



2024

ALVAREZ & MARSAL: UK GENDER PAY GAP REPORT 2023

Message from Tony Alvarez III (Managing Director)

At A&M, our people are our greatest asset. Ensuring that everyone feels valued is crucial to our success as a firm.

That is why we strive to cultivate a diverse environment, where our people are rewarded equally based on merit, regardless of gender, ethnicity, sexual orientation, or age. We call this 'Inclusive Diversity', which is one of our core values. It is embedded in our culture and forms an integral part of how we do things.

Since our last report, we have made good progress, but I recognise we have a way to go. It is important to acknowledge that although we have pay gaps, we do have absolute pay parity for individuals who undertake the same roles. Meritocracy is a core value and on a yearly basis we carry out equal pay reviews to ensure that all our people receive equal pay for equal work.

I confirm that Alvarez & Marsal's pay gap data has been collected and presented within this report in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

TONY ALVAREZ III
Managing Director

“ That is why we strive to cultivate a diverse environment, where our people are rewarded equally based on merit, regardless of gender, ethnicity, sexual orientation, or age. We call this 'Inclusive Diversity' ”



Note from Erin Brookes & Marija Simovic, Managing Directors and Co-Chairs of the Inclusive Diversity Office (IDO)

We continue to work closely with leadership to ensure that our senior grade people feel supported in executing their local inclusion plans. We believe that this — together with a focus on our Employee Resource Groups — will help us achieve our Inclusive Diversity targets successfully.

ERIN BROOKES
Managing Director

MARIJA SIMOVIC
Managing Director

Gender Pay Gap

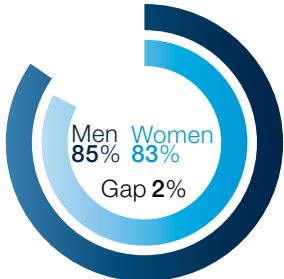
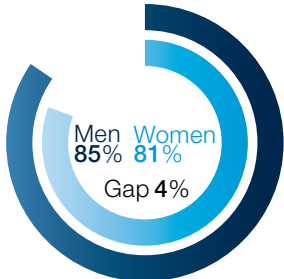
A&M monitors pay at all levels of the firm and regularly holds annual equal pay audits with Leadership and HR.

This gender pay gap report is not measured by reference to equal pay, which looks at men and women performing equal work, it is the measure of the difference between men and women's average earnings across all UK employees. These statistics relate to employees, not including Managing Directors.



Statutory UK Gender Pay Gap Results - 2023

Pay Gap:

Statutory UK Reporting	2022	2023	Female Variance from 2021 to 2022
Mean Gender Pay Gap (hourly pay)	30%	26%	-4%
Median Gender Pay Gap (hourly pay)	32%	32%	No Change
Percentage of Men and Women receiving bonus pay			+2%
Mean gender bonus pay gap	41%	50%	+9%
Median gender bonus pay gap	59%	60%	+1%

Quartiles:

A quartile is calculated by ranking all employees' hourly pay in numerical order and splitting them into equal groups of four, noting the gender distribution. The below quartiles reference the female distribution:

Statutory UK Reporting	2022	2023	Female Variance from 2021 to 2022
Lower Quartile	51%	53%	+2%
Lower Middle Quartile	50%	48%	-2%
Upper Middle Quartile	30%	37%	+7%
Upper Quartile	16%	21%	+5%

Reasons for the Gender Pay & Bonus Gap

The mean pay gap has reduced by 4% YoY (26%), with the median remaining the same as last year, at 32%. Due to a decrease in the proportion of women being eligible for bonuses this year — based on the time of year they were hired (2% decrease from 83% last year), our bonus pay gap has increased, with the mean increasing by 9% and median by 1%.

The main contributing factors for the gender pay gap and bonus pay gap continue to be:

- **Underrepresentation of females in senior billable grades**

We continue to experience an underrepresentation of females in our senior grades with most senior billable staff being male. Since last year, we have made a significant progress of 7% improvement in the upper middle quartile which is now 63% male and a 5% improvement in the upper quartile which is now 79% male.

We are working hard to continue to build a talent pipeline to help us address the underrepresentation of females in senior grades and we acknowledge this will take some time to change but we remain committed, and we believe our approach and strategy for inclusive recruitment will help us to achieve this.

- **Higher proportion of females in support grades**

Our workforce within the support function has grown in the last year with now over 300 support colleagues in the UK, of which the majority are female. Due to the nature of our industry, the gap in bonuses and salaries between billable and non-billable colleagues is broad due to the differences in their work and reward model. Our Executive Assistant grade continues to attract females exclusively which plays an important factor in increasing our gaps, especially our bonus pay gap as their reward model is not based on chargeable hours.



Key Inclusive Diversity achievements in 2023

- **Improvement of Inclusive Diversity metrics:** following the roll out of equal opportunity monitoring forms last year, we can now draw on insights to enhance inclusion.
- **Inclusive Diversity new hires:** a dedicated Inclusive Diversity Senior Manager and Associate support our Inclusive Diversity journey across EMEA.
- **Menopause pledge:** we announced a new menopause policy and awareness training. We set up “MoonPause”, a new colleague network and launched a UK specific menopause benefit via our private medical care benefit where A&M employees can access 24/7 medical support, advice as well as treatment.
- **Working Parents and Carers ERG:** an informal community of parents and carers, set up last year to connect, share stories and support each other.
- **Parental leave:** we uplifted maternity pay to 24 weeks and paternity pay to 6 weeks to promote a positive work-life balance for new parents. We also launched a parental leave toolkit which incorporates information on parental leave and the different processes/policies involved, as well as guidance for people managers to support employees on parental leave, and those returning to work.
- **Neurodiversity:** we set up “Mindspan”, our new ERG which brings together neurodiverse individuals and parents and carers of neurodiverse people. We also released a new neurodiversity toolkit where our people managers can find advice and tips on how to support neurodiverse employees.
- **Parental leave toolkit:** The toolkit incorporates information on parental leave and the different processes/policies involved, as well as guidance for people managers to be able to support their employees who are going on parental leave, during parental leave and returning to work.
- **We launched our first Inclusive Diversity online training:** a new training course which aims to equip all our people with diversity, equity and inclusion knowledge and inclusive behaviour skills.
- **Inclusive Leadership training for Managing Directors:** two pilot sessions have been held with a view to a full rollout in 2024. We believe our leaders set the tone from the top and we want to equip them with the right skills to be able to have the greatest impact and continue to be inclusive leaders.

ABOUT ALVAREZ & MARSAL

Companies, investors and government entities around the world turn to Alvarez & Marsal (A&M) for leadership, action and results. Privately held since its founding in 1983, A&M is a leading global professional services firm that provides advisory, business performance improvement and turnaround management services. When conventional approaches are not enough to create transformation and drive change, clients seek our deep expertise and ability to deliver practical solutions to their unique problems.

With over 9,000 people across four continents, we deliver tangible results for corporates, boards, private equity firms, law firms and government agencies facing complex challenges. Our senior leaders, and their teams, leverage A&M's restructuring heritage to help companies act decisively, catapult growth and accelerate results. We are experienced operators, world-class consultants, former regulators and industry authorities with a shared commitment to telling clients what's really needed for turning change into a strategic business asset, managing risk and unlocking value at every stage of growth.

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