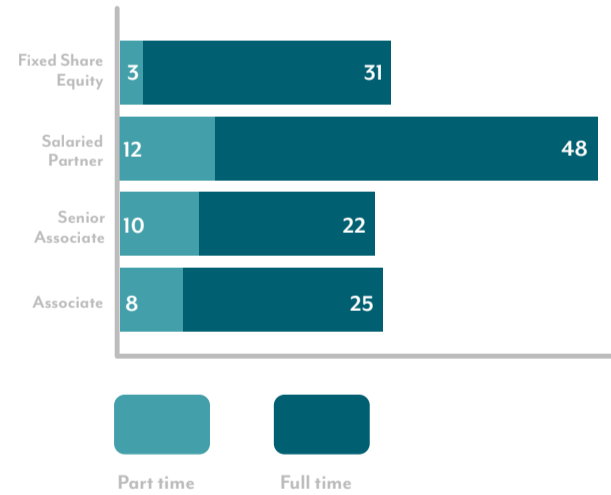
Recruitment 2019

Number of Hires	
Partner Hires	Other Hires
F 6	106
M 10	13

Career Progression - Promotions up to April 2019



Part-time working arrangements



Progress against our own measures

- I am pleased to report a gender balance in our promotions. The introduction of the Legal Director position has opened an alternative route to partner progression. We appointed 8 female Legal Directors in 2020.
- We continue to see an increase in female employees who have been promoted to partner whilst taking time off to raise a family. One of our employees was promoted to partner in 2020 either before, during or indeed immediately after returning from maternity leave. We have also seen an increase in the number of females progressing to senior associate. We want our successful female employees to escape the 'motherhood penalty' at HCR and have further plans to focus on this issue in 2021.
- Although the increase in part time arrangements has been moderate, the introduction of our flexible working approach in 2020 should be a key enabler in allowing working women more flexibility in managing their careers going forward.
- Going forward we will ensure this approach is promoted in our recruitment practices as it should give us a wider talent pool to recruit from.
- Targeting our actions around recruitment, career progression and flexible working is starting to show some positive signs that we are beginning to address the root causes of this issue; but we still have lots to do.

Deborah Brumwell,
HR Director