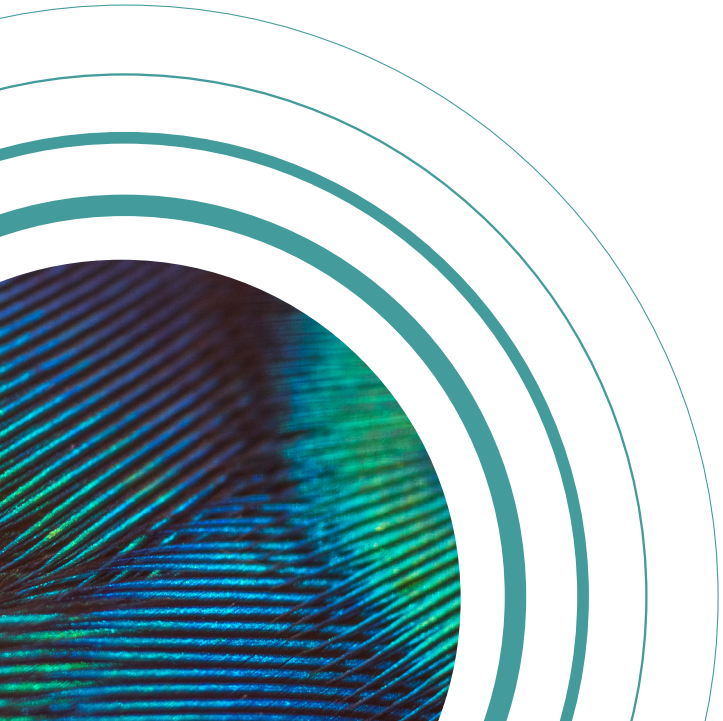
Linklaters

# UK Diversity Pay Reporting 2022



# FOREWORD

At Linklaters, being a diverse, equitable and inclusive firm is integral to our strategy. It is our inclusive culture that enables us to attract and retain the best talent and deliver innovative solutions for our clients and within our business.



We hold ourselves accountable for the change we want to see by setting ourselves clear and transparent diversity targets across 6 prioritised areas. This helps us focus on measurable change and track our progress over time. We view diversity pay reporting as another important tool in identifying any imbalances that exist in our firm and have again gone beyond our statutory reporting obligations to publish our equity partner and ethnicity pay statistics.

We're pleased to have made positive progress against the targets we set ourselves this year. This report highlights the steps we have taken and the impact they are having on our gender and ethnicity pay gaps. Examples include meeting our gender target for partner elections again this year, with 41% of our partner promotions being female and an increasing number of women in other leadership positions. We were also pleased to meet our recruitment targets for Black and underrepresented ethnic minorities once again, including at the partnership level, which show a positive trend on last year.

Our leadership teams and diversity networks continue to work hard to develop new frameworks and policies which support our DEI ambitions. One important example being our new global reward and recognition policy, which we launched in November last year and ensures DEI contributions across our firm are taken into account for performance bonus purposes – something we believe will drive meaningful engagement with our DEI commitments.

We are pleased to see our efforts recognised and proud to feature as a **Top 20 Employer in the Social Mobility Index**, as the only law firm with **Beacon Status in the Parental Fog Index**, as a **Stonewall Top 100 Employer** and as a **Financial Times Diversity Leader in Europe** for the 4th year running.

Whilst we're keen to celebrate our progress and remain confident that we pay our people fairly for equivalent roles, irrespective of gender, race or ethnicity, we are far from the end of our DEI journey. We recognise that we need to be bold and innovative in our approach in order to deliver long term sustainable change within our business and the communities we operate in Maintaining a laser focus on equality of opportunity and fairness in our recruitment, development, promotion and reward practices will continue to be our priority.



