Our pay gap report 2022

April 2023



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Introduction

We remain committed to increasing transparency about our progress as we build a more inclusive, diverse and equitable business. Inclusion is a team effort at Browne Jacobson. No single person is responsible for this work – it takes all of us and we are extremely proud of the great work that our colleagues do every day to help us stay at the forefront of society's biggest issues.

Diversity & Inclusion sits at the centre of our firm's strategy. It is driven by our leadership and built into the performance objectives of all of our Partners. We recognise that overcoming the barriers standing in the way of a more equal workplace will take time and persistence. Nonetheless, we are confident we have the right strategy in place to drive this change now and over the long term.

Pay gap reporting can be a useful tool to help our business to understand its composition and where there may still be inequities. There is clearly more we need to do to address some of the challenges we face, and progress overall is slower than we would like. That being said, we must also acknowledge that our long-term goal of truly changing the legal profession and building a sustainable pipeline of diverse talent might run the risk of temporarily widening some of our pay gaps, as we focus on bringing more diversity into the firm. It is also prudent to intensify our focus on nurturing, developing, progressing and retaining our employees if we are to make a truly lasting difference.

Last year, in addition to publishing our gender and ethnicity pay gaps, we introduced disability pay gap reporting. We believe it is incredibly important to look at the diversity of our firm more broadly and this helps us understand where we need to apply focus. This year we have also decided to introduce social mobility into our pay gap reporting.

We are delighted to have retained our number 1 UK employer ranking on the Social Mobility Index 2022 in recognition of the work we are doing to help remove barriers and open access to the legal sector for all. We are also incredibly proud to have launched our REACH Mentoring programme with the aim of supporting, developing and building a future pipeline of next generation talented Black lawyers.

We are making positive strides towards meeting the diversity targets we set for our Partnership population back in 2021 and have an ambition to have a minimum of 50% female and 12% UK Ethnic Minority representation by 2026.

Overall, we believe that we have continued to make some meaningful progress since we last reported. Towards the end of this report, we have set out the steps and measures that we have put in place, and will put in place, to address and close any gaps.

Our commitment is unwavering.



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Understanding the pay gap

What is pay gap reporting?

Pay gap reporting shows the difference in the median and mean hourly pay between two groups (such as men and women) in the workforce regardless of role, seniority or geographical location.

Bonus gaps are also calculated in the same way but are based on the actual bonus received rather than the hourly equivalent.

Pay gap reporting can help to illustrate the representation of different groups, as shown in the quartiles, at the different levels of seniority in the firm.

How is it different to equal pay?

Equal pay is different to pay gap reporting. Equal pay ensures that a person of one sex does not receive less pay than a person of another sex for carrying out the same or a similar role.

Other discrimination legislation makes it unlawful to pay someone less because of their race, ethnic origin, disability or other protected characteristic.

Who is included in the data?

In addition to the government's requirement to publish the pay gap of all full pay relevant employees and contractors, we voluntarily include our salaried partners and self-employed LLP members.

Inclusion in our ethnicity, disability and socio-economic pay gap calculations is dependent on a voluntary declaration provided by each individual. 90% of our colleagues provided their declaration for us to use in this analysis.

We publish comparisons by including them in an overall firm pay gap and we also report on them as a separate cohort.

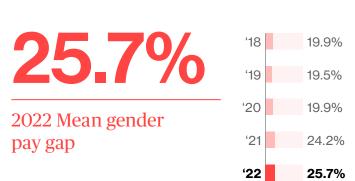


02. Our gender pay gap

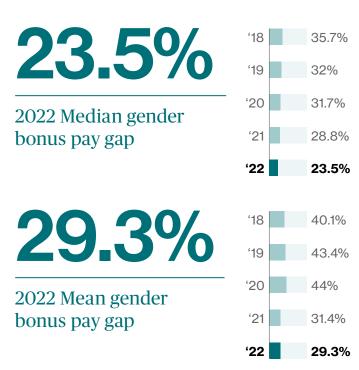
Our gender pay gap

Difference in **hourly pay** between males and females





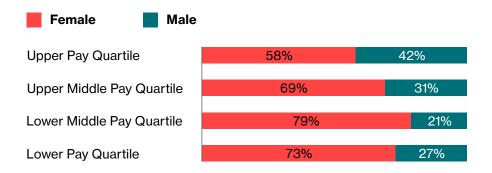
Difference in **bonus pay** between males and females



- Our median gender pay gap increased from 22.3% in 2021 to 24.3% in 2022 and our mean gender pay gap also increased from 24.2% in 2021 to 25.7% in 2022.
- Our median gender bonus pay gap decreased from 28.8% in 2021 to 23.5% in 2022 and our mean gender bonus pay gap also decreased from 31.4% in 2021 to 29.3% in 2022.

