



Browne Jacobson's Pay Gap report

April 2021

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Introduction

As a firm we are committed to being transparent about our progress as we build a more inclusive, diverse and equitable business. We know that our firm's success is down to the dedication of our people where the contribution of every individual is vital.

We are committed to equality for all – which means working together to create a business where everyone has equality of opportunity, equal pay for equal work, equal access to professional and personal development and equal chances of success.

This year we have continued to report on and publish information on our gender and ethnicity pay gap, and have voluntarily opted to publish our disability pay gap for the first time. We have continued to publish partner data, although not required to do so, to provide as complete a picture of our business as is possible.

We believe we have made some meaningful progress since we last reported.

Our most recent diversity survey was completed by 90% of our employees. That has given us a greater opportunity to challenge the ways we recruit, progress and retain our employees and how we make business decisions.

Later in 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.

Over the last year, we have continued to make steady progress, building the foundations we need as a firm to create sustainable change. We have further invested in our Diversity & Inclusion team, introduced diversity targets for our leadership population to build greater representation and rolled out mandatory D&I training across our firm's senior decision makers.

We were delighted to be named the number 1 UK employer on the Social Mobility Index 2022 in recognition of the steps we have taken to help shape a fairer, more equitable society.

As our maturity around D&I grows, we will focus on refining our talent strategy, policies and processes to ensure they are inclusive and robust. Critically we will look to measure the success of our initiatives ensuring we can back up our ambitions with real evidence.

We know we have more to do and we are fully committed to building a culture of inclusion where everyone can thrive and succeed.



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01 Understanding the Pay Gap



Understanding the Pay Gap

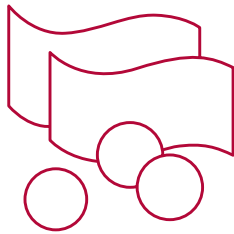


What is pay gap reporting?

Pay gap reporting shows the difference in the median and mean hourly pay between two cohorts (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.

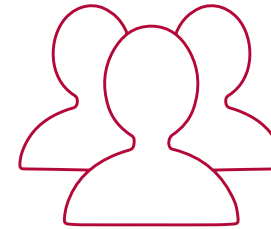
Pay gap reporting can help to illustrate the representation of different groups, as shown in the quartiles, at the different levels of seniority in the firm.



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 self-employed LLP members.

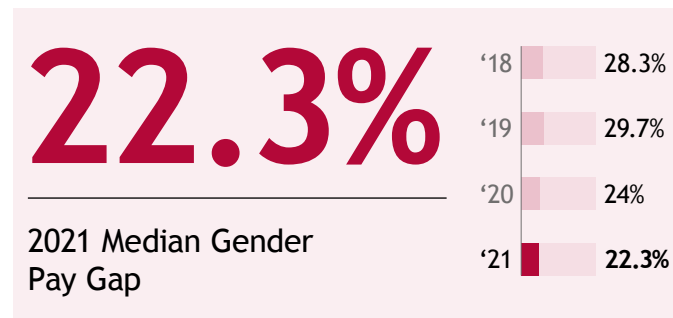
We publish comparisons by including them in an overall firm pay gap and we also report on them as a separate cohort.