**Aedamar Comiskey**
Senior Partner, London

Click to view profile



**Paul Lewis**
Firmwide Managing Partner, London

Click to view profile

"Being a leader in diversity sits at the heart of our vision and strategy. We want our firm to be a place where talented people are given every opportunity to succeed. Diversity of thought and perspective empowers people, and it drives innovation and good decision making. Ultimately, this ensures the best solutions for our clients and the best experience for our people. Whilst we're pleased that we're making positive progress, there is still work to be done but I am confident that our focused DEI strategy and the commitment of our people will enable us to meet the ambitious goals we have set ourselves."

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 20 employer for advancing social mobility

**2022**

### Financial Times Diversity Leaders

For the fourth year running, named an FT Diversity Leader in Europe

**2022**

### Parental Fog Index

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

**2022**

### Stonewall Top 100 Employer

Recognised as top employer for LGBTQ+ inclusion

**2022**

**Introducing a new 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 underrepresented backgrounds who disproportionately spend time supporting and advising on DEI initiatives.

**Creating a new 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.

**Enhancing our market leading Domestic Abuse policy and package of support** to ensure our people are free to live and work in a supportive and safe environment. During the pandemic and now with the cost-of-living crisis, more people are at risk of domestic abuse. The latest addition to our support package is access to a Domestic Abuse Consultant who provides free and confidential advice on a wide range of issues such as reporting to the police, housing rights and navigating the family courts.

**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 (e.g. 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



**Sophie Mathur**
Regional Practice Head,
Corporate
Singapore

## LGBT+



**Angela Ogilvie**
Chief HR Officer



**Thomas McGrath**
Regional Managing Partner,
Americas

## 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

## Race & Ethnicity



**Aedamar Comiskey**
Senior Partner and Chair



**Andrew Vickery**
Divisional Practice Head,
Finance

## Age & Life Stage



**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 (e.g. 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, our gender pay gap has widened and as in previous years, the main factor driving the gap is the composition of our workforce.

We have seen an increase in the proportion of our most junior legal, secretarial and business roles being held by women, and these roles fall predominantly within our lowest pay quartile. Whilst these roles are competitively rewarded by reference to the market, the fact that so many of them are held by women has the effect of reducing the average pay and bonuses of women in our firm. We undertake rigorous reviews of our reward practices and are confident we pay our people fairly for the same roles regardless of gender.

We also continue to have a higher proportion of men in the most senior roles and, in particular, at the senior end of the Partnership. A key factor in narrowing the gender pay gap is to increase the number of women in our partnership, which 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 to achieving our target of at least 40% of our new partner elections to be women each year.

This year, our bonus gap has improved significantly on both a mean and median basis. One contributing factor to this was the payment of a one-off 5% bonus to all staff (excluding partners) to thank them for their hard work during the pandemic. This positively impacted the bonus payments for women in junior legal, secretarial and business roles.

### Women's Leadership Programme



**Maryam Adamji**
Partner

Read testimonial

### Adjustment Leave



**Jenny Ramsey**
Head of Employee Relations and Policy

Read testimonial

**The Times Top 50**
Top employer for women for nine consecutive years

**41%**
female representation in 2022 new partner elections

**46%**
women on our Partnership Board

**31%**
women on our Executive Committee

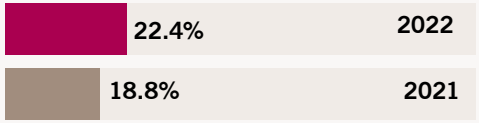
**50%**
women in our Director group

# REPORTABLE INFORMATION

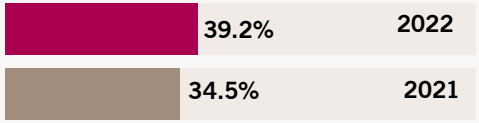
## Gender Pay Gap: UK Linklaters workforce excluding equity partners