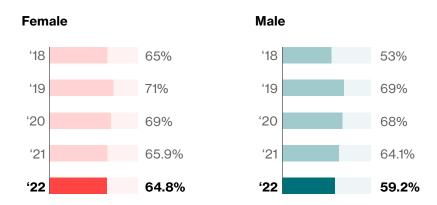
Our gender pay gap

Quartile representation



 We are encouraged to see an increase in female representation across our upper and upper middle pay quartiles of 3% and 1%, respectively versus 2021's report. At the time of this snapshot, female employees made up 66% of the firm so whilst we have demonstrated sustained progress here, we consider this the benchmark for fair representation across each of our pay quartiles, so we have much more to do.

Proportion receiving a bonus



 The proportion of employees receiving a bonus is somewhat inconsequential because all employees are able to participate in the bonus scheme, irrespective of their role here. The primary exclusionary factor for bonus is the start date which applies a cut-off on bonus eligibility after a certain date.

Our gender pay gap Salaried Partners

Difference in **hourly pay** between males and females

25%

2022 Median gender pay gap

25.7%

2022 Mean gender pay gap



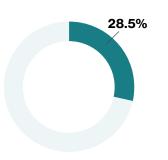
28.5%

2022 Median gender bonus pay gap

25.7%

29%

2022 Mean gender bonus pay gap



Our gender pay gap Including LLP Members and Salaried Partners (Overall Firm)

30%

Difference in **hourly pay** between males and females

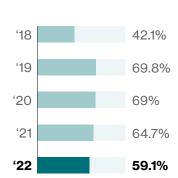


39.59/0 (18 44.6%)
57.8%
(20 42%)
2022 Mean gender
pay gap (22 39.5%)

Difference in **bonus pay** between males and females







pay gap

Our gender pay gap LLP Members (Equity Partners Only)

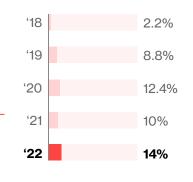
Difference in **hourly pay** between males and females

