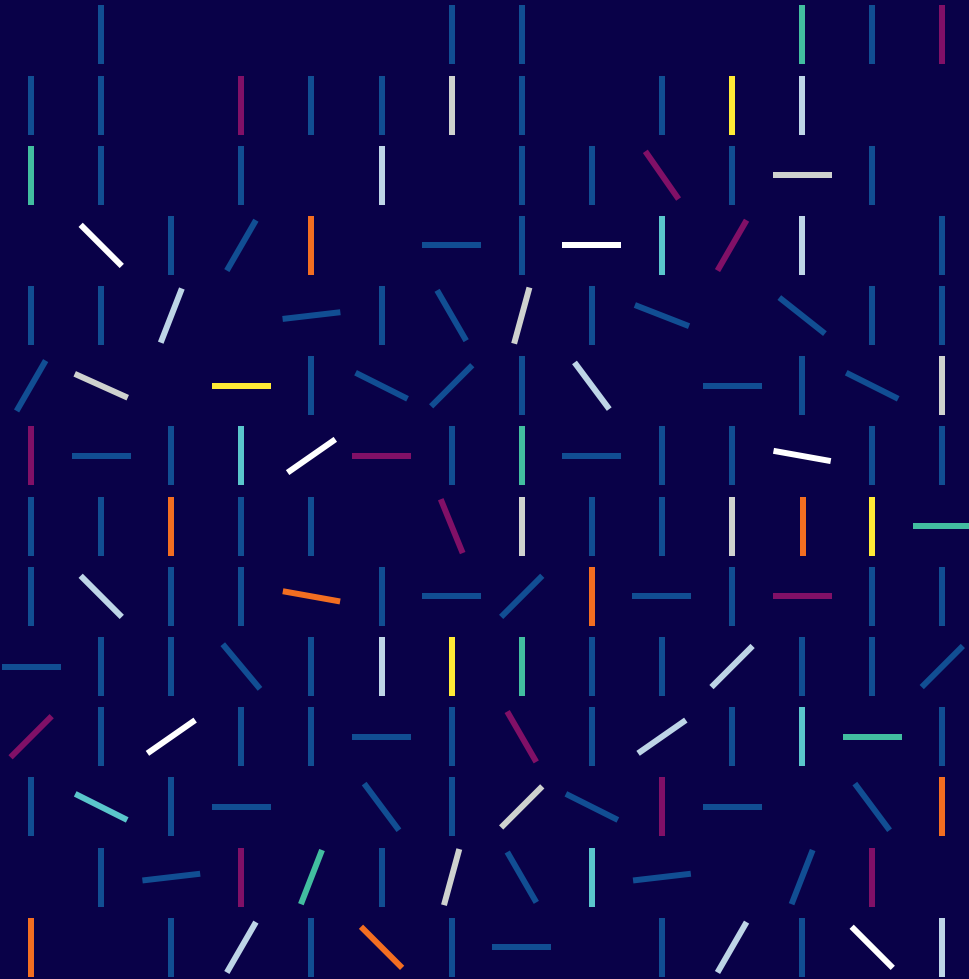


Our gender and ethnicity pay gap report

2020 – 2021



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Statement of accuracy

We confirm the data reported here is accurate and meeting the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Shane Gleghorn

Managing Partner
Taylor Wessing Global Board



Siân Skelton

Lead Partner,
Diversity and Inclusion
UK Executive Board



Wendy Tomlinson

Talent Director
UK Executive Board

Our approach to inclusivity

Inclusivity continues to be a top priority and a dedicated objective in our business strategy.

We are committed to delivering an inclusive culture and a progressive environment that empowers all of our people to lead, learn and grow.

We believe that an environment of respect, empathy and inclusion brings out the best in people by making them feel valued. We promote and foster an environment of equality across the firm, with our clients and within the communities we work. We also aim to be a forum where we all learn from each other's differences, celebrate our cultures and encourage more individuals from diverse backgrounds to enter the legal sector and achieve their full potential.

To help achieve this, we welcome the opportunity to report on our progress.

We are committed to rewarding our people fairly and regularly review the measures we have in place to ensure we reward those performing

equivalent roles fairly, no matter their gender, ethnicity or other protected characteristic.

Our gender and ethnicity report provides an opportunity to communicate our progress and demonstrate continued transparency and accountability. As a leading international law firm, it's important that we show best practice and we will continue to provide more information than the regulations require by reporting partner and ethnicity data.

