

GENDER PAY GAP REPORT

21 MARCH 2025

Introduction

At Frontier Economics, we believe diversity drives innovation and enhances our ability to deliver exceptional insights to our clients. It's not just about meeting targets, but fostering a workplace where everyone feels valued and empowered to contribute.

In 2024, we launched our ambitious Equity Diversity & Inclusion Strategy, focused on building an equitable, diverse, and inclusive workplace where all employees are respected, empowered, and have equal opportunities for success.

Equity is at the heart of everything we do. While we're proud of our progress, we know achieving true gender parity requires ongoing focus and action.

UK employers with 250 or more employees must report their gender pay gaps annually in a prescribed format. While this reporting creates consistency across organisations, it doesn't always reveal the root causes of pay disparities.

That's why we go beyond the numbers - analysing the factors driving our gender pay gap and holding ourselves accountable with clear actions that drive meaningful and sustained progress.

Since we began reporting in 2019, we've made steady progress, although, like many organisations, the pace has been modest.

This underscores the need to challenge ourselves, take bold steps, and maintain momentum for change. Our gender pay gap is primarily due to a higher proportion of men in senior roles, a challenge we are actively addressing. We recognise that systemic barriers disproportionately affect underrepresented groups, particularly at mid-to-senior career stages. To tackle this, we are refining our practices to eliminate these barriers and create a more equitable workplace.

This report outlines our 2024 gender pay gap data and the initiatives we've implemented to drive meaningful change. It is prepared in compliance with government regulations and includes data from employees who identify as male or female.

Looking ahead, we reaffirm our commitment to transparency, accountability, and strategic action. By embedding equity, diversity, and inclusion into everything we do, we aim to create a workplace that truly reflects our values.