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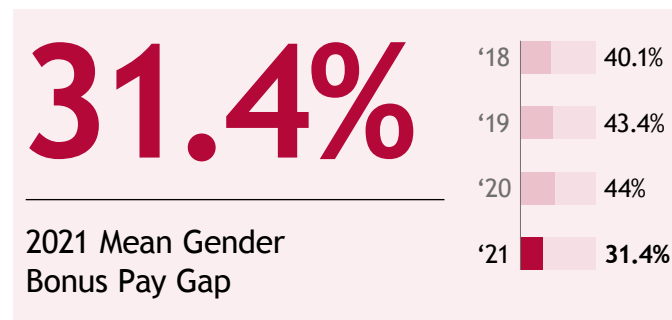
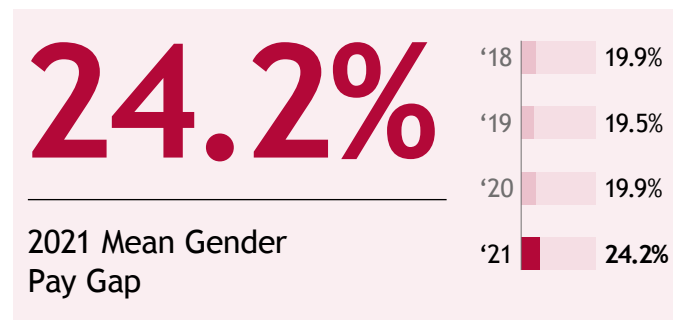
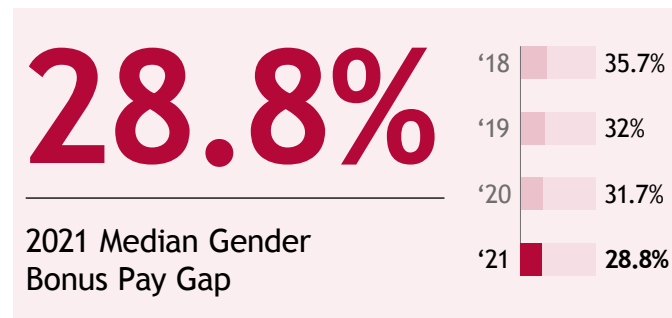
Our Gender Pay Gap

Our Gender Pay Gap

Difference in hourly pay between males and females



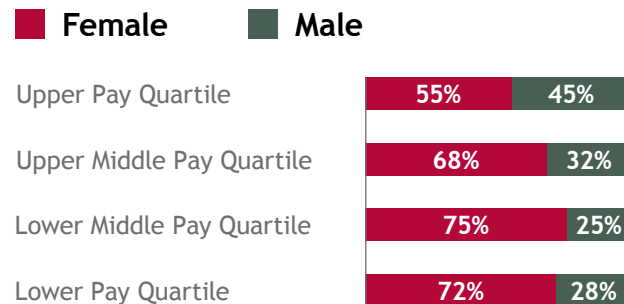
Difference in bonus pay between males and females



- Our 2021 median gender pay gap decreased from 24% in 2020 to 22.3% in 2021, whilst our mean gender pay gap increased from 19.9% in 2020 to 24.2% in 2021.
- The increase in the mean gender pay gap figure is attributable to a very small number of male self-employed contractors paid on day-rates being eligible for inclusion in our reportable figures.
- Our median gender bonus gap decreased from 31.7% in 2020 to 28.8% in 2021. The mean gender bonus pay gap also decreased from 44% in 2020 to 31.4% in 2021.
- Although we have not made any changes to our bonus scheme, which remunerates fairly based on performance ratings irrespective of any individual characteristics, this is illustrative of the varying pay-out levels of the award from one year to another and a magnification of the root cause of our gender pay gap – proportionally lower female representation at the most senior levels of our firm, where in order to remain competitive in the market we award larger relative bonuses.

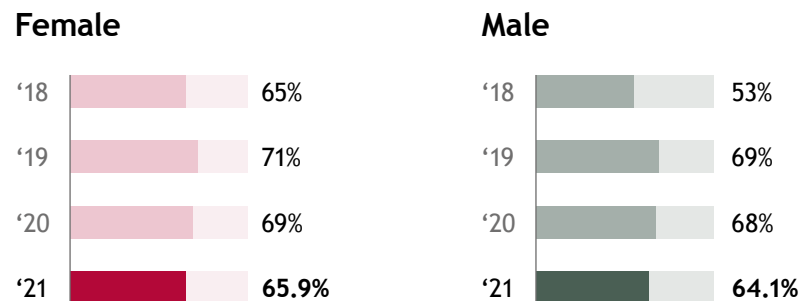
Our Gender Pay Gap

Quartile representation



- The decrease in the median gender pay gap figure is reflective of increased female representation in the higher-paid quartiles where female representation increased from 61% in 2020 to 68% in 2021 in our upper-middle pay quartile and decreased from 78% in 2020 in the lower middle quartile to 75% in 2021. Female employees make up 65% of our firm.

Proportion receiving a bonus



- The proportion of employees receiving a bonus is generally equal between males and females, as participation in our bonus is primarily driven by the start date of each employee.