Our commitment to our gender plan has resulted in another year of significant progress through a successful talent pipeline and specific initiatives. We are also prioritising cultural diversity objectives through our race and ethnicity strategy, which was launched in October 2020, and have outlined these further in the report.



Gender pay gap reporting

Legislation requires all businesses with over 250 employees to report their gender pay gap. This is the difference between the average hourly earnings of all male and all female employees. The reference point for data included in this year's report is 5 April 2020.

Explanations/definitions

- The median is the middle value of all values.
- The mean is an average calculated by the sum of the values divided by the number of values.
- According to the Office of National Statistics the average gender pay gap for all employees in the UK was 15.9% in 2020 – 1.4% lower than in 2019, at 17.3%.



Key findings

Continued progress

For the third year, our mean gap is lower than the national average.

Both our mean and median gender pay gaps have reduced significantly this year.

We continue to employ more women than men overall across our business.

Our combined employee and partner gender earnings gap has also reduced significantly this year to the lowest combined gaps we've reported.

For our lawyer population, we've continued to reduce our earnings gap across all lawyer levels.

For our senior counsel and senior associates our gap is in favour of women for the second year, and has improved with these groups earning on average 1% more than men.

Our ethnicity pay gap has remained fairly stable in the mean and the median.

We have reduced our ethnicity pay gap for our people in the lower quartile by 6.5%. However, we would still like to see greater representation of Black, Asian and minority ethnic people at all levels of our firm.

We're continuing to increase female representation in our partnership and have seen an increase in the number of female partners for the third year running.

Adjustments and improvements

The cause of our gender pay gap remains unchanged; we employ more women in roles with salaries in the lower pay quartiles.

We have a negative pay gap for associates, senior associates and senior counsel. This means that on average, our female associates and senior counsel earn slightly more than male associates and senior associates.

We have marginally reduced our partner mean earnings gap, and have seen only a small increase in our partner median earnings gap.

There has been a slight increase to the hourly ethnicity pay gap across the upper three quartiles.



Find out more about our gender initiatives and access our gender and ethnicity reports from previous years [here](#).



Supporting our people in response to Covid-19

For many organisations, 2020 resulted in employment decisions being taken in response to the global pandemic.

Our people are a priority and our measures taken since 13 March 2020, one week prior to national lockdown in the UK, were to protect and preserve jobs.

Despite the impacts of Covid-19, we have not had to make any changes to how we record or report our data compared with previous years. All data reported remains accurate, in line with all legislation, and does not provide a misleading representation of our gender or ethnicity pay gap progress for this period.



We were focused on supporting our people to enable them to work remotely, especially those with challenging personal circumstances and those working from home with dependants.

We work together.

One of the first things we did was reach out to our people to ask which areas of support they needed the most. Over the past 12 months, we've responded to each of those areas and will continue to obtain feedback on some of our initiatives looking ahead.

Working parents have been particularly impacted by the pandemic and the UK's measures to reduce transmission and infection rates. Here's a few examples of the things we did to support this group:

- We prepared for the need to work from home in large numbers with investments in greater connectivity and enhanced technology.
- We tested existing technologies and remote working access to ensure that our business activity could continue for our people and our clients on a large scale.
- We introduced greater flexibility of working hours and encouraged continued use of holiday throughout 2020.
- We increased our childcare allowance for working parents.
- We implemented a range of specific measures to support individuals working from home with dependents.
- We extended our premium subscription to Headspace to our people's families, alumni and students on our vacation scheme to access throughout the year.
- In November 2020, we announced our intention to implement a new, hybrid model of working which emphasises the value and importance of teams spending time together in our offices while enabling all whose roles can be performed remotely to do so for a proportion of the time.

Our inclusivity progress

Reducing pay gaps is important. While the causes of pay gaps are complex and some are out of our control, annual reporting provides the opportunity to monitor our progress of the key initiatives that aim to reduce these gaps and promote inclusivity in our firm in line with our strategy.

Inclusivity is one of the four areas of focus in our business strategy, and top of our agenda.

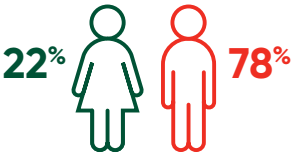
We aim to achieve:

- an increase in the number of female partners in our business and providing an inclusive environment
- an increase in the number of women in leadership roles
- the removal of any perceived barriers to progression and refocusing our recruitment activity.

