

Lewis Silkin Gender Pay Gap Report 2019





At Lewis Silkin, we know that our business only succeeds because of the talents and expertise of the people within it. If we can make sure that everyone has the opportunity to reach their full potential, our business will continue to thrive.

We want to make sure there are no barriers preventing people from achieving success. We are working to identify and remove barriers, but this is not always straightforward. We know that our gender pay gap remains too high and although we recognise that it will only be eliminated over the longer-term, we are committed to taking the action required to achieve that.

About this report

Our report is split into three main sections.

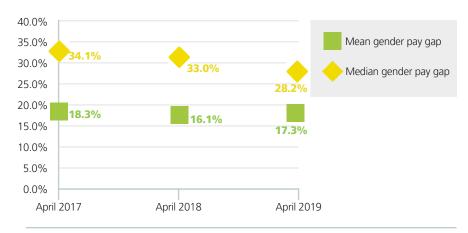
- The first section of our report focuses on our employee population in which we fulfil our statutory reporting obligations.
- The second section provides data on our partnership. Although this is not a statutory
 requirement, we want to share this information as it more appropriately reflects the gender
 balance of roles at Lewis Silkin. The data is accurate at 5 April 2019 for both groups. However,
 as partner remuneration varies each month, we have calculated partner hourly rates using
 annualised data instead. This is the approach endorsed by the Law Society.
- The final section sets out the action we are taking to reduce our gender pay gap.

Understanding Gender Pay Gap statistics

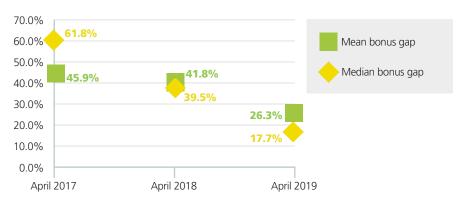
The gender pay gap is not the same as equal pay. Equal pay is about ensuring that men and women doing the same sort of work are paid the same. We are confident that across our business there is no equal pay gap for men and women doing the same work.

Gender pay gap figures involve calculating hourly rates and comparing the average hourly rates for all men and women in totality across a business. This means that they do not compare the pay of people in the same roles. As a result, gender pay gap figures tend to be more related to the demographic balance at different levels of an organisation rather than specifically to the rates of pay for men and women.

Pay gaps

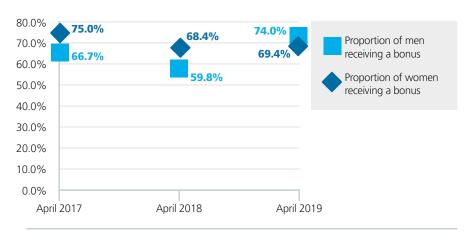


Bonus gaps





Proportion receiving bonuses



Quartiles



Understanding Lewis Silkin's statistics

Explaining our statutory figures as at 5 April 2019

All gender pay gap figures vary from year to year. A comparison of one year against another may not be helpful and it is instead better to focus on the longer-term trends. Because we are now in the third year of reporting, we can start looking at the broader trends that we are seeing from our figures.

Reviewing the 2019 data alongside the data from our previous reports shows that we are making steady progress on reducing the headline median gender pay gap.

One of the reasons the median pay gap has fallen is because we have more women lawyers. Excluding partners, the firm has grown from 163 in 2017 to 193 lawyers in 2019, with 21 of the 30 additional lawyers being women. Our data shows that 73% of Associates and 63% of Senior Associates are women. We hope that our gender pay gap will continue to reduce as we support the careers of this new generation of female talent.

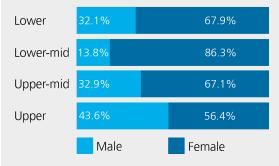
We have also been sharing the firm's success with more staff in recent years through our pay awards. These pay increases have tended to benefit business services and junior lawyers to a greater degree. Since these roles tend to have proportionately more women, this is also part of the reason behind the fall in median pay gap.

Our median bonus gap has fallen dramatically: from 61.8% to just 10.7%. We have also seen a significant reduction in our mean bonus gap. These big changes are reflective of a new firmwide bonus scheme which gives more of our staff a bigger share of the firm's success. The scheme applies to all staff and has helped to reduce the gap because it has resulted in more bonuses being awarded to business services and administrative roles, where we have more women.

Staff *Mandatory statistics*

| | Mean | Median |
|-----------|-------|--------|
| Pay Gap | 17.3% | 28.2% |
| Bonus Gap | 26.3% | 10.7% |

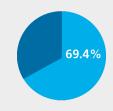
Headcount by quartile



Proportion of men receiving a bonus



Proportion of women receiving a bonus





Explaining our voluntary figures: partner and entire firm

Our gender pay gap figures inclusive of partner remuneration are very high and are broadly similar to our figures reported in 2018. Our figures continue to be high because our partnership remains male dominated, with a higher proportion of men amongst the very highest earning partners.

In order to address this (and as part of signing the Women in Law Pledge), we are actively working towards a gender balanced partnership. Over the past 3 years (2017, 2018, 2019), four of the eight associates that we have promoted to partnership have been women. We have set ourselves a target of having no less than 45% of female partners by 2027.