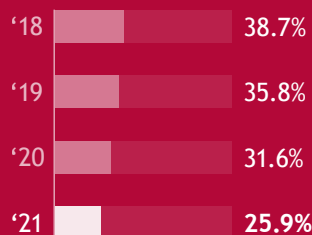
Our Gender Pay Gap

Including LLP Members (Overall Firm — Equity Partners Included)

Difference in hourly pay between males and females

25.9%

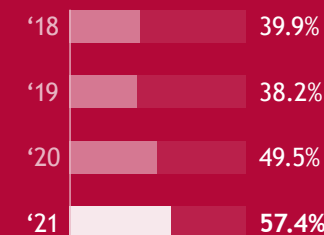
2021 Median Gender Pay Gap



Difference in bonus pay between males and females

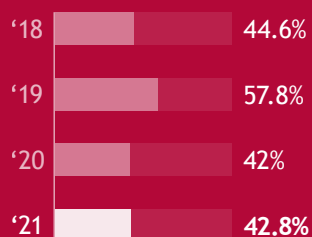
57.4%

2021 Median Gender Bonus Pay Gap



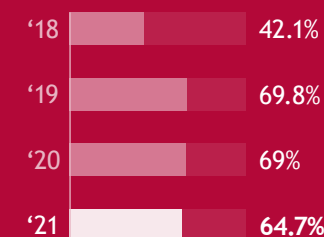
42.8%

2021 Mean Gender Pay Gap



64.7%

2021 Mean Gender Bonus Pay Gap



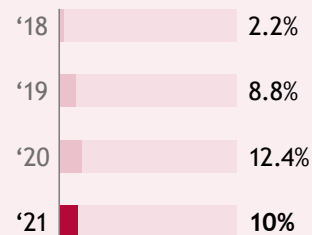
Our Gender Pay Gap

Including LLP Members (Equity Partners Only)