We have achieved all of these objectives for the third year running.

Women in the partnership

Over the last 12 months, the number of female partners has increased from 17% to 22%. This is the highest to date and records a consistent annual increase in female representation in leadership roles in our firm over the past three years.

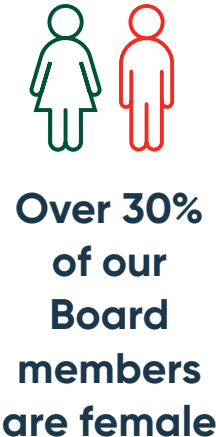


Female leadership

We've continued to focus on attracting female talent to the firm. In 2019/20, two new female partners joined the firm, and we confirmed the appointment of life sciences expert Alison Dennis to the partnership as International Co-head of Life Sciences Sector group.

We've also continued our investment of people. In the UK, we promoted three female lawyers to the partnership, one of whom has been with the firm her entire career and supported as a trainee through to reaching partnership.

We remain committed to ensure the gender balance of future promotions fairly represents the gender balance of our candidate pool.



Required reporting

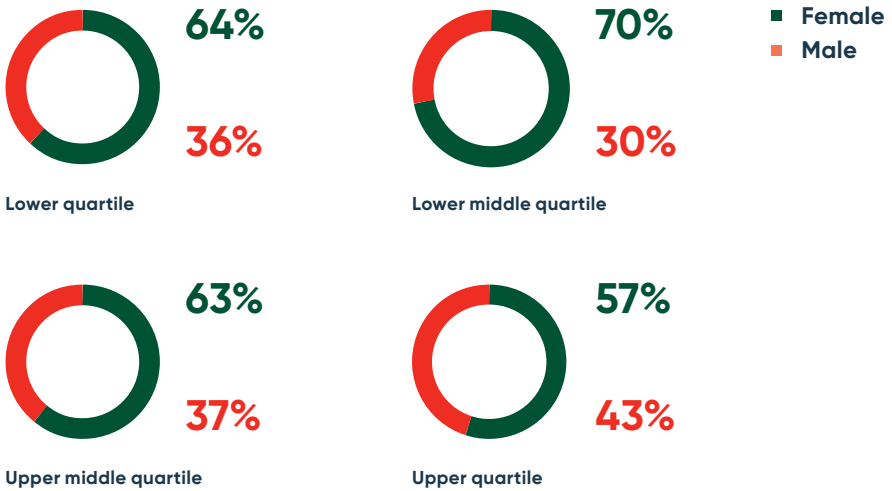
The following data represents all employees of Taylor Wessing Services Limited, the service company employing people on behalf of the LLP and is reported to the Government Equalities Office. This section excludes our partners. Partner data can be found in our 'enhanced reporting' section.

We employ more women than men overall and the majority of our business services employees are female.



Our employee hourly pay gap	Gender pay gap	
	Mean	Median
2019/20	13.5%	35.6%
2020/21	9.4%	28.3%
Variance	-4.1%	-7.3%

Pay quartiles



- We continue to employ more women overall than men. This remains unchanged from last year.
- Our pay gap has decreased compared to last year and remains below the national average of 15.5%* for the third year.
- We have slightly more women in the upper pay quartile this year.
- Our business employs a broad range of people from senior lawyers to expert consultants and colleagues in business services, with salaries varying greatly. For this reason, we have analysed our pay gap by job role and shared the data later in this report.