Lucy Tobin

People Director



James Bellis

Director and MD



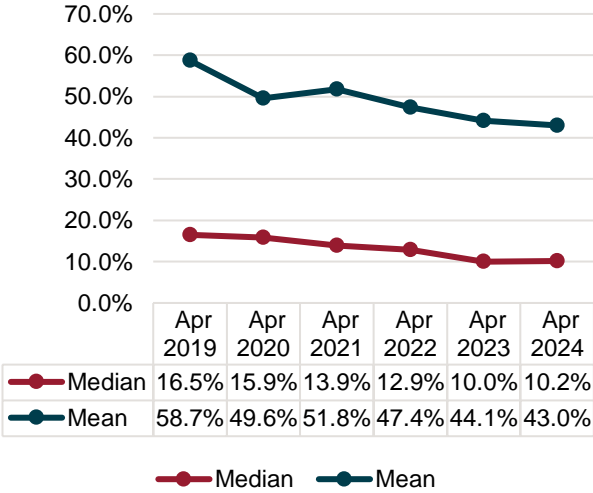
Damien O'Flaherty

Director and MD

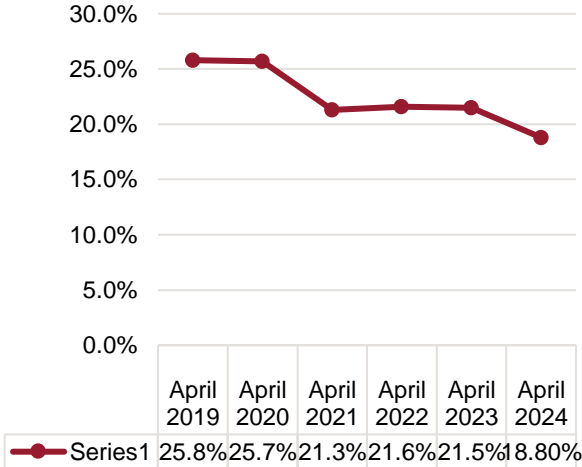
The Data

Key Insights

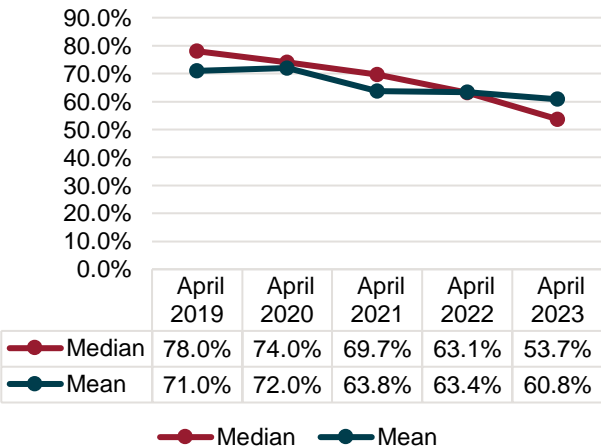
Gender pay gap



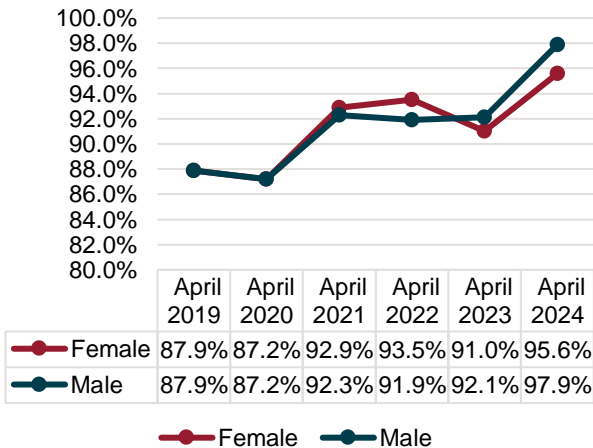
Gender pay gap: salary only



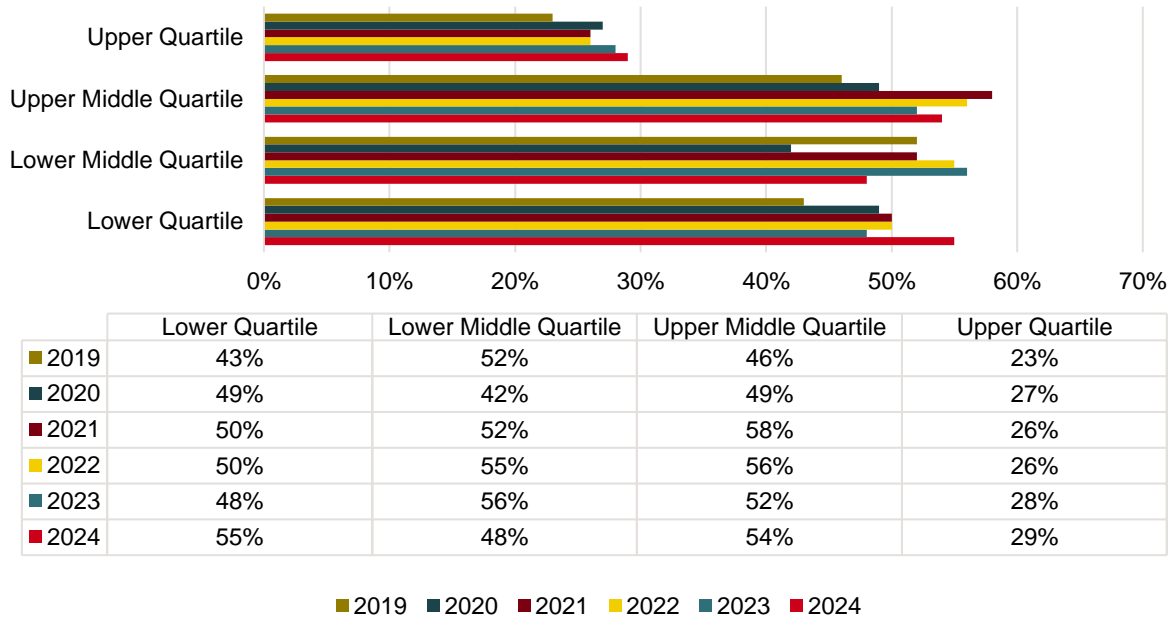
Bonus gender pay gap



Proportion of women to men receiving a bonus



Proportion of females in each pay quartile



Notes on our Gender Pay Gap

- The mean gender pay gap has decreased by 15.7 percentage points since 2019, reflecting gradual progress.
- The median gap has reduced by 6.3 percentage points over the same period. Between 2023 and 2024 there was a slight increase, which may be influenced by workforce composition.

Our bonus system is a key component of our remuneration strategy. Most employees receive a bonus in addition to their salary, reflecting our business model of sharing the majority of our profits with staff. However, the structure and timing of bonus payments vary by role and seniority, impacting our gender pay gap figures.

Our bonuses are directly linked to company revenue and profits. Consequently, fluctuations in bonus amounts are tied to commercial performance rather than reflecting progress on gender parity.

- The government-mandated gender pay gap calculation focuses on remuneration in April 2023. During this month, senior staff (Managers, Associate Directors, and Directors) receive bonus payments as part of their monthly pay. In contrast, junior staff receive their bonuses as lump sums in December and June; this skews the gender pay gap data for April.
- This year, six men were on unpaid or parental leave, compared with two men last year. In contrast, five women were on leave this year, compared with seven women last year. This resulted in our main analysis this year excluding more senior men and fewer senior women, which contributed to the pay gap reduction.
- The proportion of female Managers and Directors has risen since last year, although female representation at Associate Director level has declined because more men were promoted to Associate Director in January 2024. Increasing female representation at Manager level helps reduce the pay gap, particularly in the year after they have been promoted, as their monthly bonuses are then included in the hourly rate for pay gap calculations.

