

UK diversity pay report 2021

Foreword

This year, we have once again gone beyond the statutory gender pay reporting requirements and have voluntarily published additional data relating to partners, and ethnicity pay reporting.

Our pay gaps continue to be driven by the under-representation of ethnic minorities and women in senior roles within our business. Our gender pay gap is also driven by the high number of women in junior and business services roles. We have set ethnicity and gender targets to accelerate our progress and increase representation in the partnership in the long-term. Our ethnicity targets also focus on increasing representation at more junior levels.

We are committed to continuous and accelerated progress. We welcome the transparency and additional accountability that pay gap reporting brings.



Eifion Morris
Chief executive



Jeff Marlow
Director of HR and learning

Our action plan

Our pay gaps are driven by the under-representation of ethnic minorities and women in the most senior roles within our business, and the over-representation of women in more junior business services and administrative roles.

Our focus is to increase representation of minority ethnic, and particularly Black, representation at all levels, and to increase the representation of women partners. Our action plan targets the things that we believe will make the greatest difference in the long term:

Talent management/My Career

We are revamping how we manage our talent to provide greater clarity and consistency in our approach to performance and progression. This will benefit all of our people, but will be particularly beneficial in ensuring that underrepresented talent progress at proportionate rates in our business.



Every associate will also benefit from a dedicated career manager to help develop and sponsor their career at the firm.

Resource allocation

We know that equality of opportunity is key to progression and reward. We continue to apply increased scrutiny to how we allocate resource. We have now embedded structured work allocation in three of our practice groups, which supports us to ensure that the distribution of work is equitable.



Monitoring pay and promotions by ethnicity and gender

We have monitored pay and promotion decision by gender for many years now so we can identify trends, see progress, and take appropriate action. We have also worked hard to improve our data to enable us to monitor pay and promotion decisions by ethnicity in the UK.



Recruitment

We want to make sure that our recruitment processes are open and attractive to all. We are committed to seeking gender balanced and diverse shortlists for experienced hires, and increasing the representation of minority ethnic lawyers in our firm.



We apply these principles internally, and require the same of the recruitment agencies that we work with to source candidates.

Processes and policies

We continue to review our processes and policies, removing practices that can disadvantage particular groups, to ensure that they reflect the inclusive and progressive firm that we aspire to be.



New policies include a [global menopause policy](#) and [domestic abuse policy](#).

Development and sponsorship opportunities

Our *Female Career Progression Programme (FCPP)* supports associates to navigate their career and strengthen their networks in the firm and with our clients.



In 2021 we launched our *Stay Programme* for minority ethnic associates and their career managers.

Flexible working

The last two years have transformed the way we work, prompting more open conversations about our work and life commitments, and our wellbeing needs. We are committed to maintaining this principle of flexibility supporting colleagues to manage their work and personal lives.



Ethnicity pay 2021

Following gender pay reporting principles, this report compares average earnings of BAME and White colleagues at the firm as at 5 April 2021, and bonuses paid in the preceding 12 months.

We recognise that the representation and experiences of minority ethnic colleagues differs and that using the binary categories of Black, Asian and Minority Ethnic (BAME) and White in this reporting is imperfect. Due to the size of the individual populations we cannot report on specific ethnic groups.

The data below is based on 82% of our total UK population; those who have not disclosed their ethnicity data are not included. Based on this data, approximately 19% of our UK colleagues are BAME (an increase of 2% from our 2020 reporting).

The key cause of our pay gap is that we have fewer minority ethnic colleagues in our most senior roles. These gaps are different from equal pay; we are committed to ensuring our people are paid equally for doing equivalent jobs across our business.

Definitions at a glance

Mean:

The difference between the mean (average) hourly pay for all male and all female employees.

Median:

The difference between the 'middle' rate of pay and bonus for all men and all women, when pay and bonus are ranked in numerical order.