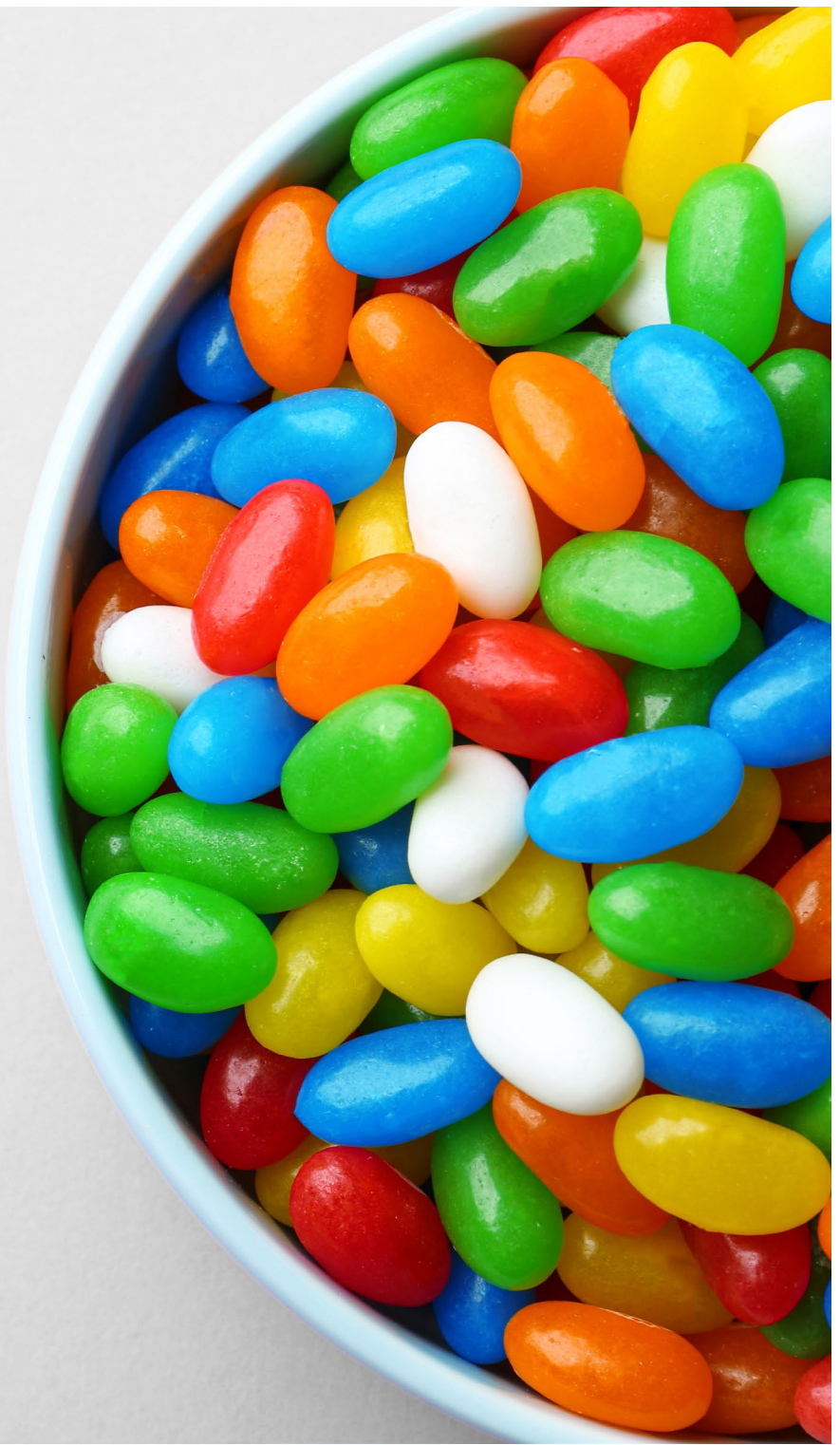
*published by the ONS in October 2020, and down from 17.4% in 2019

Bonuses

We operate a discretionary employee bonus scheme, with bonuses paid annually in July and reflecting performance contributions in the previous financial year as a percentage of salary. Our bonus policy guides how bonus payments are fairly pro-rated for recipients working fewer hours or a partial bonus year, which is checked and moderated by our talent team.

We're pleased to see a reduction to the median gap in bonuses this year. While our bonus mean gap has increased slightly by 0.5%, we have paid proportionally more bonuses to women than men. Women continue to make up the majority of our part-time employees, for whom bonuses are pro-rated in line with hours worked. We paid more bonuses to this group of employees this year due to good performance, which has contributed to our increased bonus gap.

	Bonus gap		Receiving bonus	
	Mean	Median	Women	Men
2019/20	46.7%	67.9%	62.7%	56.2%
2020/21	47.2%	58.5%	61.5%	55.3%
Variance	+0.5%	-9.4%		



Enhanced reporting

Analysis of employee pay

We employ a wide range of people in roles where market pay rates vary considerably. To provide greater transparency, the table below separates our gender pay gap by job role.