**Pay (excluding equity partners)**

Mean

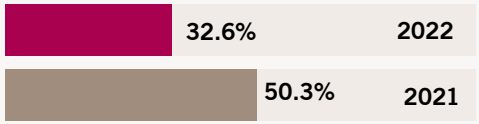



Median

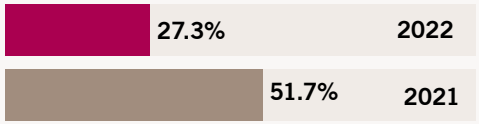



**Bonus (excluding equity partners)**

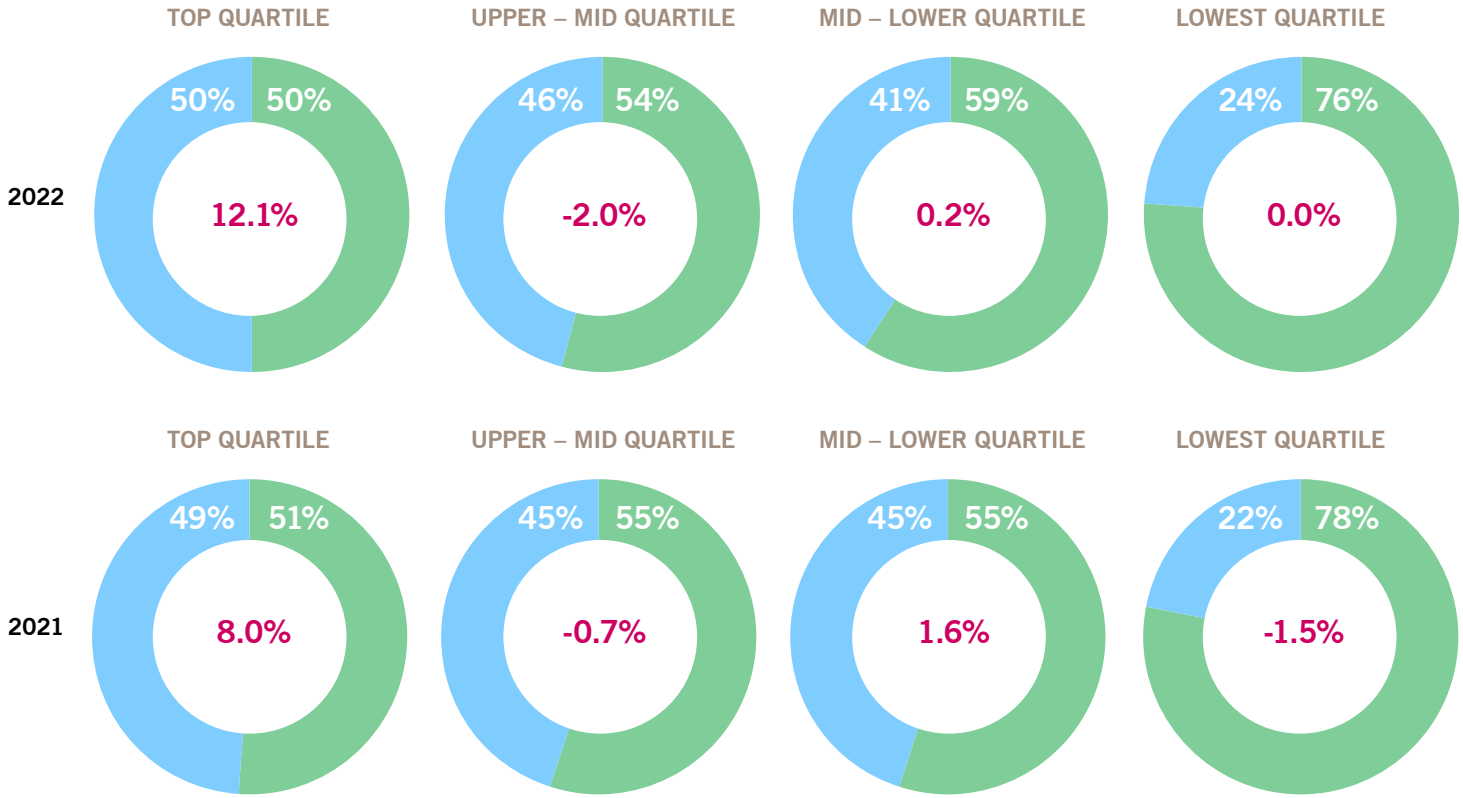
Mean




Median




### Pay quartiles




**Proportion receiving a bonus:**




**KEY**

Men | Women | Pay gap per quartile

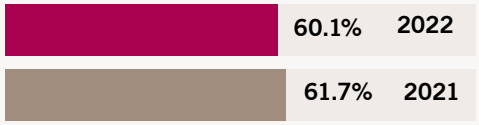
Our statutory reporting refers to Linklaters Business Services (LBS). LBS is a wholly-owned subsidiary and the service company of Linklaters LLP. LBS is the main employing entity for Linklaters' UK-based employees.

# VOLUNTARY PUBLICATION

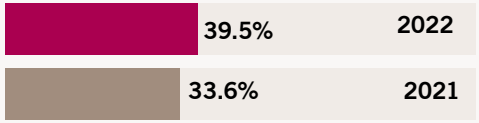
## Gender Pay Gap: UK Linklaters including equity partners