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

10%

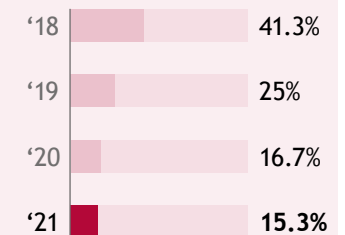
2021 Median Gender Pay Gap



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

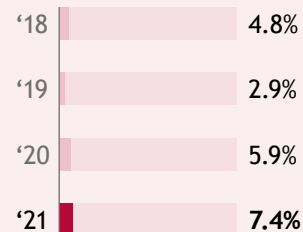
15.3%

2021 Median Gender Bonus Pay Gap



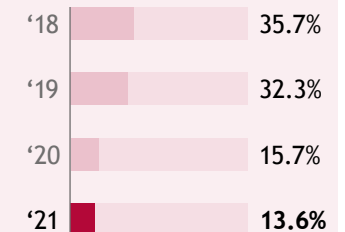
7.4%

2021 Mean Gender Pay Gap



13.6%

2021 Mean Gender Bonus Pay Gap



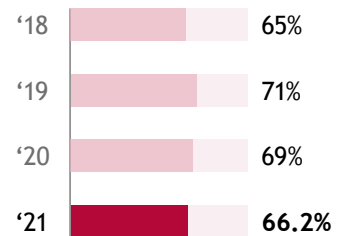
Our Gender Pay Gap

Including LLP Members

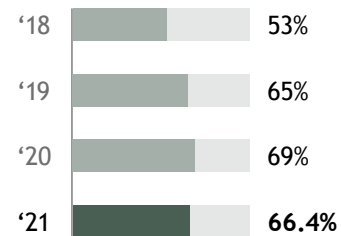
Proportion receiving a bonus

Overall Firm — Equity Partners included

Female



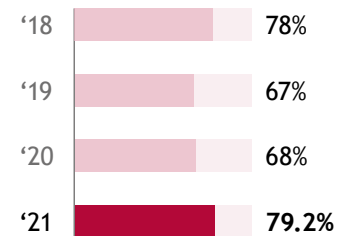
Male



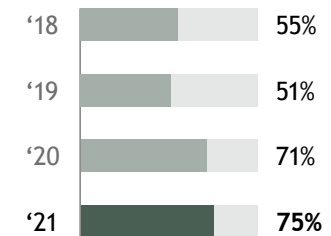
Proportion receiving a bonus

Equity Partners only

Female



Male



03

Our Ethnicity Pay Gap

Our Ethnicity Pay Gap

Difference in hourly pay between White British and UK Ethnic Minorities



2021 Median Ethnicity Pay Gap

Difference in bonus pay between White British and UK Ethnic Minorities



2021 Median Ethnicity Bonus Pay Gap



2021 Mean Ethnicity Pay Gap

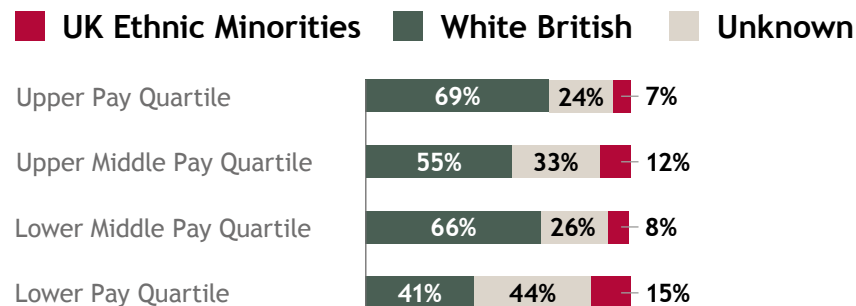


2021 Mean Ethnicity Bonus Pay Gap

- Recently, 90% of colleagues responded to our annual D&I survey and this means that, compared with the 70% participation rate we achieved in 2020, we have a much broader scope of analysis for our ethnicity pay gap report. We recognise that until we achieve a consistent 100% declaration, year-on-year comparisons will carry a caveat that our analysis is only representative of the people who participate; however we are committed to continuing to report voluntarily on our ethnicity pay gap.
- 13% of our employees disclosed they are from a UK Ethnic Minority background.
- Our median ethnicity pay gap decreased from 26.1% in 2020 to 18.2% in 2021. Our mean ethnicity pay gap also decreased from 23.1% in 2020 to 19.3% in 2021.

Our Ethnicity Pay Gap

Quartile representation



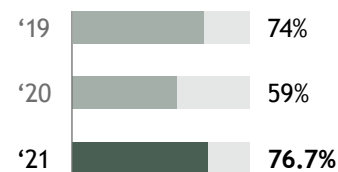
- UK Ethnic Minority representation across our pay quartiles trends slightly lower toward the higher-earning quartiles. This analysis clearly disregards the fact that the very different experiences of different ethnicities do not equate to a single overall UK Ethnic Minority experience, but we have chosen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

Proportion receiving a bonus

UK Ethnic Minorities



White British



- Whilst our median bonus pay gaps also decreased compared with 2020, 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 rules which are applied consistently, irrespective of individual characteristic – 83% 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 due to their start date. The remaining 17% 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 13% of people who identified as White British who did not receive a bonus did not do so because of their performance rating.

Our Ethnicity Pay Gap

Including LLP Members (Overall Firm — Equity Partners Included)

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

17.4%



2021 Median Ethnicity Pay Gap

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

33.1%



2021 Median Ethnicity Bonus Pay Gap

37.3%



2021 Mean Ethnicity Pay Gap

55%



2021 Mean Ethnicity Bonus Pay Gap

Our Ethnicity Pay Gap

Including LLP Members (Equity Partners Only)