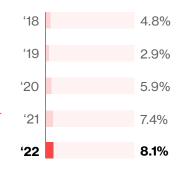
14%

2022 Median gender pay gap

8.1%

2022 Mean gender pay gap

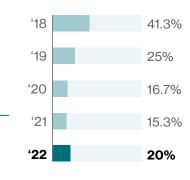




Difference in **bonus pay** between males and females

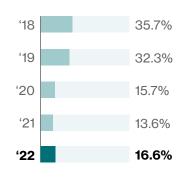


2022 Median gender bonus pay gap



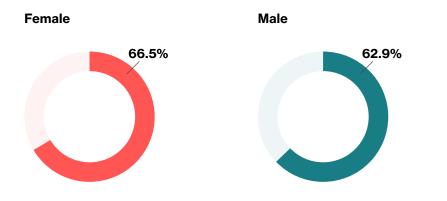


2022 Mean gender bonus pay gap

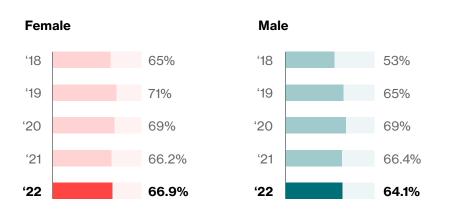


Our gender pay gap Proportion receiving a bonus

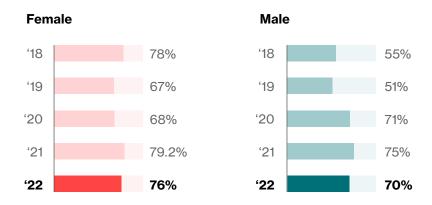
Salaried Partners



Overall Firm – Equity Partners included



Equity Partners only

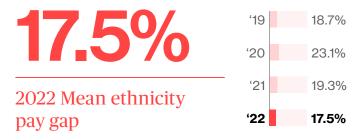




Our ethnicity pay gap

Difference in **hourly pay** between White British and UK Ethnic Minorities





Difference in **bonus pay** between White British and UK Ethnic Minorities

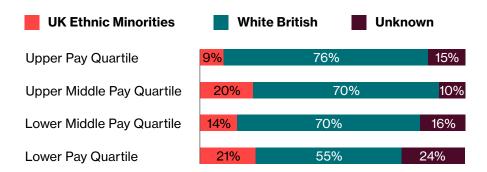




We have sustained a 90%
 participation rate in our D&I
 survey which means that Browne
 Jacobson's enhanced reporting
 is reflective, almost, of the whole
 firm. We still recognise that until
 we achieve a consistent 100%
 declaration rate, we won't be able
 to demonstrate a true year-on-year
 comparison, but are committed to
 continuing to report on the basis of
 the people who do provide us with
 their ethnicity declaration.

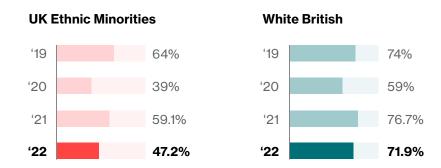
Our ethnicity pay gap

Quartile representation



 UK Ethnic Minority representation across our pay quartiles trends slightly lower toward the higher-earning quartiles. This analysis clearly disregards the fact that the experiences of those belonging to different ethnicities do not equate to a single overall UK Ethnic Minority experience, but we have chosen to maintain consistency with the reporting requirements applied to gender for simplicity.

Proportion receiving a bonus



• A figure which stands out to us is the proportion of UK Ethnic Minority colleagues receiving a bonus versus the proportion of White British colleagues receiving a bonus. This discrepancy is primarily attributable to our bonus eligibility criteria which are applied consistently, irrespective of individual characteristic. 88% of people who identified as UK Ethnic Minority and did not receive a bonus did not do so because they were not eligible to participate in our bonus scheme because of their start date. The remaining 12% of people who identified as UK Ethnic Minority and did not receive a bonus did not do so because of their performance rating. By comparison, just 2% of people who identified as White British who did not receive a bonus did not so because of their performance rating. Steps are underway to investigate and address this finding.

Our ethnicity pay gap **Salaried Partners**

Difference in **hourly pay** between White British and UK Ethnic Minorities

23.1%

2022 Median ethnicity pay gap

18.3%

2022 Mean ethnicity pay gap



30.6%

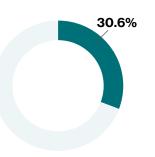
2022 Median ethnicity bonus pay gap

23.1%

18.3%



2022 Mean ethnicity bonus pay gap



25.6%

Our ethnicity pay gap Including LLP Members and Salaried Partners (Overall Firm)

Difference in **hourly pay** between White British and UK Ethnic Minorities

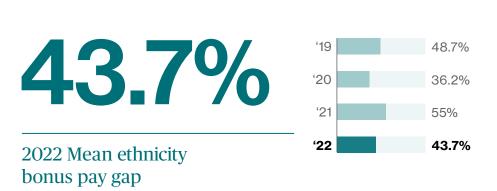
22 9 6 '19 27.4% '20 27.1% '21 17.4% 22.9%

pay gap

Difference in **bonus pay** between White British and UK Ethnic Minorities







Our ethnicity pay gap

LLP Members (Equity Partners Only)

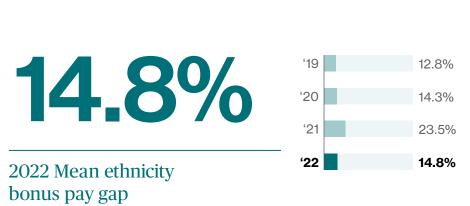
Difference in **hourly pay** between White British and UK Ethnic Minorities



pay gap

Difference in **bonus pay** between White British and UK Ethnic Minorities



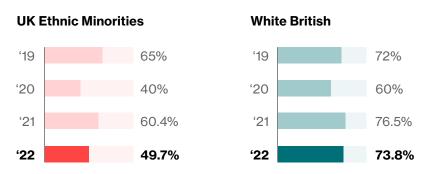


Our ethnicity pay gap Proportion receiving a bonus

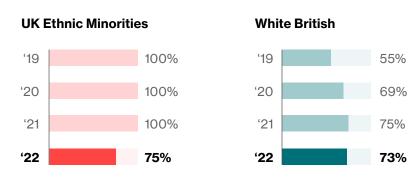
Salaried Partners

UK Ethnic Minorities White British 73.9%

Overall Firm – Equity Partners included



Equity Partners only

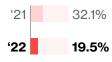




Our disability pay gap

Difference in **hourly pay** between persons with and without a disclosed disability

