

SLAUGHTER AND MAY /

GENDER & ETHNICITY PAY GAP REPORT

2020



INTRODUCTION

/ This is Slaughter and May's UK pay gap report for 2020.

In addition to the mandatory reporting on the gender pay gap, for the third year running we voluntarily publish information on our ethnicity pay gap, which compares remuneration for Black, Asian and Minority Ethnic (BAME) people with that of non-BAME/white people.

Our intention to work hard to close these pay gaps remains steadfast. Our pay philosophy is founded on the principle of equality and supports our strong 'one-firm' culture. Amongst our lawyers, we adopt an approach to remuneration where individuals with the same number of years' experience are generally paid the same. Given the way in which we remunerate our employees, the main lever to close the pay gaps is when roles at different levels across the firm are represented more equally in terms of gender and ethnicity.

We believe that a diverse and inclusive workplace drives collaboration and business performance. Whilst the data in this report is as at the snapshot date of 5 April, 2020, we acknowledge that during the last year the global pandemic and other developments, both in the UK and around the world, have thrown into sharp relief the need to focus harder on gender and ethnic minority equality.

Our commitment to Diversity & Inclusion (D&I) continues to be a strategic priority for the firm and we have worked hard to ensure that the pandemic has not thrown us off course. Our approach involves a focus on examining and adjusting our ways of working so that we can benefit from different leadership styles, career paths and work patterns. Key to this is promoting the role of every individual to take shared responsibility in creating an inclusive culture where everyone can feel valued and be themselves. In turn this enables us to attract, recruit and retain diverse talent which is critical to our ongoing business success.

Over the last 12 months we have ensured that D&I remains top of mind for our leaders and employees and that we all understand the need to increase the pace of change. More detailed information on our diversity and inclusion strategy can be found in our [Responsible Business report 2020](#).

We confirm the data in this report is accurate. /

Paul Stacey
Executive Partner

Louise Meikle
Director of HR

WHAT IS GENDER PAY GAP REPORTING?

Under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, certain employers are required to publish their gender pay gap data annually. As a firm with over 250 employees we must publish and report our gender pay gap data within 18 months of a data 'snapshot date'.

Due to the ongoing Coronavirus (COVID 19) pandemic, the Equality and Human Rights Commission has granted employers an additional six months to report their gender pay gap information. All employers now have until 5 October 2021 to report their gender pay gap information. We have decided to publish ours in April in order to be consistent with previous years.

Our snapshot date is 5 April 2020 and this date has been used to calculate all numbers in this report. The gender pay gap in this context is the difference between the average earnings of men and women, expressed relative to men's earnings.

In our report:

A positive gap for the gender figures means that men are paid more than women, whilst a negative gap means women are paid more than men.

A positive gap for the ethnicity figures means that non-BAME/white people are paid more than BAME people, whilst a negative gap means BAME people are paid more than non-BAME/white people.

STATUTORY DISCLOSURES

Employee Pay and Bonus Gap /

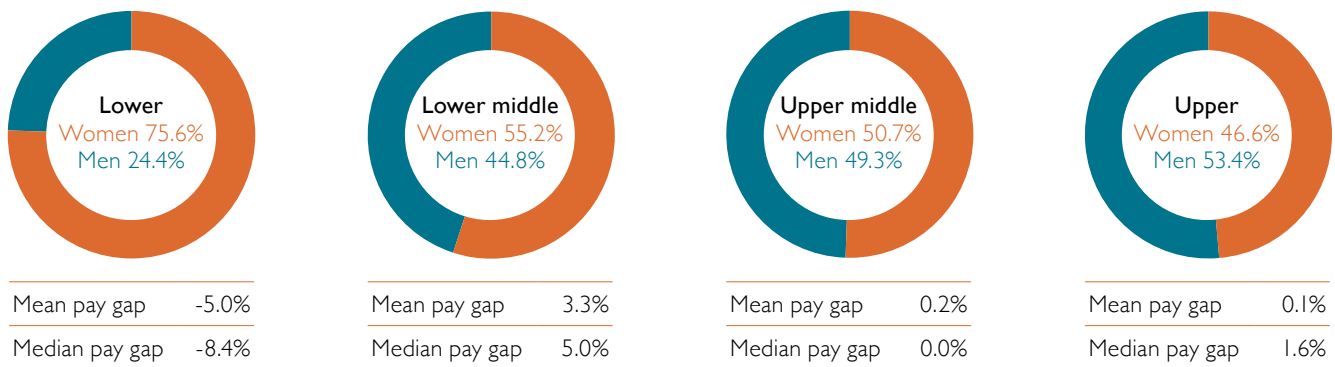
All Employees	Mean	Median
Gender Pay Gap	17.1% (16.2%)	44.6% (38.6%)
Gender Bonus Gap	32.6% (35.4%)	48.9% (54.0%)

2019 gap figures shown in brackets

Percentage of women and men who received a bonus



Percentage of women and men in each quartile pay band



Understanding the numbers

Hourly Pay – hourly pay for all eligible individuals in receipt of full pay in April 2020.