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

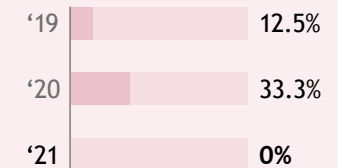
16.1%



2021 Median Ethnicity Pay Gap

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

0%



2021 Median Ethnicity Bonus Pay Gap

19.2%



2021 Mean Ethnicity Pay Gap

23.5%



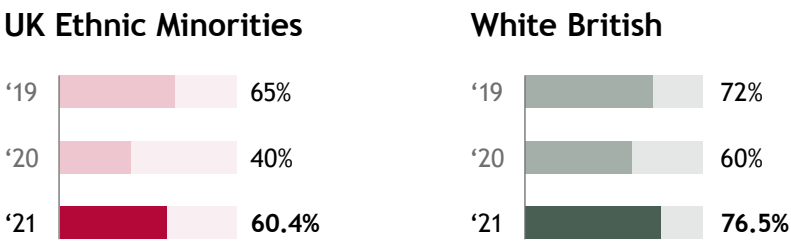
2021 Mean Ethnicity Bonus Pay Gap

Our Ethnicity Pay Gap

Including LLP Members

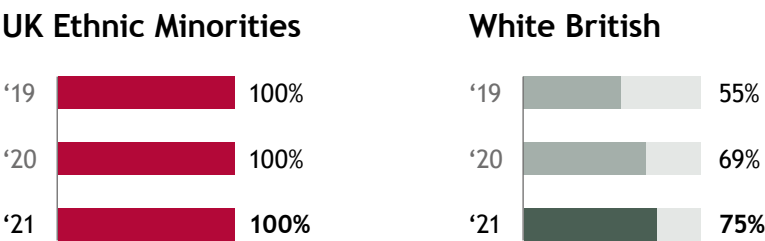
Proportion receiving a bonus

Overall Firm — Equity Partners included



Proportion receiving a bonus

Equity Partners only



04

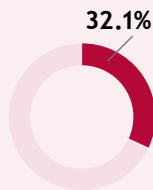
Our Disability Pay Gap



Our Disability Pay Gap

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

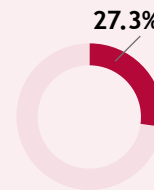
32.1%



2021 Median Disability Pay Gap

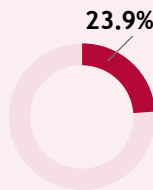
Difference in **bonus pay** between persons with and without a disclosed disability

27.3%



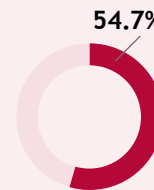
2021 Median Disability Bonus Pay Gap

23.9%



2021 Mean Disability Pay Gap

54.7%

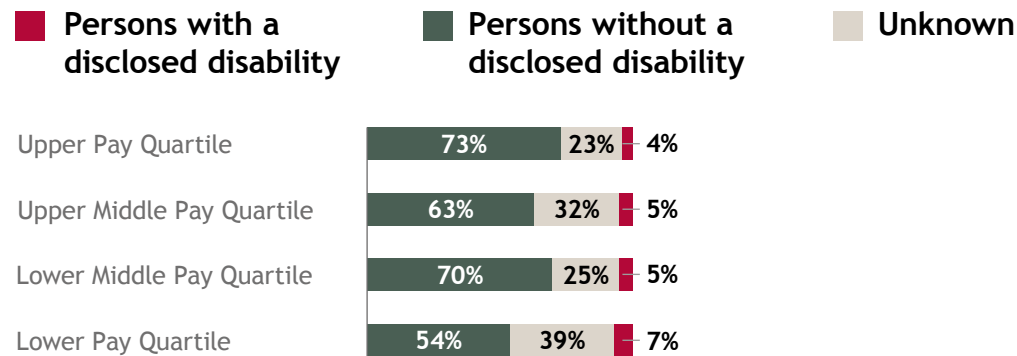


2021 Mean Disability Bonus Pay Gap

- 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.

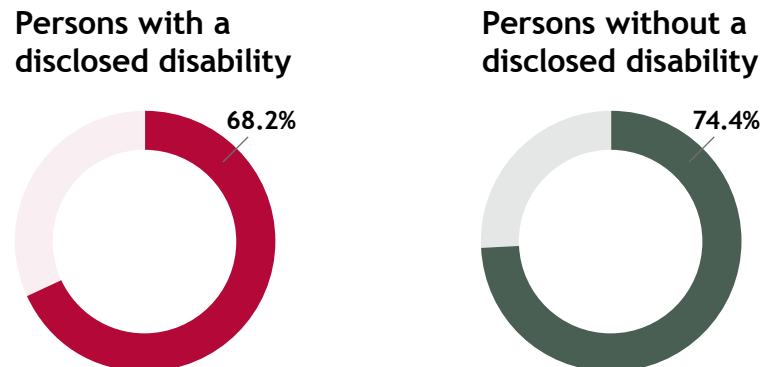
Our Disability Pay Gap

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.

