

Ethnicity pay gap report 2020

Foreword

For three years we have gone beyond statutory requirements to include partner data in our gender pay reporting. It is time to extend this to ethnicity in line with our commitment to increasing representation of minority ethnic colleagues at all levels in the firm, and ensuring everyone can be themselves and thrive at Stephenson Harwood.

Over the past year, we've worked hard to improve the quality of our data to make this ethnicity pay gap reporting possible. We are committed to continuing to report on ethnicity pay alongside gender in our annual diversity pay report going forward, in addition to using our data to apply increased scrutiny to our processes and decisions to ensure that our firm is fair and equitable.

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 individual groups, but our ethnicity action plan accounts for these differences.

We confirm that the data in this report is accurate.



Eifion Morris
Chief executive



Jeff Marlow
Director of HR, learning and knowledge

We are pleased to report on our ethnicity pay gap for the first time this year. This is voluntary reporting and includes partner and employee data. Following gender pay reporting principles, this report compares average earnings of BAME and White colleagues at the firm as at 5 April 2020. The data below is based on 84% of our total UK population; those who have not disclosed their ethnicity data are not included. Based on this data, approximately 17% of our UK colleagues are BAME.

The key cause of our pay gap is that we have fewer minority ethnic colleagues in our most senior roles, and we have more minority ethnic colleagues in junior or business services roles, which are paid less on average.

Ethnicity pay gap: UK employees

Hourly pay gap – employees

Mean	13.8%
Median	6.7%

Bonus gap – employees

Mean	52.1%
Median	42.4%

Percentage receiving a bonus

BAME	33.7%
White	46.0%

Definitions at a glance

Mean:

The difference between the mean (average) 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.

The proportion of employees in each quartile pay band

	Upper (D)	Upper middle (C)	Lower middle (B)	Lower (A)
BAME	12.0%	24.8%	21.0%	21.0%
White	88.0%	75.2%	79.0%	79.0%

Ethnicity pay gap: UK employees and partners

Hourly pay gap – employees and partners

Mean	46.8%
Median	13.2%

The proportion of employees and partners in each quartile pay band

	Upper (D)	Upper middle (C)	Lower middle (B)	Lower (A)	
2020	BAME	3.4%	18.8%	24.7%	20.9%
	White	96.6%	81.2%	75.3%	79.1%

Our commitment

We know we have a way to go to increase representation at the firm, in particular to increase the number of ethnic minority associates and partners, in more senior business services roles. We are committed to progress, not only in terms of representation at all levels, but to ensure that our workplace is a place where our minority ethnic colleagues can do their best work, as part of a team that values who they are and the unique perspectives and contributions that they bring.

Meaningful change will take time and focus. Our commitment to change is outlined by our **targets and action plan**, and we are guided by our data, our people's experiences the **Race Fairness Commitment** and **Race at Work Charter**.

Our key developments

