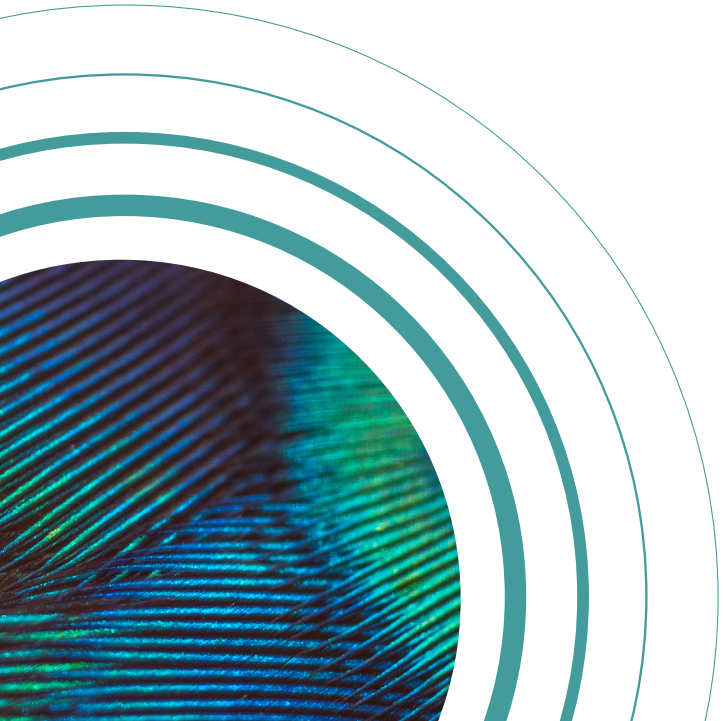
Linklaters

UK Diversity Pay Reporting 2023



FOREWORD

Being a diverse, equitable and inclusive firm will enable us to attract and retain the best talent and put us in the best possible position to deliver for our clients and succeed as a business.



Transparency and accountability are key in helping us achieve this. This is why we are pleased to exceed our statutory reporting obligations this year by publishing our socio-economic background pay statistics for the first time, alongside our voluntary equity partner and ethnicity pay gap data.

This report highlights the steps we have taken to ensure we deliver equal opportunity and fairness in our recruitment, development, promotion and reward practices. This includes a 2023 partner cohort that was 41% female and increasing the number of women in other senior leadership positions, as well as meeting our targets for Black and under-represented ethnic minorities at the partnership level and making good progress against a number of targets in our Race Action Plan. Our leadership teams and diversity networks continue to work hard to develop bold and innovative policies which support our DEI ambitions. Our new Bank Holiday Exchange Scheme is a good example of this – enabling employees in the UK to exchange three bank holidays for religious and cultural observances that are important to them. We were also delighted to introduce quiet spaces for prayer across several of our international offices.

Within our firm diversity, equity and inclusion are not just words on a page, they live in the day-to-day of our business. We are proud to see our efforts recognised externally again this year – a **Stonewall Top 10 Employer**, a **Top 10 Employer in the Social Mobility Index**, a **Top 30 Employer for Working Families**, the **only law firm with Beacon Status** in the Parental Fog Index, and a **Times Top 50 Employer for Gender Equality** for the 10th year running.

Whilst there is more we want to do, we remain confident that we pay our people fairly for equivalent roles, irrespective of gender, race or ethnicity, or socio-economic background.



Aedamar Comiskey
Senior Partner and Chair, London

Click to view profile



Paul Lewis
Firmwide Managing Partner, London

Click to view profile

“We see the power of DEI across our business every day. When we bring diverse talent around the table and draw on the different experiences and perspectives of our people, we are, without doubt, more creative and better equipped to provide clients with exceptional solutions to complex problems. We have better discussions, make better decisions, and deliver better outcomes for everyone. Never has that been more important than in the current fast-paced environment of change and disruption.”

Aedamar Comiskey
Senior Partner

OUR COMMITMENT

Diversity, Equity and Inclusion (DEI) is a core part of our strategy, our culture and our values – it makes us a stronger firm. Our DEI commitments extend to our people, our clients and the communities we serve – together we can make sustainable change.

Supported by our Executive DEI Champions, we take a global approach across our six priority diversity strands, ensuring that we listen to and learn from our colleagues to make meaningful change at a local level. We hold ourselves accountable by setting targets for gender and race, being transparent about our progress and acknowledging the challenges we face.

We are proud of the DEI programmes, policies and initiatives we have put in place to ensure fairness, increase representation and create an inclusive culture for all our people.

Social Mobility Employer Index

Recognised as a top 10 employer for advancing social mobility

2023

The Working Families Benchmark

Recognised as a Top 30 Employer for Working Families

2023

Stonewall Top 100 Employer

Recognised as top 10 employer for LGBTQ+ inclusion

2023

Parental Fog Index

The only law firm with Beacon Status – support for working parents runs through the firm's DNA

2023

The Times Top 50

Recognised as a top employer for gender equality for 10 consecutive years

2023

Global policy for up to 100 hours billable credit and recognition for contributions to Diversity, Equity and Inclusion. We want to encourage everyone to play their part in advancing our work on DEI, and get actively involved in creating an inclusive culture that enables us to attract and retain the best talent. Our goal is to recognise and reward the contributions of those people who dedicate their time, energy and passion to enhancing the firm's culture – acknowledging that it is often those from under-represented backgrounds who disproportionately spend time supporting and advising on DEI initiatives.