**FTE Total Earnings (including equity partners)**

Mean

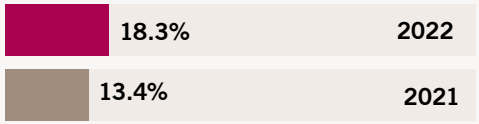



Median

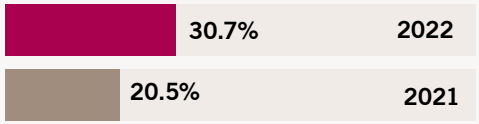



**Equity partners only**

Mean

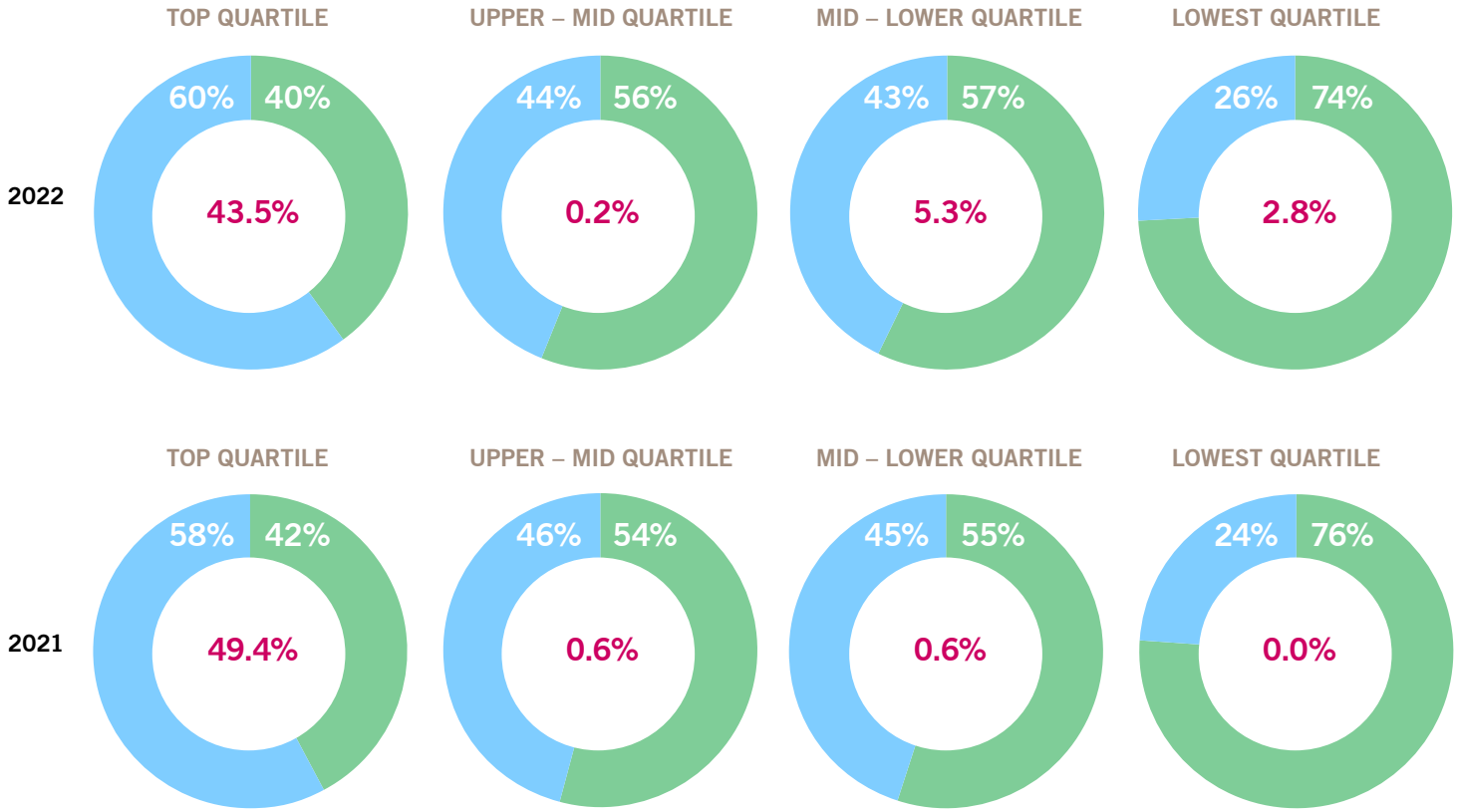



Median




*Partner figures reflect FY22 profit share

### Pay quartiles




**KEY**

Men | Women | Pay gap per quartile

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# 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 year our ethnicity bonus gap has widened on a median basis. Like gender, a contributing factor was the payment of a one-off 5% bonus to all staff (excluding partners) to thank them for their hard work during the pandemic. This meant that bonuses were payable to individuals in junior legal roles which are not usually bonus-eligible, the majority of whom are Black and minority ethnic. Whilst this positively impacted the bonus payments for Black and minority ethnic individuals, it meant that the median bonus payable to Black and minority ethnic individuals was lower than in previous years, and the gap compared to white colleagues widened.

*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 2 Race Action Plan report. This report sets out the three priority areas we focussed on in 2022:

**Improving the retention of Black and minority ethnic colleagues.**

Click for more detail

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

Click for more detail

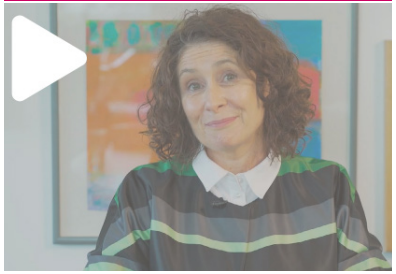
**Globally embedding our race action commitments.**