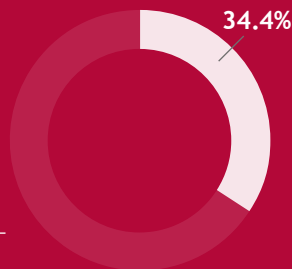
Our Disability Pay Gap

Including LLP Members (Overall Firm — Equity Partners Included)

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

34.4%

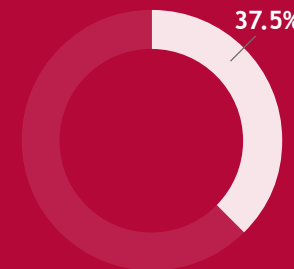
2021 Median Disability Pay Gap



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

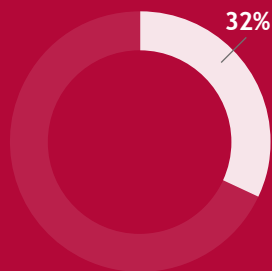
37.5%

2021 Median Disability Pay Gap



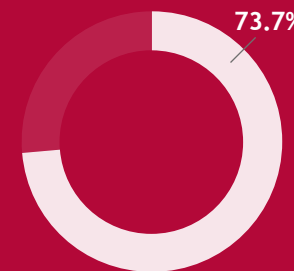
32%

2021 Mean Disability Pay Gap



73.7%

2021 Mean Disability Pay Gap

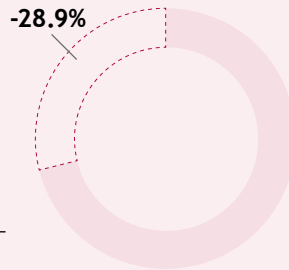


Our Disability Pay Gap

Including LLP Members (Equity Partners Only)

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

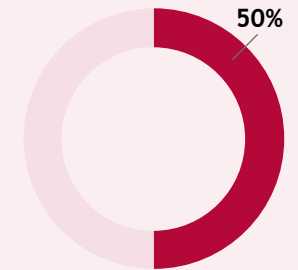
-28.9%



2021 Median Disability Pay Gap

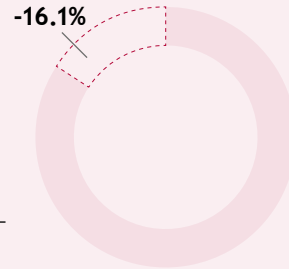
Difference in **bonus pay** between persons with and without a disclosed disability

