

UK PAY REPORTING 2019



GOWLING WLG

HOURLY PAY GAPS AT A GLANCE

STATUTORY GENDER PAY GAP

Median	20%	↓ 5% from 2018
Mean	23%	↓ 2% from 2018

COMBINED EMPLOYEE & PARTNER GENDER PAY GAP

Median	41%	↓ 5% from 2018
Mean	58%	↓ 3% from 2018

EMPLOYEE BAME PAY GAP

Median	15%	↓ 1% from 2018
Mean	24%	↔ no change from 2018

COMBINED EMPLOYEE & PARTNER BAME PAY GAP

Median	23%	↓ 1% from 2018
Mean	48%	↑ 3% from 2018

EMPLOYEE SEXUAL ORIENTATION PAY GAP

Median	15%	New measure
Mean	8%	

COMBINED EMPLOYEE & PARTNER SEXUAL ORIENTATION PAY GAP

Median	23%	New measure
Mean	7%	

INTRODUCTION

Welcome to our UK Pay Report 2019. At Gowling WLG we believe that diversity and inclusion makes us a stronger business – more relevant and valuable to our clients, more empowering for our people, and more engaged with our wider communities.

We celebrate different cultures, backgrounds, perspectives and experiences and we support the UK government's focus on gender pay gap transparency to highlight areas of potential unfairness.

We were one of the first law firms to expand on the statutory requirements to include our ethnicity pay gap and this year we are taking another step forward by publishing our sexual orientation pay gap.

We are encouraged by the improvements seen in the majority of our pay gaps this year – recognising that the structure of our UK workforce means that it will take time to further minimise and eliminate all reported gaps.

Importantly, we remain confident that we offer equal pay for equal roles and performance and have annual assurance processes in place to monitor this.

We are committed to promoting a workplace in which everyone is free to develop and progress to the best of their abilities across our offices in the UK and globally. We continue to invest heavily in our diversity and inclusion networks and initiatives to ensure that we live up to that commitment – and continue to improve for the benefit of our people, our clients and our communities.

I confirm that the data reported is accurate.



David Fennell

Chief Executive, Gowling WLG (UK) LLP

27 February 2020

GENDER PAY GAP – KEY POINTS

- Our gender pay gap in 2019 has improved since the previous report – with a reduction in our pay gap at both the mean and median of 5% and 2% respectively.
- The main drivers of our statutory gender pay gap relate to the structure of our UK workforce:
 - We have strong female employee representation at 70% across the UK firm. However, we have proportionately more females in our Business Services (68% female), Secretarial (100%) and Legal Support (72%) roles. These have lower average hourly rates than in our Lawyer population.
 - We have proportionately more males in our Partner population which – when combined with our wider workforce – increases the overall gender pay gap.
- When we group equivalent roles together, **our average salaries are comparable for females and males** based on comparable roles and performance.
- Looking at our Partners alone (who receive a variable share of profits rather than a guaranteed salary) our **partner gender pay gap is 14% mean and 10% median**.
- When we combine our employee and Partner populations our **combined pay gap is 58% mean and 41% median**.

Bonuses

- For the reporting year to 5 April 2019 our gender bonus gap is 33% mean and 24% median, with bonuses paid to 31% of males and 13% of females (19% of our employee population overall).
- The reporting period includes bonuses paid in July 2018, when payments were made under our Lawyer bonus plan and partially under our Director and Senior Manager plans.

GENDER PAY GAP



Mean Gender Pay Gap



Median Gender Pay Gap



Quartile 1 (Lower 25%)



Quartile 2



Quartile 3



Quartile 4 (Upper 25%)

			FEMALE		MALE		FEMALE		MALE		FEMALE		MALE	
Employee	20%	23%	75%	25%	80%	20%	59%	41%	60%	40%				
Partner	14%	10%	30%	70%	23%	77%	20%	80%	10%	90%				
Combined	58%	41%	76%	24%	76%	24%	61%	39%	41%	59%				

GENDER BONUS GAP



Mean Gender Bonus Gap



Median Gender Bonus Gap



Females receiving bonus









Males receiving bonus





Employee	33%	24%	13%	31%
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ETHNICITY PAY GAP – KEY POINTS

- We are committed to transparency and pay fairness, and voluntarily publish our ethnicity pay gap for based on data for our Black, Asian and Minority Ethnic (BAME) workforce.
- At the snapshot date, our BAME population accounted for 17% of our workforce.
- Our analysis shows that the principal cause of our ethnicity pay gap is due to having fewer BAME people in more senior roles.
- When we group equivalent roles together, we continue to be confident that our average salaries are comparable for BAME and non-BAME based on the role content and performance.