Global menopause policy and support group for colleagues across the firm who are directly or indirectly impacted by the menopause. For too long, the silence and stigma of talking about the menopause has hindered people accessing the support they need to navigate this stage of their lives. By raising awareness, providing menopause health benefits including access to Peppy Health, and offering training and education resources for colleagues and managers, we aim to retain and support women of all ages at the firm.

Launch of our Flexible Bank Holiday Scheme to allow our people in the UK more flexibility around public holidays. This scheme is an extension of our commitment to creating a supportive and inclusive culture – enabling people to have more flexibility to celebrate the religious and cultural observances that are important to them, without having to take annual leave. UK employees who opt-in are given the choice to take up to three bank holidays at another time that works for them.

Leading the way with our parental leave and family support benefits, including our new policy to help with the parental transition and enhancing emergency time off for dependants. In response to feedback from our working parents, we now offer 10 Adjustment Days to enable colleagues to ramp down into or ramp up from a period of family leave (eg maternity, new parent leave, shared parental leave, adoption leave, surrogacy leave). And we now offer paid leave for the first two days of emergency leave taken per year, to help working parents and carers manage when things do not go to plan.

Creating a diverse talent pipeline by ensuring Black, Asian and minority ethnic colleagues and women have career progression opportunities through our talent and sponsorship programmes. These include INspire, our bespoke ethnic minority talent programme (started in 2018), our Women's Leadership Programme (started in 2012), and Stepping Forward, our group coaching programme for more junior female associates (started in 2017).

Supporting our people at all career and life stages to manage work and home life through our Global Agile Working policy. We acknowledge that, post-pandemic, our people want and need to manage work and home life in different ways, balancing the flexibility of working at home with the benefits of being together in the office with colleagues and clients. Our Global Agile Working Policy supports our people to have greater autonomy over when and where they work, no permission required within the parameters of the policy.

OUR EXECUTIVE DEI CHAMPIONS

Our work on DEI remains a strategic priority for the firm – we are committed to creating a diverse and inclusive culture where everyone feels they belong and diversity is celebrated. Each member of our Executive Committee, and Aedamar Comiskey as our Senior Partner and Chair, is taking a lead to champion one of our six global strands of diversity.

Gender



Aedamar Comiskey
Senior Partner and Chair



Andreas Steck
Regional Managing Partner, Europe

Race and Ethnicity



Aedamar Comiskey
Senior Partner and Chair



Andrew Vickery
Divisional Practice Head, Finance

LGBT+



Angela Ogilvie
Chief HR Officer



Thomas McGrath
Regional Managing Partner, Americas

Age and Life Stage



Paul Lewis
Firmwide Managing Partner



Lucy Murphy
Chief Growth Officer

Social Mobility



Nuno Ferreira Lousa
Deputy Regional Managing Partner, Europe



Simon Branigan
Divisional Practice Head, Corporate



William Liu
Regional Managing Partner, Asia



Kurt Dittrich
Senior Partner, Germany

Disability/DiversAbility



Alison Wilson
Divisional Practice Head, Dispute Resolution



Chris Holt
Chief Finance Officer



Paul Lewis
Firmwide Managing Partner

DIVERSITY PAY GAP REPORTING VS EQUAL PAY

Gender and ethnicity pay gaps reflect the difference in average pay between two groups (eg men and women), which does not take into account workforce composition or job roles.

These figures do not reflect equal pay, which addresses the differences between men and women in the same roles carrying out equal work. We undertake rigorous reviews of our reward practices and are confident we pay our people fairly for the same roles.

Mean and median calculations

The **mean pay gap** is the percentage difference between the average hourly earnings of men and women.

How you calculate it:

1. Calculate the hourly rate of pay of each employee
2. Add up hourly pay of all men and divide by the number of men to get the mean pay for men
3. Add up hourly pay of all women and divide by the number of women to get the mean pay for women
4. Subtract the mean pay of women from the mean pay of men
5. This amount is then divided by the mean pay of men and multiplied by 100 to express as a percentage

The **median pay gap** represents the difference between the midpoints in the ranges of hourly earnings of men and women.

How you calculate it:

1. Calculate the hourly rate of pay of each employee
2. Take all men's hourly pay rate in the sample, line them up from lowest to highest to identify the 'middle' salary
3. Repeat for women to identify the 'middle' salary
4. Subtract the median pay of women from the median pay of men
5. This amount is then divided by the median pay of men and multiplied by 100 to express as a percentage



GENDER PAY

Achieving gender balance at all career levels is at the core of our gender diversity strategy and our commitment to equity. We strive to create an inclusive environment in which women are able to realise their career goals and where all genders feel supported in balancing their responsibilities inside and outside of the workplace.