50%



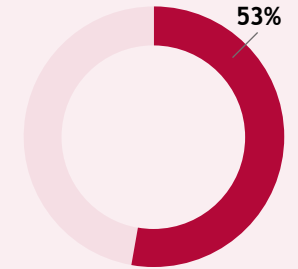
2021 Median Disability Bonus Pay Gap

-16.1%



2021 Mean Disability Pay Gap

53%



2021 Mean Disability Bonus Pay Gap

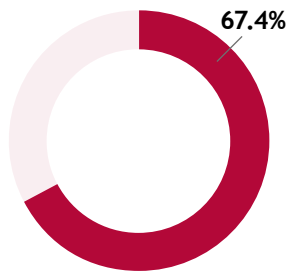
Our Disability Pay Gap

Including LLP Members

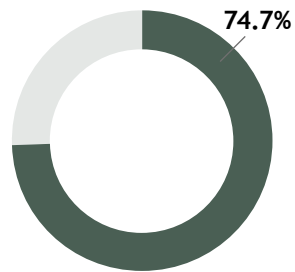
Proportion receiving a bonus

Overall Firm — Equity Partners included

Persons with a
disclosed disability



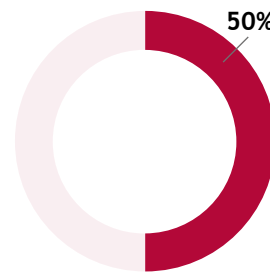
Persons without a
disclosed disability



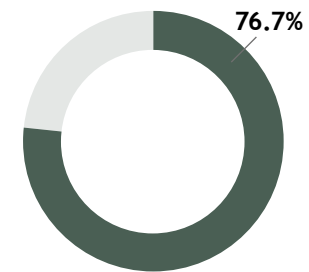
Proportion receiving a bonus

Equity Partners only

Persons with a
disclosed disability



Persons without a
disclosed disability

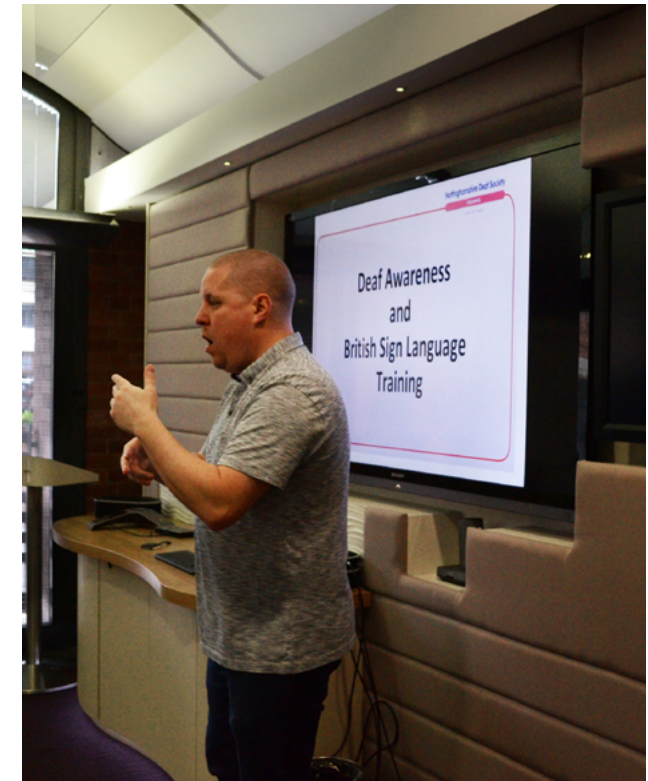


05

Promoting diversity and inclusion at Browne Jacobson

What we have done over the last year

- Invested in growing our **Diversity & Inclusion team**.
- Set two initial **Diversity targets** for our leadership population. We aspire that our partnership will be, at a **minimum** 45% female and 10% UK ethnic minority by 2026.
- Launched our firm-wide **“Courageous Conversations”** series which address some of society’s biggest challenges and taboos such as “menopause”, “covering”, and “masculinity”.
- Embedded standard **D&I objectives** for leadership to role model inclusive behaviours in the workplace in their relevant performance expectations frameworks.
- Initiated **“Thrive”**, our firm’s Learning & Development offering open to all employees with numerous leadership development programmes, soft skills and technical training.
- Continued to cascade mandatory leadership **Diversity & Inclusion training** on “Conscious Inclusion” and “Anti-racism”.
- Evolved our **FAIRE (Fairer Access Into Real Experience)** programme to diversify the way we recruit and build a sustainable pipeline of future diverse talent. So far, we have offered virtual work experience to over 11,000 students and have also reintroduced our “in person” work experience programme with strict diversity targets.
- Revitalised our **“Parental Peers”** programme, an internal mentoring programme for those returning from family or caring leave to smooth the transition back into the workplace. We are delighted that our return rate from maternity leave now averages 91%.
- Partnered with the University of Nottingham 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.
- Piloted our **REACH Mentoring programme** aimed at supporting Black students interested in careers in law.



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.
- Continue to embed our **“Sustainable Gender Balance”** programme designed to promote gender parity throughout the firm, particularly in our leadership population.
- Advance our **talent strategy**, developing our data capability and using our talent planning tool to ensure our promotion processes are equitable.
- Continue to ensure all **promotion panels** are gender-balanced and where possible, have greater diversity from underrepresented groups.
- Deepen our relationships with **strategic third-party organisations** such as Mahogany Inclusion Partners, Business in the Community, Black Young Professionals Network, Social Mobility Foundation, City Parents and Birmingham Black Lawyers to inform our strategy and stay aligned to best practice.
- 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.
- Undertake a **“Disability Smart”** assessment through the Business Disability Forum and apply recommendations to work towards a “Disability Smart” accreditation. This will include refining policies, procedures and provisions such as reasonable workplace adjustments and assistive technology solutions.
- Create and build a **Social Mobility** employee network to progress our commitment, build awareness and drive engagement. We will continue to evolve our FAIRE (Fairer Access into Real Experience) programme to ensure we are continuing to create opportunities for those from lower socio-economic backgrounds and helping to diversify the legal sector.



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