19.5%



2022 Median disability pay gap

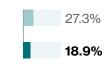
24.7%



2022 Mean disability pay gap

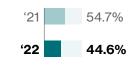
Difference in **bonus pay** between persons with and without a disclosed disability

18.9%



2022 Median disability bonus pay gap

44.6%

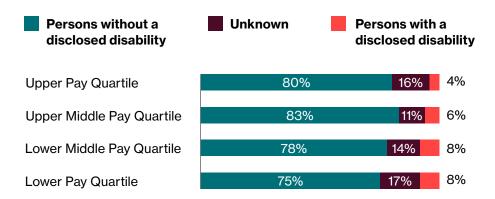


2022 Mean disability bonus pay gap

- · We collect data from our colleagues on a voluntary basis and ask two questions around disability; the first is to declare any disabilities as defined under the Equality Act and the second is a broader self-determined declaration consisting of long-term conditions, non-visible impairments or mental health conditions which don't come under the definition in the Equality Act but do have an adverse effect on a person's ability to carry out day-to-day activities. For the purpose of this report, we have chosen to calculate based on the former, disabilities as defined under the Equality Act, as this provides a standard baseline on which we can measure year-on-year progress.
- 5% of our survey respondents indicated that they are classified as disabled under the Equality Act. Our analysis therefore compares the mean and median pay and bonus of approximately 50 people with the mean and median pay and bonus of approximately 1,000 people.

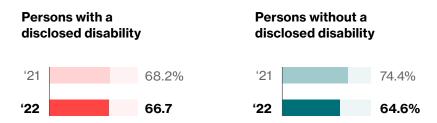
Our disability pay gap

Quartile representation



 The percentages shown in our pay quartiles illustrate that the reason for our mean and median pay gaps is a lack of representation of people who identified as disabled in our highest pay quartile and an over-representation of people who identified as disabled in our lowest pay quartile.

Proportion receiving a bonus



 2% of people who identified as disabled and did not receive a bonus did not do so because of their performance rating. The remaining 98% of people who identified as disabled, as defined by the Equality Act and did not receive a bonus did not do so because of the eligibility rule in our bonus scheme around their start date which is applied to everybody.

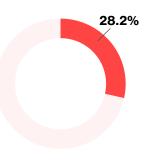
Our disability pay gap **Salaried Partners**

Difference in **hourly pay** between persons with and without a disclosed disability

Difference in **bonus pay** between persons with and without a disclosed disability



2022 Median disability



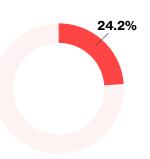
24.1%

2022 Median disability bonus pay gap



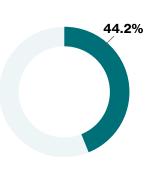


2022 Mean disability pay gap



44.2%

2022 Mean disability bonus pay gap



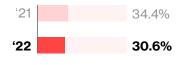
24.1%

Our disability pay gap Including LLP Members and Salaried Partners (Overall Firm)

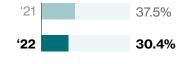
Difference in **hourly pay** between persons with and without a disclosed disability

Difference in **bonus pay** between persons with and without a disclosed disability

30.6%



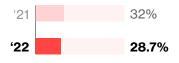
30.4%



2022 Median disability pay gap

2022 Median disability bonus pay gap

28.7%



65.1%



2022 Mean disability pay gap

2022 Mean disability bonus pay gap

Our disability pay gap LLP Members (Equity Partners Only)

Difference in **hourly pay** between persons with and without a disclosed disability

-58.9% -58.3%

2022 Median disability pay gap



2022 Mean disability pay gap

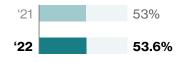
Difference in **bonus pay** between persons with and without a disclosed disability





2022 Median disability bonus pay gap





2022 Mean disability bonus pay gap

Our disability pay gap Proportion receiving a bonus

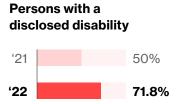
Salaried Partners

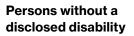
Persons with a disclosed disability 68.3% 66.9%