Mean – individuals' hourly pay totalled then divided by number of individuals.

Median – individuals' hourly pay ranked then middle value identified.

Proportion of men and women in each quartile pay band – data divided into quartiles.

Bonus Gap – actual bonuses paid to individuals in the 12 months to April 2020.

Proportion receiving a bonus – in the 12 months to April 2020, of those employed in April 2020.

ADDITIONAL DATA

The data featured in the next two pages cover our two largest employee populations at the firm – associates and business services. We have chosen to provide this additional data; it is not required as part of the statutory disclosures.

Associate Gender Pay and Bonus Gap /

Our associates with the same number of years' experience are generally paid the same salary and receive the same bonus percentage, regardless of gender or ethnicity.

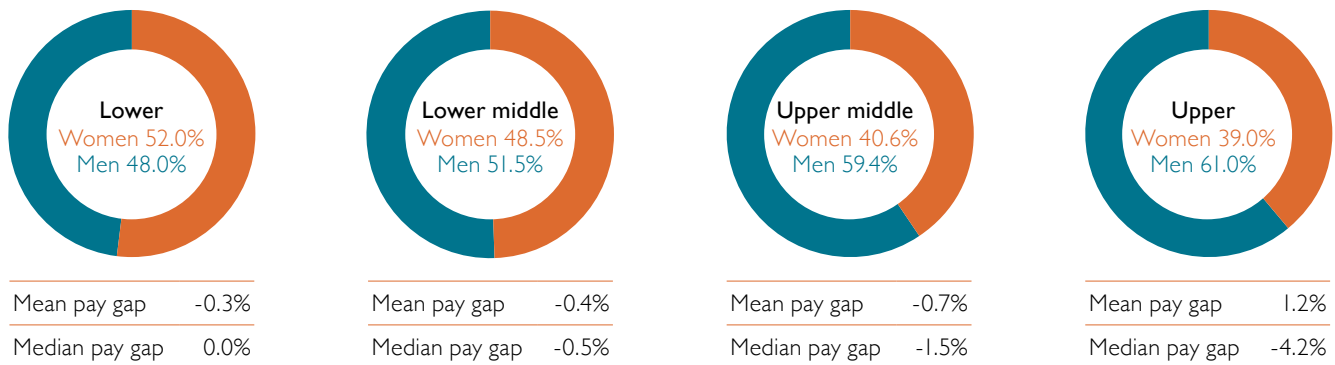
Associate	Mean	Median
Gender Pay Gap	4.9% (4.7%)	5.6% (4.0%)
Gender Bonus Gap	6.5% (6.4%)	20.2% (5.8%)

2019 gap figures shown in brackets

Percentage of female and male associates who received a bonus



Percentage of women and men in each quartile pay band



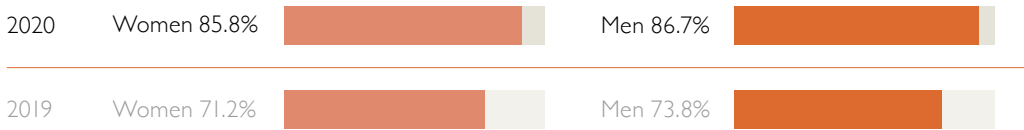
Business Services Gender Pay and Bonus Gap /

For the purpose of these calculations, the pay gap for business services as a whole has been calculated using data from all our employees, except trainees, associates and executive assistants.

