



2025

ALVAREZ & MARSAL: UK GENDER PAY GAP REPORT 2024

Message from Tony Alvarez III, Managing Director

We are committed to fostering an inclusive and fair workplace where all our people feel valued and can thrive in a meritocratic environment. Our 2024 Gender Pay Gap Report highlights our focused progression towards gender parity across all levels (equal representation of men and women), and our continued commitment to improving our gender pay gaps.

The UK Gender Pay Gap report measures the difference in average hourly earnings between men and women across A&M in the UK. It is important to acknowledge the gender pay gaps outlined in this report do not represent the differences in pay for employees who perform the same roles. At A&M, we are committed to gender pay parity (equal pay) and ensuring that our people are paid equally for carrying out equal level jobs. Meritocracy is a core value which is central to our performance and reward practices. On a yearly basis, pay audits are conducted to ensure all our policies and practices are implemented fairly and consistently.

In this year's report, the mean gender pay gap was reduced to 24% and our median gender pay gap to 29%. We have also made improvements in the mean gender bonus pay gap (46%) and median gender bonus pay gap (54%), however despite the positive steps, significant work remains, especially in senior roles and bonus distribution.

We are addressing the above through targeted initiatives, including an enhanced inclusive recruitment strategy, targeted support for the development and retention of A&M women, and inclusive leadership training, as part of our action plans for achieving gender parity.

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

TONY ALVAREZ III
Managing Director



Message from Penelope Lepeudry and Dhruv Sarda, Managing Directors, Inclusive Diversity Sponsors

In our first year as sponsors, our efforts have been focused on continuing to create a culture where every employee can succeed, not just because it is expected but because it is the right thing to do for our people, clients and our business overall. By fostering an inclusive culture, we are confident that we will continue to make meaningful progress in closing the gender pay and bonus gaps.

Thank you for your ongoing support and commitment to making Alvarez & Marsal a place where everyone can thrive.



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

The UK Gender Pay Gap report measures the difference between men and women's average hourly earnings across all UK employees. It is important to note that the gender pay gaps outlined below are different from equal pay. The report does not analyse equal pay between men and women, which looks at ensuring men and women performing equal work are paid equally. At A&M, we are committed to gender pay parity (equal pay) and ensuring that our people are paid equally for carrying out equal level jobs. These statistics relate to employees only, and do not include Managing Directors.







Statutory UK Gender Pay Gap Results - 2024

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	2024	Female Variance from 2023 to 2024
Lower Quartile	51%	53%	55%	+2%
Lower Middle Quartile	50%	48%	48%	No Change
Upper Middle Quartile	30%	37%	36%	-1%
Upper Quartile	16%	21%	22%	+1%

Gender Pay Gap

Statutory UK Reporting	2022	2023	2024	Improved Female Variance from 2023 to 2024
Mean Gender Pay Gap (hourly pay)	30%	26%	24%	-2% ▲
Median Gender Pay Gap (hourly pay)	32%	32%	29%	-3% ▲
Percentage of Men and Women receiving bonus pay	 Men 85%  Women 83% Gap 2%	 Men 85%  Women 81% Gap 4%	 Men 90%  Women 88% Gap 2%	7% ▲
Mean gender bonus pay gap	41%	50%	46%	-4% ▲
Median gender bonus pay gap	59%	60%	54%	-6% ▲

Reasons for the Gender Pay & Bonus Gap

In 2024, we have made strides in addressing the gender pay gap, and we acknowledge that there is still more work to be done. The mean gender pay gap has decreased by 2% to 24%, and the median gender pay gap has reduced by 3% to 29%. In addition, the bonus pay gap has seen an improvement, with the mean gender bonus pay decreasing by 4% to 46% and the median by 6% to 54%.

Below are the primary factors contributing to our gender pay gaps. Since our last report, we have worked to understand these multifaceted factors better, to create more targeted efforts (see further down for our Key Inclusive Diversity initiatives to reduce our gaps). Our ongoing commitment to inclusive diversity, equal opportunity and meritocracy will drive further improvements in closing these gaps.