This year, we are pleased to see that our overall gender pay gap has decreased both on a mean and a median basis.

The main factor driving the gap continues to be the composition of our workforce. A significantly higher proportion of our most junior legal, secretarial and business roles (which fall predominately within our lowest pay quartile) are held by women. Whilst these roles are competitively rewarded by reference to the market, the large number of women in these populations effectively pulls the average pay for women down compared with the pay figures for men.

We continue to have a higher proportion of men in the most senior roles and at the senior end of the partnership in particular. However, the proportion of senior roles held by men has decreased and this in turn has slightly reduced the pay gap. A key factor in narrowing the gender pay gap is to increase the number of women in our partnership. This is why we are focussed on building a diverse talent pipeline, ensuring women have career progression opportunities through our leadership and sponsorship programmes and we hold ourselves accountable for achieving our target of at least 40% of our new partner elections to be women each year. We have met this target for the last three years and the proportion of women partners has therefore continued to increase.

This year, the bonus gap has widened which reflects changes to the bonus structures compared to the last reporting year. The first change is the absence of a one-off pandemic bonus paid to all staff (excluding partners) at the same percentage of salary, which had a more positive impact on lower bonuses (and therefore favoured those in junior roles, predominantly women). The widened gap also reflects changes made to the lawyers' bonus structure to reflect volume of work and respond to external competition. We continue to monitor the allocation of work to ensure equal opportunities for work across genders.

The Times Top 50

Top employer for gender equality for 10 consecutive years

41%

female representation in 2023 new partner elections

38%

women on our Partnership Board

31%

women on our Executive Committee

50%

women in our Director group

Group Parental Coaching Pilot



Jill Phillips
Managing Associate

I volunteered to take part in the Group Parental Coaching pilot scheme because I found the Talking Talent 'return to work' coaching so valuable during my transition into and back from parental leave when my daughter was born in 2021. Having a (now) two-year-old to look after alongside my job, I was keen to get guidance on, and tips for, approaching work as a working parent.

The Group Parental Coaching took place over four virtual sessions and covered topics including managing your career as a working parent/carer, setting boundaries, and resilience for working parents/carers. There were 12 of us in the group from a variety of offices and it included new parents like me, as well as colleagues who have older children.

The coaching sessions struck a good balance between insights from the coach and opportunities for discussion within the group. It was interesting to hear the perspectives of other colleagues juggling work and parenting and I got a lot out of all the sessions. I also found it reassuring to hear that other working parents experience similar challenges! It has given me plenty to think about as well as helpful strategies I can refer to in the future.

Stepping Forward Programme



Hannah Atkinson
Managing Associate

Participating in the Stepping Forward programme was a truly valuable experience. The programme provided a welcoming space where I could connect with my peers – other women facing similar challenges and career milestones – with a sponsor and coach guiding our conversations.

The programme equipped us with essential tools to proactively shape our careers. The mentoring sessions were thoughtfully designed to workshop key themes we chose, fostering an open and supportive environment that allowed us to exchange ideas safely. The insights I gained have been invaluable in advocating for myself and my career aspirations more effectively.

The programme also offered us valuable ringfenced time in our busy schedules – time to reflect on our professional journeys, define what success means to each of us personally, and create actionable plans to realise our ambitions.

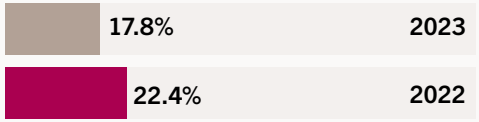
Our cohort continues to meet for regular lunch gatherings, a testament to the enduring relationships and support network we've built. I am really pleased to have participated in this programme and would certainly recommend it to colleagues at a similar career stage.

REPORTABLE INFORMATION

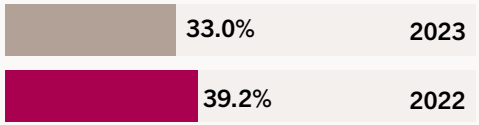
Gender Pay Gap: UK Linklaters workforce excluding equity partners

Pay (excluding equity partners)

Mean

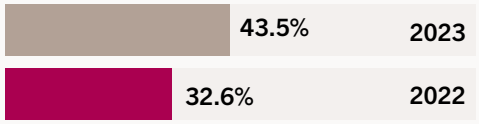


Median

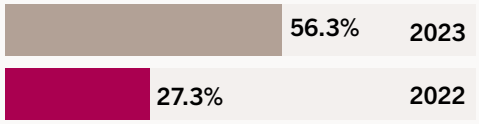


Bonus (excluding equity partners)