Click for more detail

**Read our full year two 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

| | |
|---|---|
| 5.1% | 2022 |
| 6.4% | 2021 |

Median

| | |
|---|---|
| -27.2% | 2022 |
| -22.4% | 2021 |

**Bonus (excluding equity partners)**

Mean

| | |
|---|---|
| 22.6% | 2022 |
| 22.9% | 2021 |

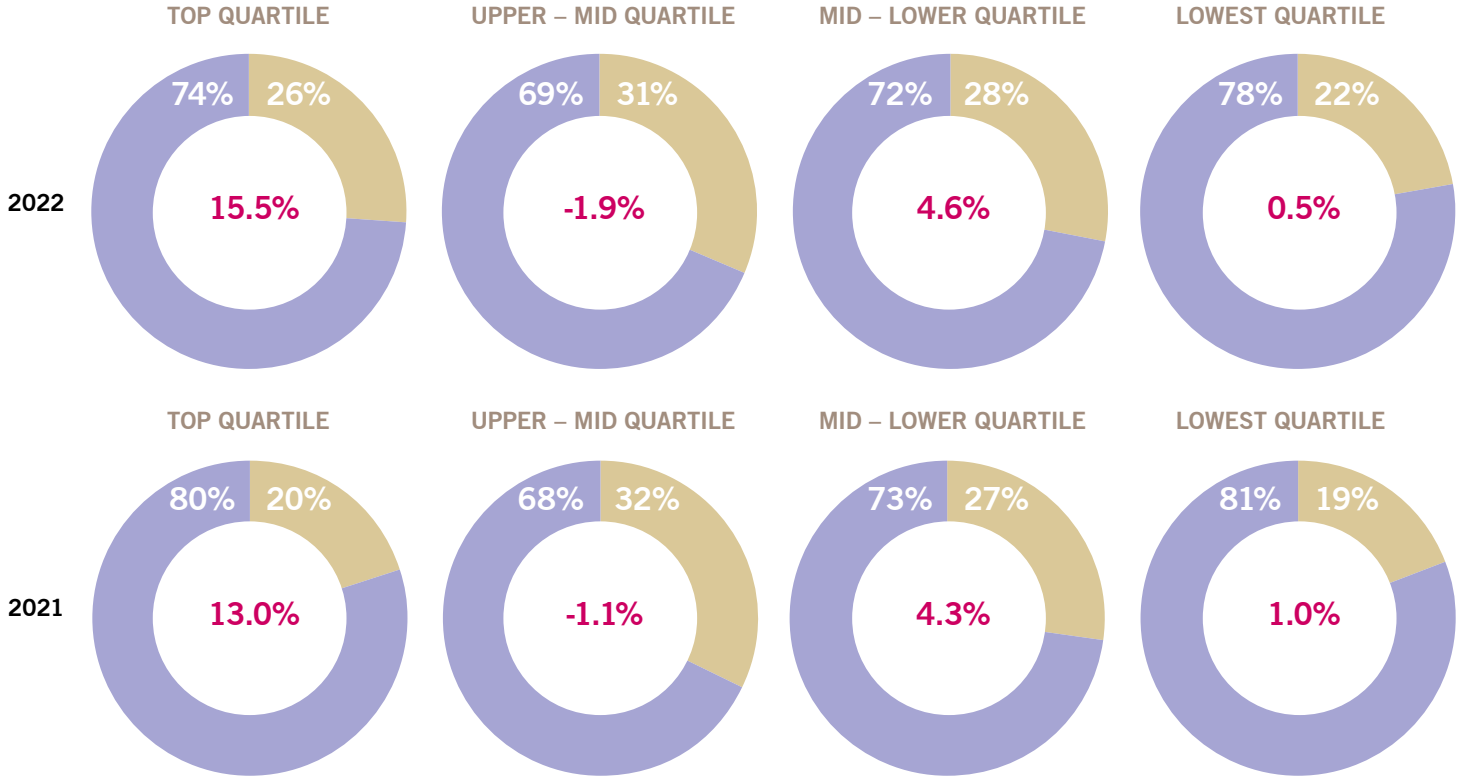
Median

| | |
|---|---|
| 17.5% | 2022 |
| -11.5% | 2021 |

Based on those who have voluntarily disclosed their ethnicity, approximately 26% of our UK population is 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 87% 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