Hourly pay (including partners)

	Mean	Median
2021	42.8%	12.7%
2020	46.8%	13.2%

Pay quartiles (including partners)

	Upper (D)		Upper middle (C)		Lower middle (B)		Lower (A)	
	BAME	White	BAME	White	BAME	White	BAME	White
2021	4.6%	95.4%	24.0%	76.0%	25.0%	75.0%	21.8%	78.2%
2020	3.4%	96.6%	18.8%	81.2%	24.7%	75.3%	20.9%	79.1%

Hourly pay (excluding partners)

	Mean	Median
2021	12.7%	12.9%
2020	13.8%	6.7%

Bonus (excluding partners)

	Mean	Median
2021	32.6%	3.4%
2020	52.1%	42.4%

Percentage receiving a bonus (excluding partners)

	BAME	White
2021	47.1%	51.2%
2020	33.7%	46.0%

Pay quartiles (excluding partners)

	Upper (D)		Upper middle (C)		Lower middle (B)		Lower (A)	
	BAME	White	BAME	White	BAME	White	BAME	White
2021	14.7%	85.3%	24.8%	75.2%	26.3%	73.7%	21.6%	78.4%
2020	12.0%	88.0%	24.8%	75.2%	21.0%	79.0%	21.0%	79.0%

Gender pay 2021

Once again, this year we are voluntarily including data on the gender pay gaps for our London-based partners and also for our combined London-based partner and employee population.

The most significant cause of our gender pay gap continues to be the composition of our workforce. We have a higher proportion of men in our most senior roles and more women in our more junior business services and administrative roles, which predominantly fall into the lowest pay quartile. These gaps are different from equal pay; we are committed to ensuring our people are paid equally for doing equivalent jobs across our business.

Pay (including partners)

	Mean	Median
2021	51.5%	33.6%
2020	53.2%	34.5%
2019	57.4%	39.2%

This section shows the pay gap for our combined partner and employee population. These figures include total annual earnings (salary and bonus).

Pay quartiles (including partners)

	Upper		Upper middle		Lower middle		Lower	
	M	F	M	F	M	F	M	F
2021	72.2%	27.8%	44.6%	55.4%	41.7%	58.3%	22.6%	77.4%
2020	67.6%	32.4%	46.9%	53.1%	37.9%	62.1%	25.4%	74.6%
2019	71.2%	28.8%	44.2%	55.8%	41.1%	58.9%	23.9%	23.9%

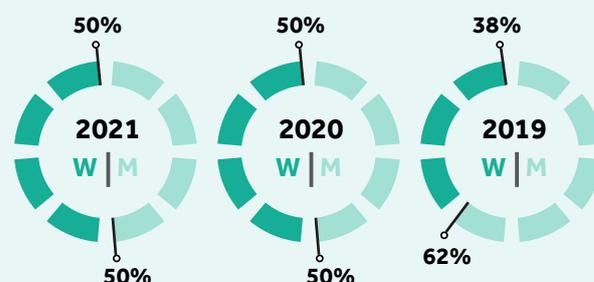
Pay (London partners only)

	Mean	Median
2021	16.3%	32.6%
2020	14.3%	24.8%
2019	17.4%	34.1%

Currently 28.5% of our global partners are women, an increase of over 3% in the last 12 months.

50% percent of our global partner promotions in 2020 and 2021 were women.

Global partner promotions by gender



Statutory reporting: Our employee gender pay data

Hourly pay (excluding partners)

	Mean	Median
2021	24.5%	27.2%
2020	23.9%	25.9%
2019	22.2%	34.0%

Bonus (excluding partners)

	Mean	Median
2021	51.0%	67.6%
2020	49.1%	65.9%
2019	44.1%	47.7%

Percentage receiving a bonus (excluding partners)

	Female	Male
2021	46.2%	56.0%
2020	39.4%	43.7%
2019	33.9%	42.3%

The proportion of employees in each pay quartile (excluding partners)

	Upper (D)		Upper middle (C)		Lower middle (B)		Lower (A)	
	Male	Female	Male	Female	Male	Female	Male	Female
2021	51.8%	48.2%	45.3%	54.7%	41.7%	58.3%	18.0%	82.0%
2020	46.3%	53.7%	47.6%	52.4%	35.4%	64.6%	21.8%	78.2%
2019	45.9%	54.1%	51.5%	48.5%	33.3%	66.7%	23.0%	77.0%

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