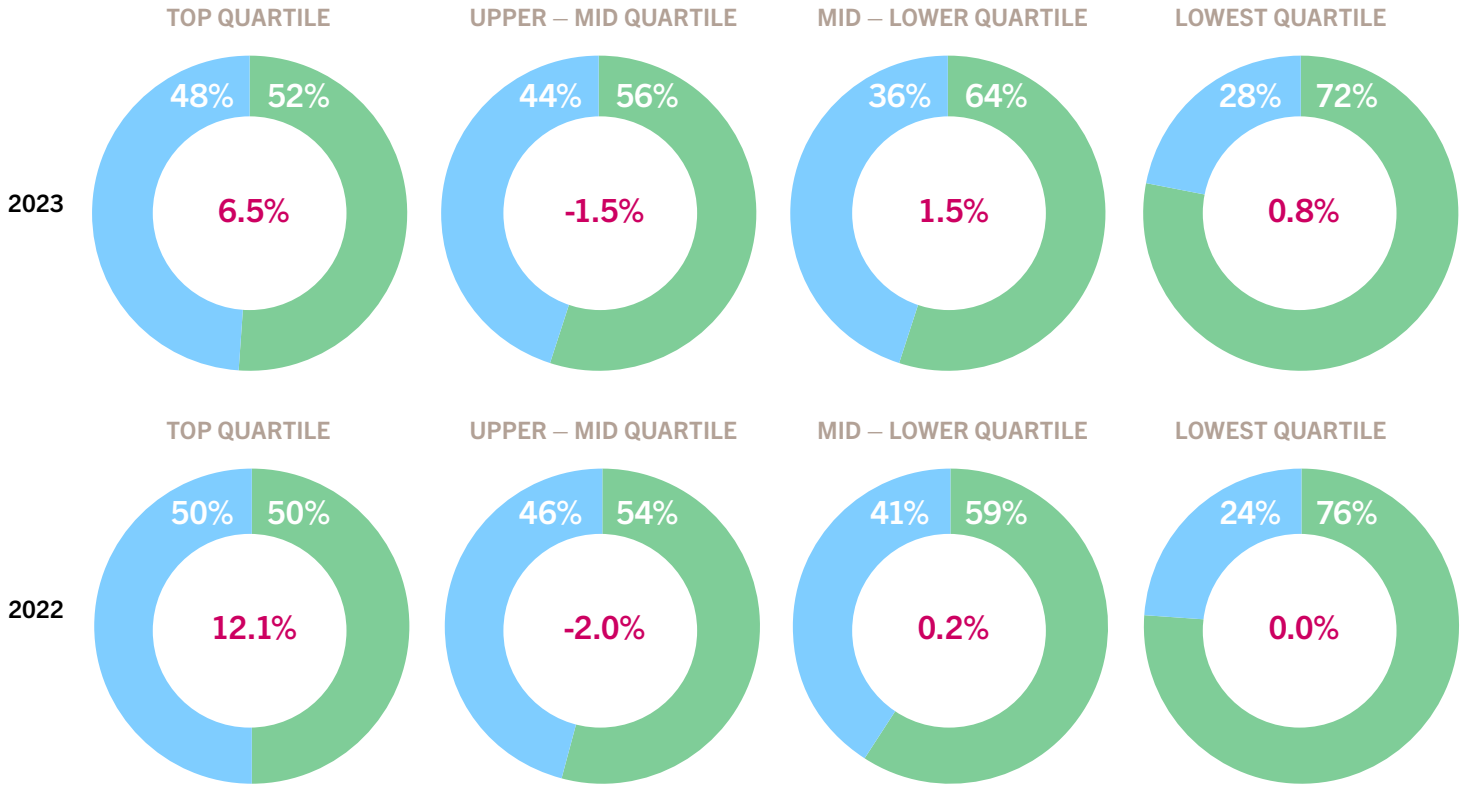
Mean



Median



Pay quartiles



Proportion receiving a bonus:





KEY

Men | Women | Pay gap per quartile

Our statutory reporting refers to Linklaters Business Services (LBS). LBS is a wholly-owned subsidiary and the service company of Linklaters LLP. LBS is the main employing entity for Linklaters' UK-based employees.

VOLUNTARY PUBLICATION

Gender Pay Gap: UK Linklaters including equity partners

FTE Total Earnings (including equity partners)