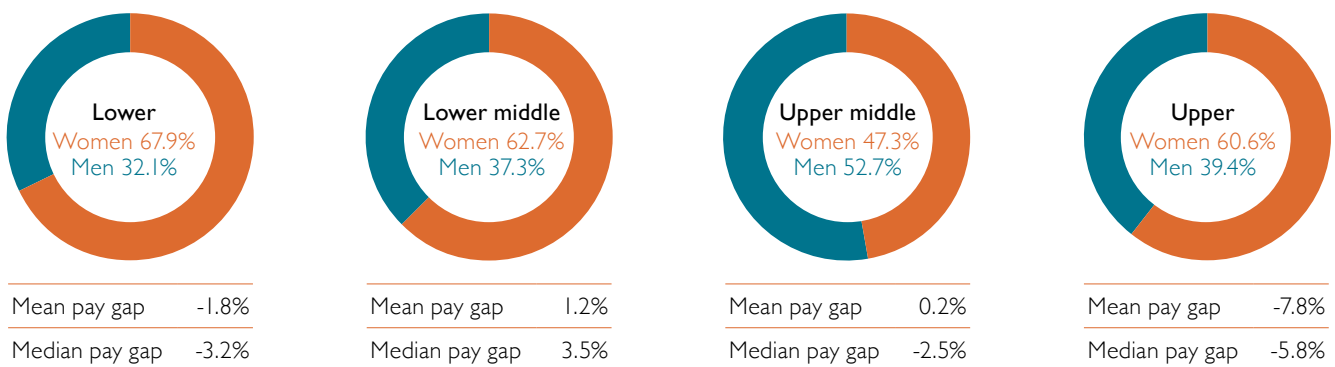
Business Services	Mean	Median
Gender Pay Gap	0.6% (2.0%)	18.2% (16.2%)
Gender Bonus Gap	1.5% (14.4%)	17.8% (17.6%)

2019 gap figures shown in brackets

Percentage of business services females and males who received a bonus



Percentage of women and men in each quartile pay band



Partner Gender Pay and Bonus Gap /

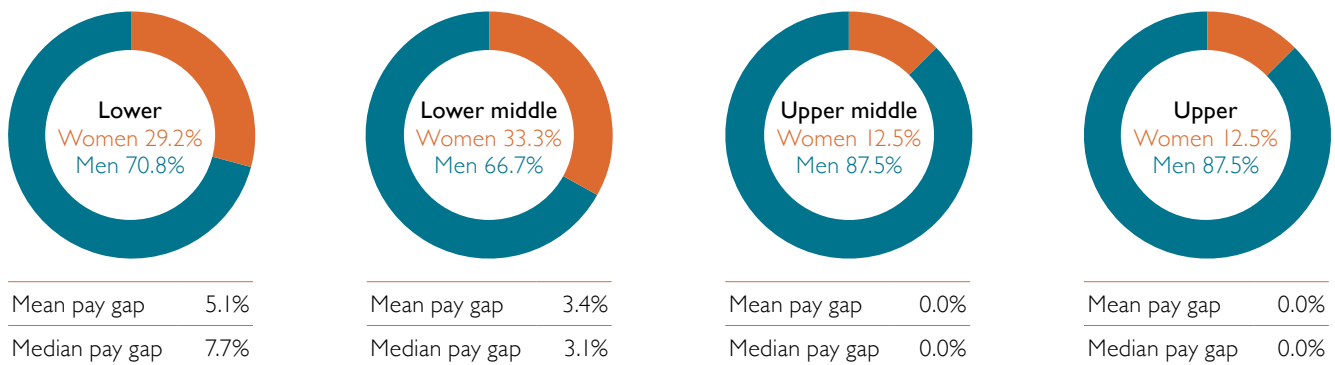
Slaughter and May is a general partnership. All of our partners have equal voting rights and partners promoted to the partnership at the same time are remunerated equally. The mean and median pay gaps in our partner population in London are explained by the fact that the gender split of the partnership is 20% women and 80% men and there is a higher representation of men at the more senior levels of our partnership. This has the effect of widening the gender pay gap. From 2018 to May 2021 (taking account of those that are being promoted on 1 May, 2021), 41% of those promoted to the partnership are women.

For clarity, our partners are not "paid a salary"; instead they take a share of the profits. They also do not receive any additional payments, such as bonuses. As a result, our partner pay gap figures have been calculated using an hourly rate based on the annual profits for the 12 months to 30 April 2020.

Partners	Mean	Median
Gender Pay Gap	8.7% (10.5%)	20.0% (25.0%)
Gender Bonus Gap	Not applicable	Not applicable

2019 gap figures shown in brackets

Percentage of women and men in each quartile pay band



Employees and Partners Gender Pay and Bonus Gap /

In order to combine our employees and partners, we have used the hourly rate for both partners and employees based on total earnings. Total earnings for partners are the annual profits for the 12 months to 30 April 2020. For employees, total earnings are their annual salary as at April 2020 plus any

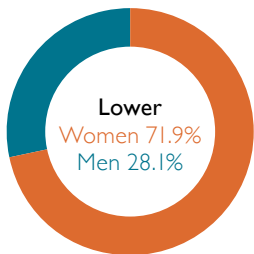
bonus paid during the relevant period, adjusted for statutory inclusions/exclusions (such as allowances and salary sacrifices). No similar adjustments are required for our partners.