What We're Doing

We recognise that the gender pay gap can be influenced from the moment we advertise a role, continuing through every stage of someone's career at Frontier until they leave. To address this, we're looking closely at each of these "moments that matter" to ensure fairness and promote equity.

We know that good practice on its own isn't enough – it needs to be carried out consistently over time to create real change. That's why we're challenging old assumptions and taking bold steps to tackle any practices that slow down our progress towards pay parity. We are also challenging established thinking and assumptions; for instance, around the impact of parental leave on career trajectories.

Below, we highlight some of our core focus areas - recruitment, promotions, culture, and data - along with the actions we're taking and the outcomes we're seeing so far.

Recruitment

We're proud of our progress in attracting, selecting, and hiring female talent, particularly for economist roles, where male graduates still outnumber female graduates nationally. In 2024, women made up:

53% of our Intern hires

53% of our Analyst hires

25% of our Experienced Economist hires (67% of our more senior roles)

75% of our Business Management teams

Although we've achieved a good gender balance at graduate level, we recognise that the proportion of female hires at the experienced level isn't where we want it to be. Last year, we brought in eight experienced economists. Three of these roles were Manager grades with two female appointments.

Throughout our hiring process, we use salary bands that are regularly benchmarked, and we strive to ensure our interview panels are as diverse as possible. In 2024, we overhauled our recruitment methods and trained every hiring manager for how to recognise and avoid bias in decision-making.

Promotions

One of the key reasons for our gender pay gap is that a larger proportion of our senior roles are held by men. Every single promotion decision matters in shifting that balance and we are committed to ensuring women have equal opportunities to progress. We also recognise that

women often face unique challenges at different stages of their careers, which is why we offer targeted support when it matters most.

All promotion decisions at Frontier are made collectively and always including female leaders, guided by a clear expectations framework. This helps us stay consistent, transparent, and fair. We also provide every member of staff with a mentor to help them navigate their professional development and plan their future growth.

Most of our promotions happen in January. This year, five colleagues advanced to Director level, all of them men. We looked closely at this result and confirmed that the decisions were made fairly, but naturally we're disappointed there weren't any women in that cohort.

Given that 71% of our Associate Directors are men, this outcome isn't entirely unexpected, but it reinforces the need to keep supporting female talent on the path to senior leadership.

Here's the breakdown of our other recent promotions:

Associate Director: 3 promotions, 1 female (33%)

Manager: 13 promotions, 7 female (54%)

Consultant: 18 promotions, 9 female (50%)

Business Management Teams: 8 promotions, all female (100%)

These figures, especially at Consultant and Manager level, reflect our growing success in recruiting and retaining female talent over recent years. However, senior leadership roles often take time to balance out, particularly if they're usually filled internally. That's why we're so determined to help all employees - but especially women - feel supported at every step of their careers.

Inclusive Culture

A truly inclusive culture is what enables people to thrive. Women often face distinct challenges and experiences, so our goal is to provide an environment where everyone can flourish.

We have an active Gender group which includes a Working Families subgroup. These employees help us stay informed about the practical support that different groups need to succeed. In 2024, we also created a Culture working group as part of our broader EDI strategy. Their mission is to introduce and embed initiatives that foster the right environment across the firm.

Meanwhile, a separate Client working group is focusing on how we can work with our clients to encourage inclusivity and develop more diverse partnerships, with the aim of making us a recognised leader in the EDI space.

Looking Forward

Good practice alone won't drive change as quickly as we would like, so we're closely tracking our metrics and proactively exploring new approaches. We're also expanding our efforts to include ethnicity pay gap reporting, so we can understand and monitor the pay landscape for different ethnic groups and consider how that intersects with gender.

To help us see the bigger picture, our economists have developed a tool that evaluates the potential impact of different policies and practices on the gender pay gap over time. It allows us to forecast the effect of various changes and see how long certain interventions might take to make a real difference. We intend to use those insights to guide our decisions and maintain momentum towards genuine pay parity.

As part of our commitment to achieving a fair and inclusive workplace, we'll continue reviewing our processes, staying alert to bias, and challenging any areas that slow our progress. Ultimately, we know that lasting change isn't just about policy, it's about embedding an inclusive approach across everything we do, every single day.

If you have any questions or require further details please email people@frontiereconomics.com. We want this report to be as transparent and informative as possible, so your feedback is always welcome.



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