Mean

59.8%	2023	
60.1%	2022	

Median

34.5%	2023	
39.5%	2022	

Equity partners only

Mean

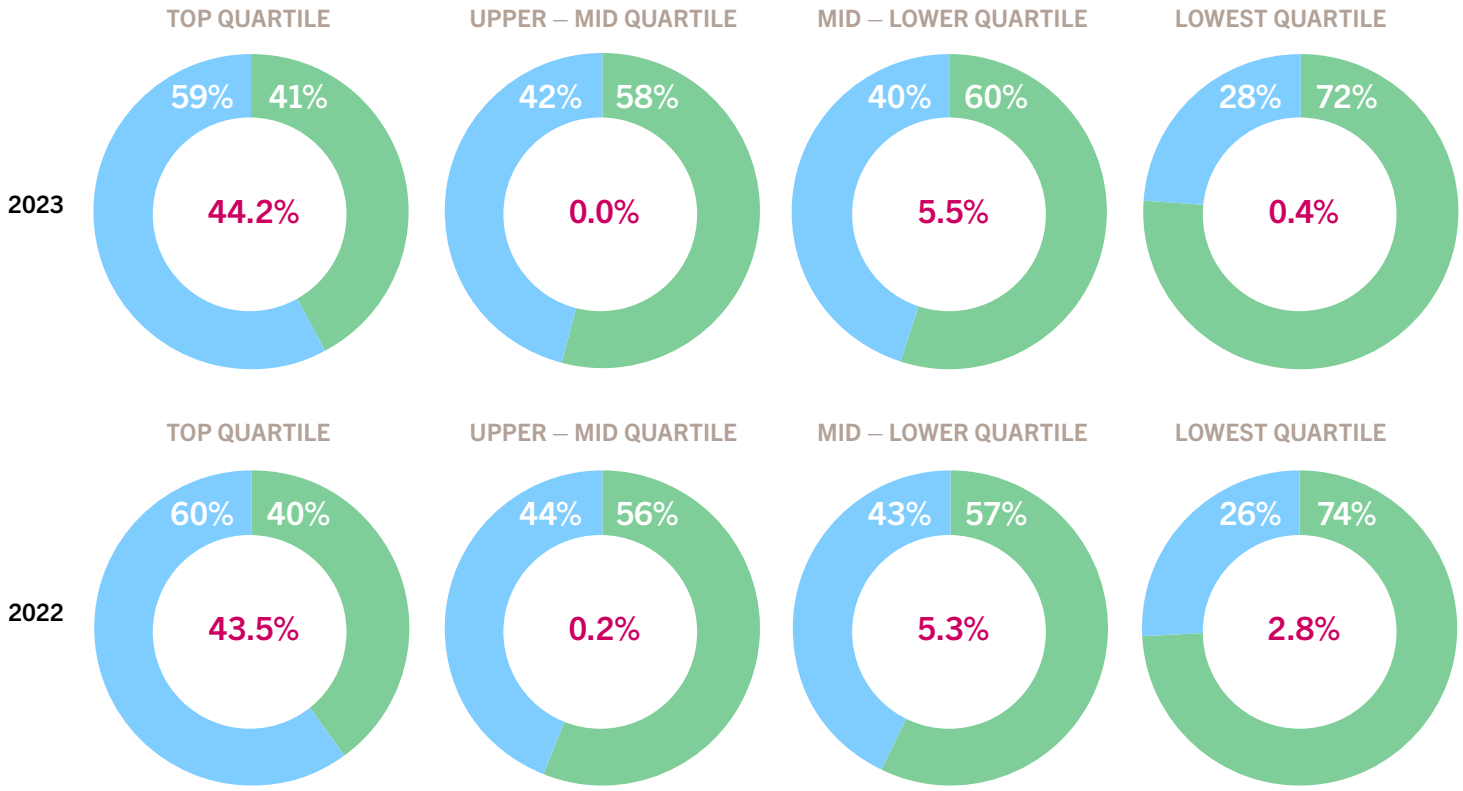
17.6%	2023	
18.3%	2022	

Median

22.0%	2023	
30.7%	2022	

*Partner figures reflect FY23 profit share

Pay quartiles



KEY

Men | Women | Pay gap per quartile

Our statutory reporting refers to Linklaters Business Services (LBS). LBS is a wholly-owned subsidiary and the service company of Linklaters LLP. LBS is the main employing entity for Linklaters' UK-based employees.

ETHNICITY PAY

In line with our commitment to drive racial equity, we continue to voluntarily report our ethnicity pay gap data. This is part of our commitment to transparency and leadership accountability.

Our ethnicity pay gap has improved again this year on both the mean and, significantly, the median basis across the firm. We have seen Black and minority ethnic individuals progressing through the firm into more senior roles. However, we continue to acknowledge the stark under-representation of Black colleagues at the most senior levels of our firm. This is the focus of our Race Action Plan.

This year, our ethnicity bonus gap has changed significantly from last year and is in favour of the Black and minority ethnic population on both a mean and median basis.

Compared to our white population, our Black and minority ethnic population is relatively small. This difference in the size and spread of these two populations means that our bonus figures can be quite volatile, particularly when comparing year on year.

For the purpose of reporting, you will note the use of minority ethnic as an aggregate grouping. This includes people who have self-identified as Black, Asian, Mixed Heritage, Arab and any other ethnic group that is not included within the White category defined in the 2021 Census of England and Wales. This aggregation allows for reporting of sufficiently sized data sets and does not disclose identifiable personal data. Internally we review our data on a disaggregated basis to identify any specific issues between minority ethnic groups. Whilst this aggregate grouping is important for reporting purposes, this is separate from, and does not invalidate, individual identity.

Race Action Plan

In 2020, we publicly declared our commitment to become an anti-racist firm and pledged to improve the representation of Black and underrepresented minority ethnic lawyers and Business Team members at all levels in our firm. Our 2020 Race Action Plan set out how we planned to accomplish this and the concrete actions we wanted to take, aligned to aspirational targets.