Employees and Partners	Mean	Median
Gender Pay Gap	63.4% (66.4%)	47.4% (42.3%)
Gender Bonus Gap*	32.6% (35.4%)	48.9% (54.0%)

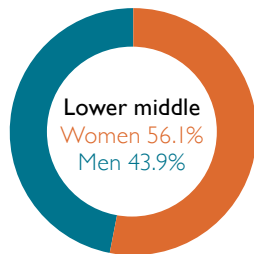
2019 gap figures shown in brackets

*The gender bonus gap reflects the bonus gap for employees only. Partners do not receive bonuses. Bonuses are only paid to our employees.

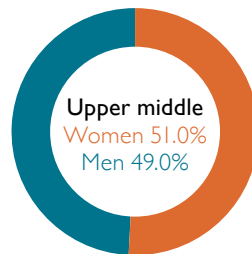
Proportion of women and men in each quartile pay band



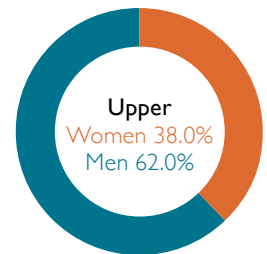
Mean pay gap	-0.8%
Median pay gap	-2.8%



Mean pay gap	5.1%
Median pay gap	2.0%



Mean pay gap	0.6%
Median pay gap	0.9%



Mean pay gap	48.0%
Median pay gap	11.4%

Ethnicity Pay and Bonus Gap /

Our ethnicity pay gap reporting has been produced on the same basis as our regulatory gender pay gap reporting. It shows the difference in pay between BAME employees and non-BAME/white employees. We have also calculated the pay gap for employees and partners.

Reporting on the ethnicity pay gap relies on individuals disclosing their ethnicity. This voluntary disclosure means that there are individuals who have not provided this information.

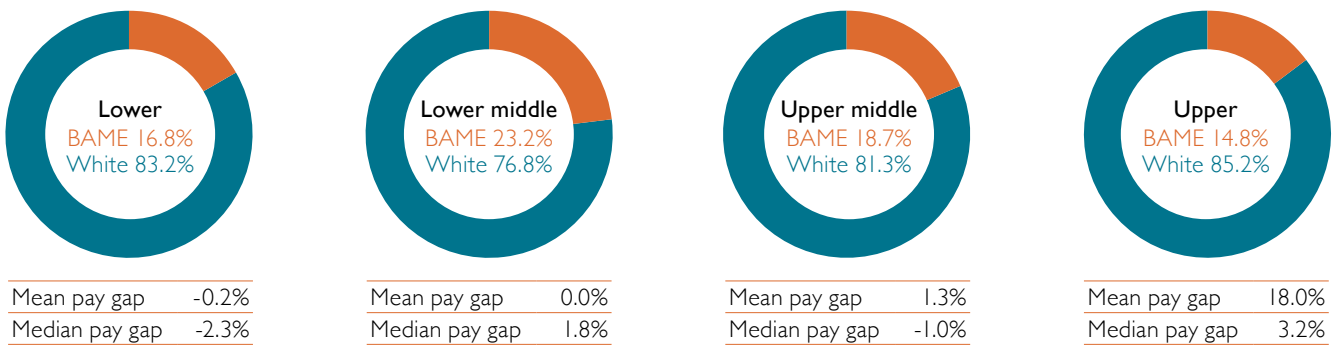
As a result, the population used to calculate the ethnicity pay gap will not be the same as the population used to calculate the gender pay gap.

90% of our employees and partners included in the gender pay gap reporting have provided their ethnicity details. This is an increase from the 83% disclosure rate in 2019. We continue to encourage our employees and partners to complete this information in a drive to increase the overall disclosure rate, which will increase the reliability of the data being reported.

Employees	Mean	Median
Ethnicity Pay Gap	13.3% (9.4%)	15.7% (19.9%)
Ethnicity Bonus Gap	6.1% (8.9%)	8.7% (6.8%)