PAY GAP		
	Ethnicity Mean Gap	Ethnicity Median Gap
Employee	24%	15%
Partner	17%	20%
Combined	48%	23%

PAY QUARTILES	 Quartile 1 (Lower 25%)		 Quartile 2		 Quartile 3		 Quartile 4 (Upper 25%)	
	BAME	NON BAME	BAME	NON BAME	BAME	NON BAME	BAME	NON BAME
Employee	28%	72%	22%	78%	17%	83%	12%	88%
Partner	11%	89%	4%	96%	4%	96%	3%	97%
Combined	29%	71%	22%	78%	13%	87%	9%	91%

BONUS GAP				
	Ethnicity Mean Gap	Ethnicity Median Gap	BAME receiving bonus	Non BAME receiving bonus
Employee	47%	26%	13%	21%

SEXUAL ORIENTATION PAY GAP - KEY POINTS

- For the first time we are voluntarily publishing our sexual orientation pay gap for based on data for our Lesbian, Gay and Bisexual (LGB) workforce.
- At the snapshot date, our LGB population accounted for 3% of our workforce.
- While the people who identify as LGB are relatively small, they are represented at most levels across the firm

PAY GAP

	Sexual Orientation Mean Gap	Sexual Orientation Median Gap
Employee	7%	8%
Partner	10%	10%
Combined	23%	7%

PAY QUANTILES

	Quartile 1 (Lower 25%)		Quartile 2		Quartile 3		Quartile 4 (Upper 25%)	
	LGB	NON LGB	LGB	NON LGB	LGB	NON LGB	LGB	NON LGB
Employee	4%	96%	3%	97%	4%	96%	2%	98%
Partner	0%	100%	4%	96%	4%	96%	0%	96%
Combined	4%	96%	3%	97%	3%	97%	3%	97%

BONUS GAP

	Sexual Orientation Mean Gap	Sexual Orientation Median Gap	LGB Receiving Bonus	Non LGB Receiving Bonus
Employee	7%	-57%	21%	19%

OUR COMMITMENT TO ACTION

Gowling WLG is committed to diversity across the firm and to equal opportunities in employment.

Understanding our gender pay gap is just one part of the equation – and while our gender pay gap has reduced, our pay gaps show that there is still more to be done.

Through engaging openly with our people, clients and local communities, we want to deliver further improvements that – over time - see all levels of our firm become a closer reflection of the diverse cities and communities we are a part of.

Our actions include:

- **Recruitment** – Reviewing our whole application process to ensure we have a fair and diverse representation of people and backgrounds, from our early talent programme through to senior hires, with opportunities open to everyone.
- **Learning and Development** – We continue to develop our internal talent and ensure fair representation of genders and ethnicity in our development programmes, promotion processes and sponsorships for future leader positions. We are aspiring to 30% female representation in our Partnership by 2026 (in 2019 females represented 21% of Partners).
- **Reward** – We will continue to review all reward decisions through a diversity lens to challenge any perceived or potential bias, backed by unconscious bias training for decision makers.
- **Work/life balance** – we understand that everyone has different life priorities and circumstances and we offer support to build different career structures / paths through options such as agile working practices, part-time and flexible work patterns, maternity coaching and mentoring.
- **Enhanced parenting experience package** – from 2020 we are enhancing our parenting package with increased maternity/ adoption/shared parental leave and surrogacy pay, extending new parent coaching to all employees and introducing parenting cafes to provide informal support to new parents.
- **Our diversity and inclusion networks** – we have five employee networks (each sponsored by at least one Board member) to bring people together with similar characteristics or interests. Our networks include family, ethnicity, gender, disabilities and LGBT. These allow our people to share their experiences, increase understanding across the business and promote a fully-inclusive working environment.

New initiatives since our last report include:

- **'Breakthrough' programme launch** – In July 2019 we launched Breakthrough, a sponsorship programme to create more structured opportunities for our high potential females and BAME colleagues and to increase their visibility with senior leadership in support of their career development and advancement.
- **EmBRACE network** – Our newest employee network, EmBRACE is now in its second year with the aim of championing BAME diversity and inclusion at work and in the community. Examples of the network's activity include raising awareness through Black History month events and using role models to share the experiences of our people.
- **Allies programme** – alongside our employee networks we have created an allies programme for people who are not formally part of a network but want to show their support for our diversity programme and our values.

Our programme is continually evolving and expanding and we are committed to delivering long-term change – with pragmatic and visible actions that will make a practical difference at all levels of our organisation. We look forward to working with our people, our clients and our wider stakeholders to make further progress in future years.



Appendix: notes on methodology

- Our statutory gender pay gap reporting under the Regulations is based on an overall average across all roles and seniorities (excluding Partners) at the snapshot date 5 April 2019.
- Our calculations take into account the average position across all jobs across both of our UK offices (approximately 950 people excluding Partners, 1,100 including Partners). Around a third of our employees are based in London (with London market aligned salaries). The other two thirds are based in our Birmingham office.
- Partners do not receive a guaranteed salary but receive a share of the firm's profits – which can rise and fall from year-to-year. To calculate hourly pay, we have added up earnings over the qualifying period and used the same formula as the employee calculation.
- We base our ethnicity pay gap reporting on data from our Black, Asian and Minority Ethnic (BAME) workforce. At the snapshot date, our BAME population accounted for 17% of our workforce (94% of our population have disclosed their ethnicity).
- We base our sexual orientation pay gap reporting on data from our lesbian, gay and bisexual (LGB) workforce. At the snapshot date, our LGB population accounted for 3% of our workforce (91% of our population have disclosed their sexual orientation).

Gowling WLG, Official Legal Advisers -
Birmingham 2022 Commonwealth Games.

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