We committed to sharing our progress and performance against targets on an annual basis and have recently published our Year 3 Race Action Plan report. This report sets out the three priority areas we focussed on in 2023:

Improving the retention of Black and minority ethnic colleagues.

This included the launch of a career toolkit, opportunities for career sponsorship and reviewing our promotion processes through the equity lens. Whilst these actions were part of our Race Action Plan, everyone can benefit from these initiatives and equity in our systems and processes ensures a level playing field for all.

Stepping up leadership accountability to support a culture of anti-racism.

In their roles as Executive Race Champions, Aedamar Comiskey and Andrew Vickery have been helping create safe spaces for open and honest conversations about race, championing our Black and minority ethnic talent and influencing leaders to drive racial equity in their teams.

Our Black Diversity Council also plays an essential role in holding leadership to account for delivering on the commitments in our Race Action Plan, giving a voice to Black colleagues and ensuring that decisions are considered through the lens of race, with a specific focus on Black identity.

Globally embedding our race action commitments.

Whilst our work on the Race Action Plan started in the UK and the US, our ambitions for racial equity are global. Our teams in Europe and Asia have been preparing local plans that account for complexities in regional demographics, cultures and context. They have expanded our Making Links programmes to give under-represented talent access to work experience, skills development, and financial support for their education.

Read our full year three report here:



Hear from our Senior Partner and Executive Race Champion



Watch a message from our Black Diversity Council

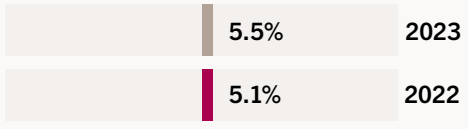


VOLUNTARY PUBLICATION

Ethnicity Pay Gap: UK Linklaters workforce excluding equity partners

Pay (excluding equity partners)

Mean

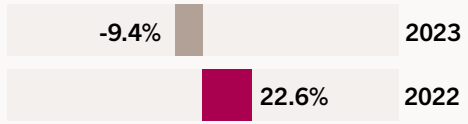


Median

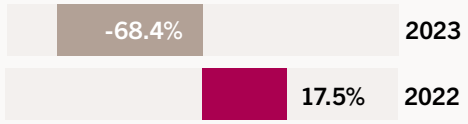


Bonus (excluding equity partners)