2019 gap figures shown in brackets

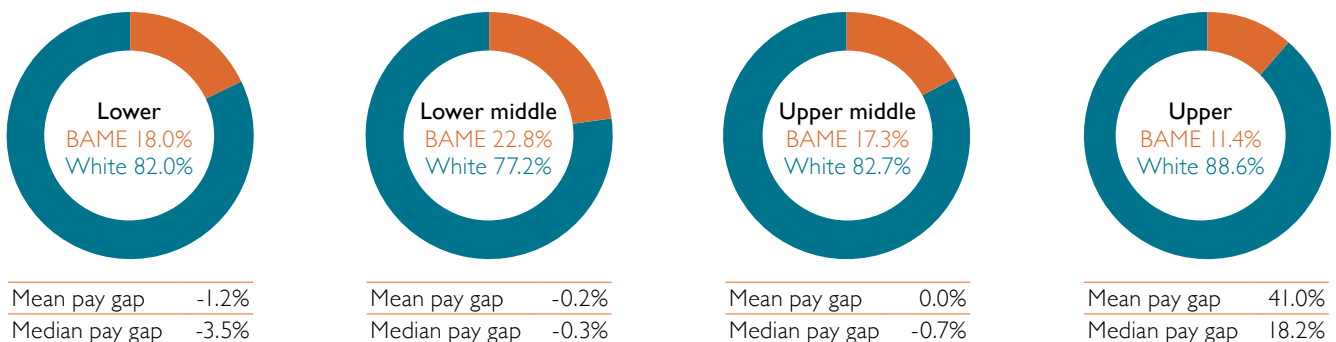
Proportion of BAME and white employees in each quartile pay band



Employees and Partners	Mean	Median
Ethnicity Pay Gap	50.8% (54.1%)	35.7% (23.5%)

2019 gap figures shown in brackets

Proportion of BAME and white employees and partners in each quartile pay band



ACTION PLAN

We continue to work hard on our long-term objective of reducing the gender pay gap. The principles of gender equality and advancement are fundamental to our D&I strategy, and align with our wider commitment to the Sustainable Development Goals. Our D&I strategy has a broader focus than gender and a more detailed plan can be found in our [Responsible Business report 2020](#). This highlights some of the strategic and operational activities that we are undertaking to enable all employees to thrive and realise their potential, including actions on race and ethnicity.

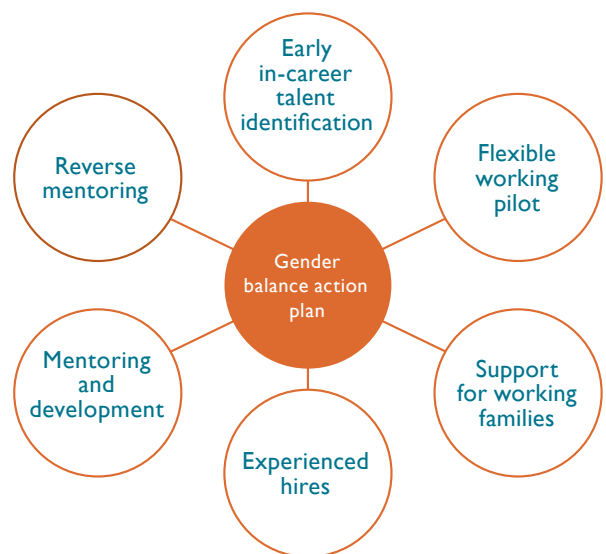
We are committed to a gender balanced partnership and to gender balance across all leadership in the firm. Accountability for achieving gender balance sits with the Partnership Board and our senior leadership team (led by the Practice Partner, [David Wittmann](#)) and we are committed to deliver on each of the principles below.

We have in place a six-point plan to achieve better gender balance at all levels of the firm.

- We have a mechanism to identify talent early in the pipeline, in order to monitor and track effectively the progress of individuals at every level of the firm. Coupled with data analytics, this information helps to drive key decision making across the firm.
- We have launched a flexible working pilot which aims to test new and sustainable ways of working so lawyers are supported in doing their work, delivering value to clients, developing their careers, and managing their work-life balance. Our approach is gender neutral and not limited to women, but we expect this to have a positive impact for women and working parents.
- Our reverse mentoring pairs diverse employees with business leaders to create a dialogue to explore intergenerational differences and to develop inclusive leadership styles by consulting and inviting different views.
- We continue to offer external and internal mentoring opportunities at all levels to access confidential career advice from a senior business leader. We also provide leadership development programmes, bringing experienced women lawyers together across Europe.
- We offer enhanced family leave packages, including Shared Parental Leave and one to one coaching for parents, to support working families.
- We work closely with recruitment agencies to ensure that we see a diverse slate of candidates for every role and we use data to track the progress of applications throughout the process.

Leadership

20%	of our partnership is made up of women
41%	of all promotions to partnership in London are women (2018 to May 2021)
75%	of our Business Services senior leaders are women
36%	of our partnership board is made up of women
80%	of our operating committee is made up of women



© Slaughter and May

This material is for general information only and is not intended to provide legal advice.
For further information, please speak to your usual Slaughter and May contact.

2020

141849