| | |
|---|---|
| 46.0% | 2022 |
| 36.5% | 2021 |

Median

| | |
|---|---|
| -5.0% | 2022 |
| -0.1% | 2021 |

**Equity partners only**

Mean

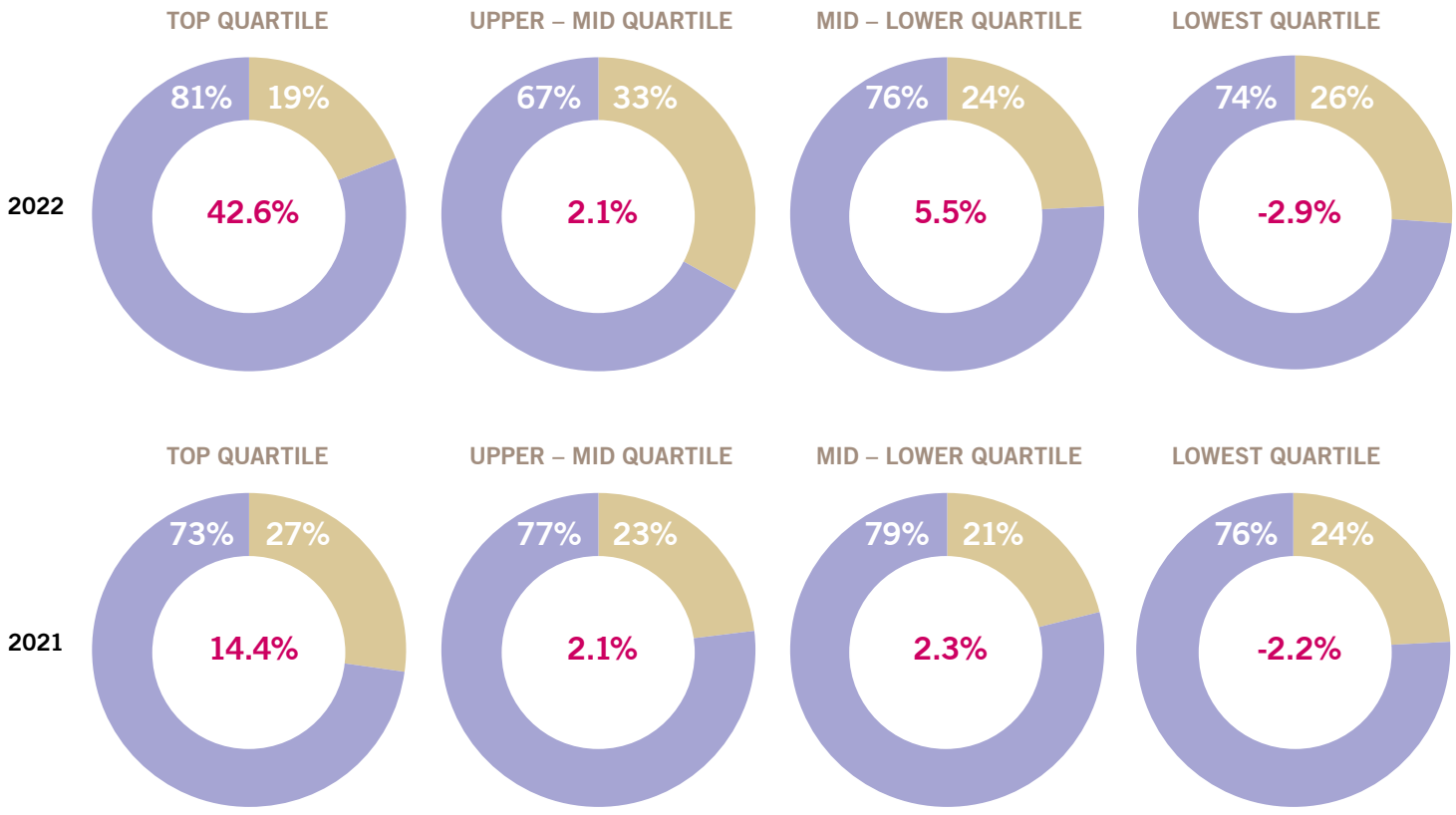
| | |
|---|---|
| 11.9% | 2022 |
| -4.3% | 2021 |

Median

| | |
|---|---|
| 29.3% | 2022 |
| -6.7% | 2021 |

*Partner figures reflect FY22 profit share

### Pay quartiles




**KEY**

White | Minority ethnic | Pay gap per quartile

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LIN.GBR.119.22