Mean



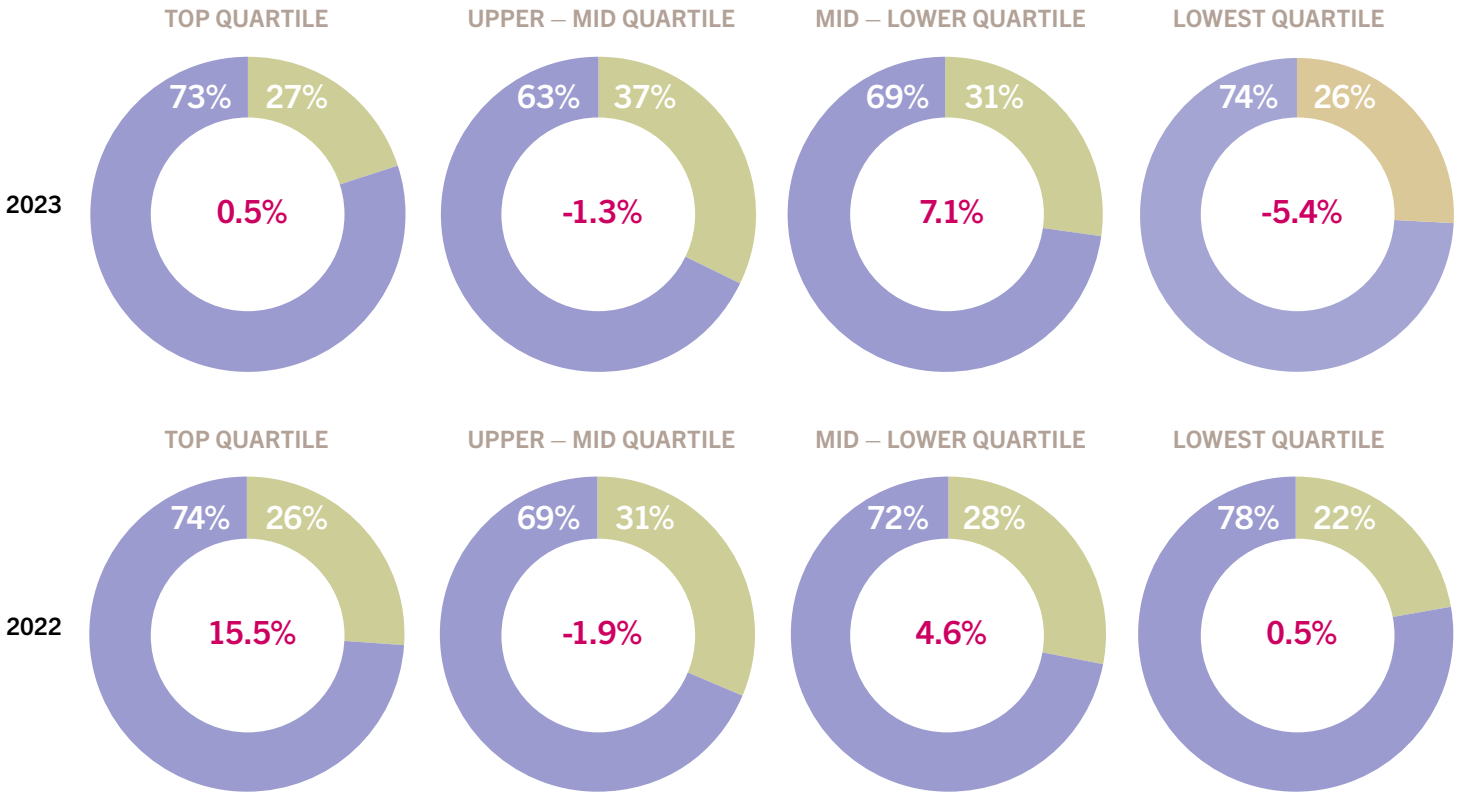
Median



Based on those who have voluntarily disclosed their ethnicity, approximately 26% of our UK population identify as Black or minority ethnic.

This population is relatively small, so changes can have a disproportionate impact on our pay gap figures. We also rely on our people to voluntarily report on their ethnicity to inform this data. The data is based on 72% of our total UK population; those who have not disclosed their ethnicity have been excluded from the calculations.

Pay quartiles



Proportion receiving a bonus:





KEY

White | Minority ethnic | Pay gap per quartile

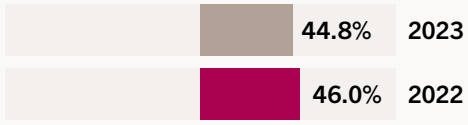
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VOLUNTARY PUBLICATION

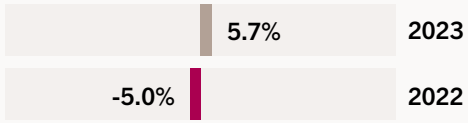
Ethnicity Pay Gap: UK Linklaters workforce including equity partners

FTE Total Earnings (including equity partners)