The primary factors contributing to these gaps are:

- 1. Underrepresentation of Women in Senior Billable Grades:** Despite progress in improving women's representation in the upper quartile, women remain underrepresented in senior billable roles within our organisation. These roles typically command higher salaries and bonuses, impacting the overall gender pay and bonus gaps. In 2024, we committed to building a robust diverse talent pipeline and implementing inclusive recruitment strategies to help us address this imbalance over time. Additionally, we have made significant improvements in our development and promotion processes, demonstrating our concerted efforts to support women's advancement within the company.
- 2. Sector-Specific Challenges:** The professional services sector, in which Alvarez & Marsal operates, traditionally exhibits a gender imbalance at senior levels. This challenge is compounded by the historical underrepresentation of women in STEM (Science, Technology, Engineering, and Mathematics) fields, which are critical to our business.

3. Higher Proportion of Women in Support Roles:

Our support comprises 337 colleagues in the UK, which accounts for 30% of our overall UK staff. Many of these roles are filled by talented women employees. The distinct nature of work performed by our support staff compared to our billable staff necessitates different reward models, reflecting the unique contributions of each group. This approach ensures that all employees are recognised and valued for their specific roles within the organisation.

- 4. Working Pattern Differences:** The significant difference in the number of women working part-time compared to men is a crucial factor impacting the gender pay gap (approximately 3.7% women vs 0.45% men from the total headcount). This disparity can lead to a lower overall average hourly pay for women, contributing to the gender pay gap.



Key Inclusive Diversity initiatives in 2024

- **Inclusive Recruitment:** Our recruitment strategy has been enhanced to ensure a lens of inclusive diversity. We have developed and rolled out an inclusive recruitment strategy, accompanied by specialised training for our Talent Acquisition (TA) team. This training, developed by occupational psychologists ensures that our recruiters are equipped to identify and mitigate unconscious biases, attract a diverse pool of candidates, and support our leaders in making fair and equitable hiring decisions based on meritocracy. Each Business Area has developed its own action plan for inclusive recruitment to ensure that the challenges experienced in the industries and regions they operate in are taken into consideration. We believe that this will help us drive meaningful change in our talent pipeline and decrease the underrepresentation of women at senior levels.
- **Women Development and Retention:** We have set firmwide objectives specifically aimed at improving gender diversity and achieving gender parity within our organisation. These objectives are informed and supported by targeted workshops for women within the firm across all grades. The workshops are ongoing, and we are leveraging the feedback from women to further develop our gender parity action plan. Feedback themes and actions are provided to our Executive Leadership team on a regular basis who are supportive and driving accountability throughout our business.
- **Mitigating bias in year-end performance reviews:** To mitigate bias in year-end performance reviews, we have adopted a structured and objective evaluation criteria. This ensures that all employees are assessed fairly, based on their actual performance and tangible contributions, rather than subjective perceptions. We continue to enhance our performance process to maintain objectivity, mitigate bias and ensure we uphold our meritocracy based reward program.
- **Inclusive Diversity Education:** We have implemented comprehensive inclusive leadership training for Managing Directors (MDs), with over 90% completing the workshop. This program is designed to equip our senior leaders with the skills and knowledge necessary to foster an inclusive workplace culture. By focusing on inclusive leadership, we aim to ensure that our leaders are well-prepared to support and advance meaningful initiatives throughout the organisation and set the tone from the top to help us drive meaningful behavioural change.



ABOUT ALVAREZ & MARSAL

Founded in 1983, Alvarez & Marsal is a leading global professional services firm. Renowned for its leadership, action and results, Alvarez & Marsal provides advisory, business performance improvement and turnaround management services, delivering practical solutions to address clients' unique challenges. With a world-wide network of experienced operators, world-class consultants, former regulators and industry authorities, Alvarez & Marsal helps corporates, boards, private equity firms, law firms and government agencies drive transformation, mitigate risk and unlock value at every stage of growth.

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