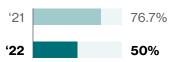
Overall Firm – Equity Partners included



Equity Partners only









Our social mobility pay gap

Social mobility disclosure rate

83%



83%

2022 Social mobility disclosure rate

- As the Social Mobility Foundation's number-one ranked employer for social mobility in 2021 and 2022, we already carry out in-depth analysis and reporting across various dimensions of social mobility within our usual business processes, but it's also important for us to incorporate social mobility into our annual pay gap report.
- The methodology we have used to analyse our first ever Social Mobility Pay Gap assesses the mean and median pay gap differentials across three class categories, as defined by the National Statistics Socio-Economic Classification and the Social Mobility Commission. These classes, Top, Middle and Bottom, are determined by a grouping derived from the parental occupation of the respondent when they were aged 14. Whilst there are numerous methods of indexing social mobility for the purposes of categorisation, we decided to publish our analysis using this particular method because it aligns with the same methodology chosen by other firms, and we wanted to provide our audience the most transparent and accessible basis for comparison.
- We have also taken the opportunity to include the whole firm in our analysis. This
 means that we've included our Self-Employed Partners (among whom we have a
 100% declaration rate), the significance of which is that they represent the highestpaid cohort in the firm and were also the most likely to be from a "Professional"
 class, so excluding them would materially reduce our pay gaps.

Our social mobility pay gap

Professional vs Intermediate class Professional vs Working class (top to middle)

(top to bottom)

Intermediate vs Working class (middle to bottom)

29.8%

42.5%

9.5%

Median pay gap

Median pay gap

Median pay gap

13.6%

28.8%

17.5%

Mean pay gap

Mean pay gap

Mean pay gap

The "Professional" class includes parental occupations such as accountant, solicitor, scientist.

The "Working" class includes parental occupations such as farm worker, train driver, cleaner.

The "Intermediate" class includes parental occupations such as secretary, restaurant manager, office manager.



O6. Promoting diversity and inclusion at Browne Jacobson

What we have done over the last year

- Increased our Diversity targets for our leadership population to stretch our ambition. We aspire that our leadership group will be, at a minimum 50% female and 12% UK ethnic minority by 2026.
- Completed our initial mandatory Diversity & Inclusion training programme on Conscious Inclusion and Anti racism for all Partners across the firm.
- Introduced new elements into our FAIRE (Fairer Access Into Real Experience) programme to diversify the way we recruit and build a sustainable pipeline of future diverse talent, including the launch of Forage (our free virtual work experience programme aimed at school students)
- Updated existing and introducing new family policies. In addition to this, we launched our "Family Hub" an internal platform that helps support working parents and anyone thinking about starting a family with useful resources, mentoring and ways to connect with people across the firm and network.
- Launched our 2nd REACH Mentoring programme aimed at supporting Black students interested in careers in law.

- Enhanced our approach to "Reasonable Workplace Adjustments" by launching a new policy and guidance, and improved our processes to create a better employee experience.
- Maintained that all promotion panels are genderbalanced and where possible, have greater diversity from underrepresented groups.
- Continued to embed our "Sustainable Gender Balance" programme designed to promote gender parity throughout the firm, particularly in in our leadership population.
- Continued our "Courageous Conversations" series
 which address some of society's biggest challenges
 and such as "Neurodiversity", "Carers", Social Mobility,
 Gender bias & Section 28".





What we are going to do

- Roll out Diversity & Inclusion training across the rest of our population so that our people continue to build their awareness and advocacy around key D&I themes.
- Develop our wellbeing strategy to build a mature approach to menopause and the support we offer.
- Advance our talent strategy, developing our data capability and using our talent planning tool to ensure our promotion processes are equitable.
- Continue to carry out equal pay audits to ensure that like-for-like roles are paid equally. Using our broader data set, which includes disability, sexual orientation and ethnicity, we can achieve greater insight into pay equity.
- Partner with the University of Nottingham and Innovate UK on D&I linguistics projects to remove bias and gender-specific language from recruitment and promotion materials and processes. We will continue to monitor the impact this is making in our governance/reporting.

- Continue to deliver on our "Disability Smart" action plan which will help our firm provide better support for those with disabilities.
- Evolve our Anti racism commitments and launch our Race & Ethnicity plan to ensure that we're recruiting, developing, progressing, and retaining employees equitably.
- Progress and expand our Social Mobility strategy, maintaining the work we're doing around outreach & attraction, but also adding more focus to onboarding, and in role progression and retention.







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