Mean

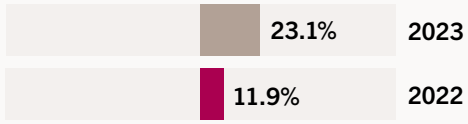


Median

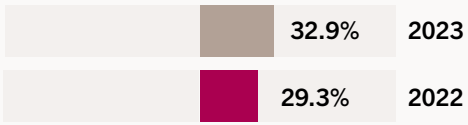


Equity partners only

Mean

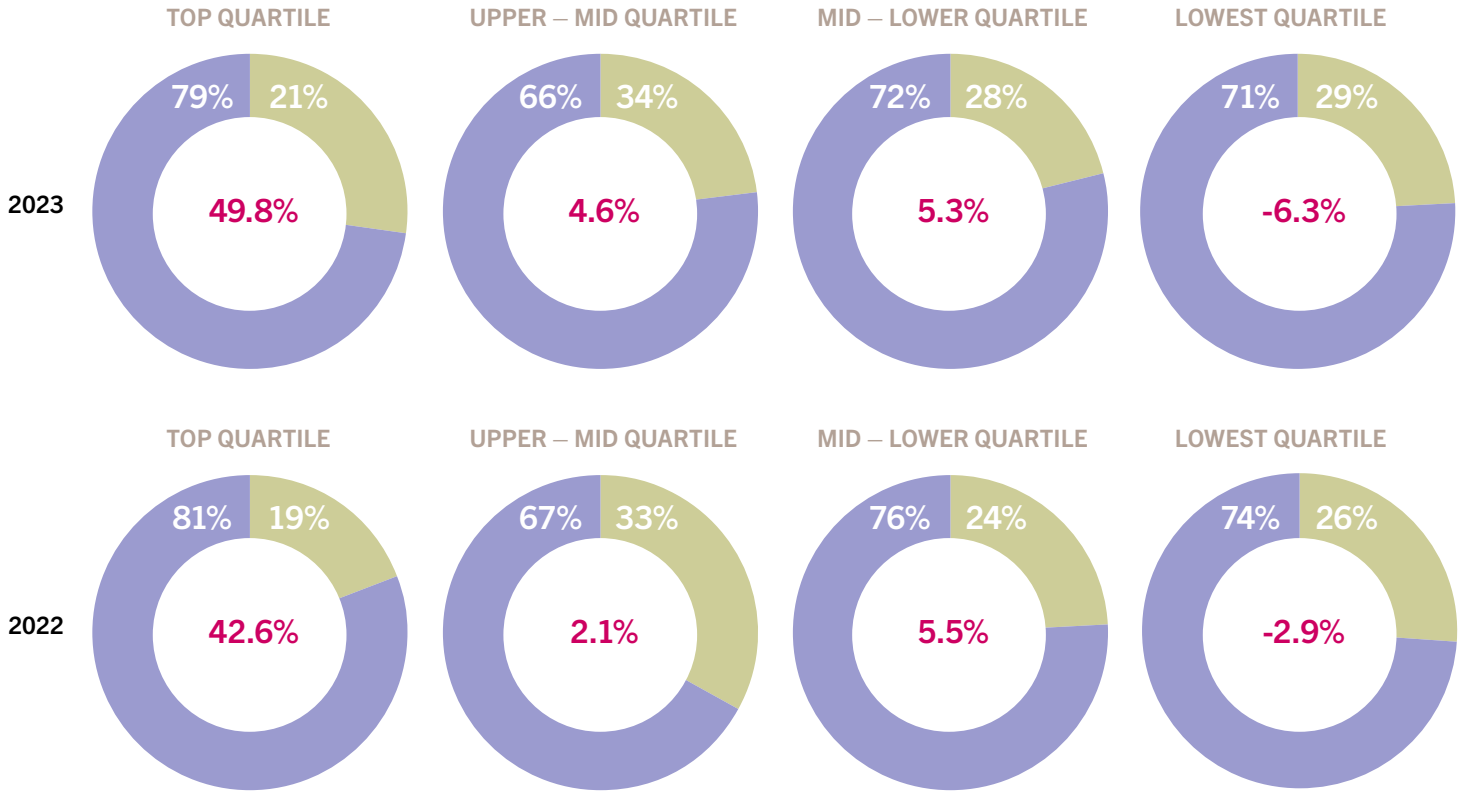


Median



*Partner figures reflect FY23 profit share

Pay quartiles



KEY

White | Minority ethnic | Pay gap per quartile

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VOLUNTARY PUBLICATION

Socio-economic Background Pay Gap

In line with our commitment to transparency and accountability, this year we are voluntarily publishing our socio-economic background pay gap using the same overall methodology as our gender pay gap reporting.

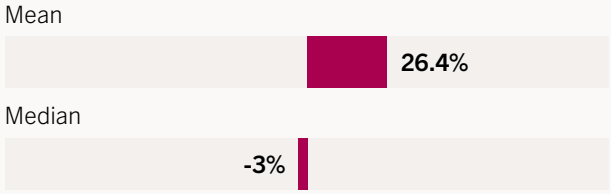
Our socio-economic background data is based on an individual's response to the question, '*Thinking back to when you were aged about 14, which best describes the sort of work the main/ highest income earner in your household did in their main job?*', with responses grouped into broad categories based on the National Statistics Socio-Economic Classification (NS-SEC). Some general examples of occupations that fall into each category are:

- **Professional background**: Chief Executive, Solicitor, Accountant, Teacher
- **Intermediate background**: Small business owner, Secretary, Clerical worker, Nursery nurse
- **Lower socio-economic background**: Plumber, Gardener, Postal worker, Security guard

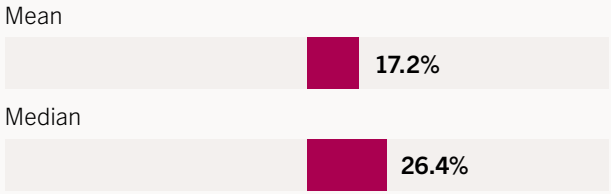
68% of colleagues in the UK (including partners) have voluntarily shared their parental occupation information and within that population, 19% are in the Lower Socio-Economic Background category, 12% in the Intermediate category and 69% in the Professional category.

All firm, including UK Equity Partners

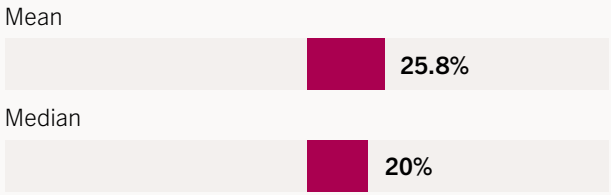
Professional vs lower socio-economic



Professional vs intermediate



Intermediate vs lower socio-economic



The data shows there are pay gaps between each group, favouring those from professional backgrounds compared to intermediate and lower socio-economic backgrounds. There is a median gap in favour of those from lower socio-economic backgrounds compared to professional backgrounds. As with our other pay gaps, these are driven by the size and spread of these different populations.

We are committed to ensuring that personal background, social identity and socio-economic circumstances are not barriers to success, with social mobility identified as one of our global priorities within the firm's Diversity, Equity and Inclusion strategy.

Some of the actions we are undertaking to improve social mobility in the UK include:

- Direct outreach programmes supporting over 300 schools and 2,179 school aged students representing communities across the UK
- Financial support and work experience opportunities to 73 Making Links Scholars since 2019
- Empowering our Social Mobility Network to create a more inclusive culture within the firm where talent from socially diverse and disadvantaged backgrounds is actively nurtured, retained and progressed
- Welcoming our first cohort of eight Solicitor Apprentices in September 2023, providing an alternative route to qualification for people who choose not to go to university
- Increasing diversity data completion rates in relation to socio-economic background and parental occupation, allowing us to publish our social mobility pay gap for the first time

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