A gender balanced partnership won't reduce our gender pay gap unless we also work towards gender balance amongst the very highest earning partners. Necessarily that is a longer-term goal (as newer partners take longer to build a business that enables progression through the partnership structure) however as detailed below, we are also reviewing our partner remuneration structures. We have set ourselves the target of reducing our gender pay gap by 40% from our 2019 figures by 2027.

What is Lewis Silkin doing?

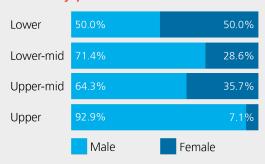
Our core values at Lewis Silkin are bravery and kindness. These drive everything we do. We know that to reduce our gender pay gap, we need to be brave; we need to challenge ourselves and encourage everyone (at every level) to take responsibility for achieving gender balance. But for our progress to be meaningful and sustained, our initiatives need to be fully inclusive (and kind).

- Law Society Women in Law pledge. We have signed the pledge which requires us to set targets
 for achieving gender balance; develop an action plan for achieving gender balance in our
 senior management and leadership teams; tackle workplace culture, bias, bullying and sexual
 harassment; and ensure that aspects of pay, reward and recognition of the senior leadership
 team are linked to achieving our targets.
- Senior leadership. We appointed a partner to our Strategy Board with specific responsibility and accountability for diversity and inclusion.
- Firm values. We refreshed our firm values and incorporated within them a commitment to inclusive behaviour and authenticity.
- Review of partner remuneration. We are continuing to consult widely with partners in a
 review of partner remuneration and are looking to assess performance by recognising overall
 contribution. This includes partners being asked, as part of their appraisal, what they have done
 at an individual and group level to support diversity and inclusion and being brave about setting
 a diversity and inclusion objective.
- Accountability. We have a dedicated group committed to advising the Diversity and Inclusion
 Board on achieving gender balance. This group will review our gender balance against our
 targets on an annual basis and prepare an annual report for the Strategy Board identifying any
 challenges and making recommendations about how those challenges might be mitigated.
- Recruitment. We are targeting a gender balanced shortlist for all roles (recognising the gender
 diversity within the available talent pool and occupational segregation within some roles). We
 will also avoid single sex recruitment panels (i.e. we are aiming to ensure that no decision to
 recruit is made where the Lewis Silkin touch-points have been all male).
- Business development. We introduced guidelines to eliminate single sex panels and pitch teams.
- Supporting women. We increased participation in the Authentic Leading Women workshop
 and extended our maternity coaching programme to include sessions for managers of women
 who are going on maternity leave. We are also introducing menopause support and a
 menopause policy.
- Flexible and agile working. We have embraced flexible and agile working and have rolled out new IT infrastructure to better support agile working.
- Maternity coaching. We continue to provide maternity coaching to retain our talented women and reduce the number of women leaving the firm (and profession) at Senior Associate level.

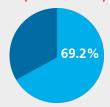
Partners only Voluntary statistics

| | Mean | Median |
|-----------|-------|--------|
| Pay Gap | 29.8% | 44.3% |
| Bonus Gap | 32.0% | 33.3% |

Headcount by quartile



Proportion of male partners receiving a bonus



Proportion of female partners receiving a bonus



- Feedback. We used our internal engagement tool to gain feedback on our International Women's Day event and took those suggestions into account when planning other events during the year. We have also used our awardwinning employee engagement tool (Peakon) to ask what more we could be doing to support diversity and inclusion and achieve gender balance.
- Celebration. We celebrated International Women's Day 2019 with a speaker and panel event to which we invited all our employees. More recently, we have rolled out a number of strategic policy changes and our senior leaders outlined their commitment to equality of opportunity and explained how important this is to our business.
- We continuously monitor pay at all levels across all areas of the firm ensuring we address any issues that emerge.



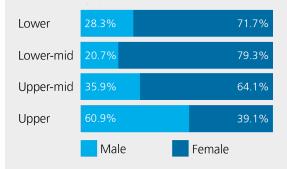
What we are doing within the legal industry?

- "The First 100 Years". We supported the initiative to mark the centenary of the Sex
 Disqualification (Removal) Act 1919 which paved the way for women to become lawyers for
 the first time. We sponsored one of the videos. We also purchased multiple copies of the First
 100 book which we shared with each office and with our local school partners, supporting a
 campaign led by Stephanie Boyce, Vice President of the Law Society.
- Law Society Women Lawyers Division. Lucy Lewis (who sits on our Strategy Board with responsibility for diversity and inclusion) has joined the committee of the Women Lawyers Division.
- Awards. We have made a conscious step to recognise the women in our business and have nominated them for awards such as the First 100 Inspirational Women in Law awards (where Stephanie Kay was shortlisted in her category) and for the Women in Law Awards (awaiting confirmation of shortlist).

Combined Partners and Employees *Voluntary statistics*

| | Mean | Median |
|-----------|-------|--------|
| Pay Gap | 61.4% | 46.3% |
| Bonus Gap | 68.7% | 53.7% |

Headcount by quartile



Proportion of men receiving a bonus



Proportion of women receiving a bonus



We confirm the data reported is accurate and has been calculated according to the legal requirements.

Penny Newman

Chief People Officer

Giles Crown

Joint Managing Partner

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