	2020 Report			2021 Report		
	GPG	Headcount split		GPG	Headcount split	
	Mean	Female	Male	Mean	Female	Male
Associate	0.6%	62.1%	37.9%	-1.2%	63.9%	36.1%
Senior Associate	-1.1%	54.0%	46.0%	-1.2%	52.9%	47.1%
Senior Counsel	-1.2%	46.7%	53.3%	-2.3%	57.6%	42.4%
Business Services	23.0%	66.7%	33.3%	12.2%	66.2%	33.8%

We have a negative pay gap for associates, senior associates and senior counsel. This means that on average, our female associates and senior counsel earn slightly more than male associates and senior associates.

In business services, we've seen a 10% reduction in our gender pay gap as a result of further investment of people across all our UK offices.

Organisations need the skills in these teams to cover a broad range of roles, for which salaries vary considerably.

Our compensation processes assure us that we pay men and women fairly for equivalent work and in line with market rates for the roles they provide. It continues to be the case that we employ more women than men in business services, and that more women are employed in roles where benchmarked salaries fall into the lower pay quartiles.

Our investment in more business services expertise will continue and we want to look for more ways of reducing our gap while still investing in areas and roles where talent is predominantly female.



Finding more solutions to build on the success we've seen from our plan and strategic initiatives that lead to us reducing the gap, will be an area of focus looking ahead.

Partner earnings gap

In this reporting year, the firm remains a full equity partnership, our partners are remunerated differently to our employees and are excluded in the statutory reporting requirements.

Partners receive a share of the profits of the firm, rather than a fixed salary and/or bonus. Our partner data is therefore presented as total earnings.

This will be a continued focus area for us and we continue to increase the number of female partners and women in leadership roles.

We are pleased that the steps we are taking as part of our strategy and our gender plan have resulted in another reduction in our partner earnings gap this year.

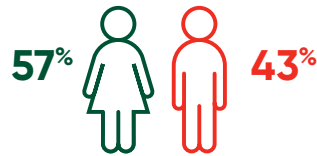
Reporting year	Hourly rate	
	Mean pay gap	Median pay
2020	43.5%	44.8%
2021	43.3%	48.9%
Variance	-0.2%	4.1%

Combined partner and employee earnings gap

The data reported below combines partner earnings, with comparative total employee earnings data (salary plus bonus).

Our combined earnings gap has reduced in both mean and median this year.

This demonstrates continuous progress made to our gender plan and strategic inclusivity objectives for our firm.



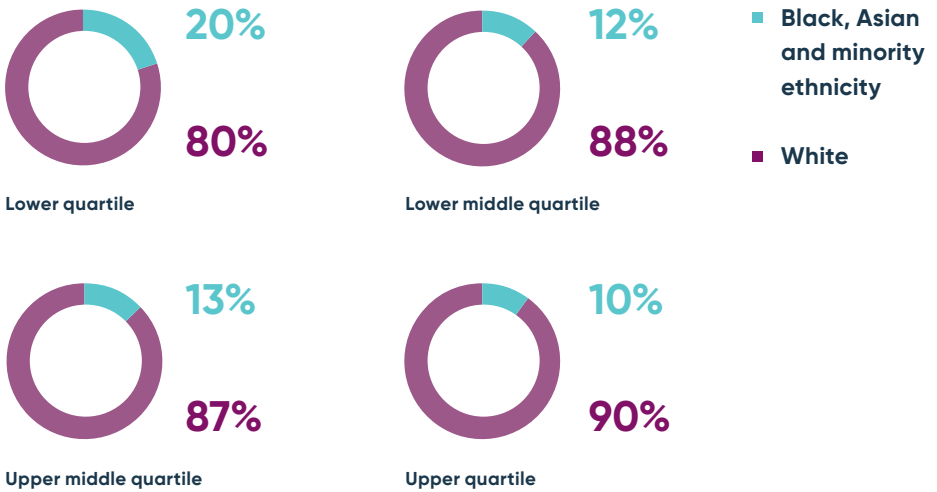
Reporting year	Hourly rate	
	Mean pay gap	Median pay
2020	69.6%	45.7%
2021	64.2%	41.5%
Variance	-5.4%	-4.2%

Ethnicity earnings gap

This is the third year we have voluntarily reported our ethnicity pay data. The size of the populations involved means that relatively small changes in headcount or pay will disproportionately impact pay gaps. As a result, we've included data sets that represent our people in overall figures and calculated percentages.

	Pay/earnings		% who are Black, Asian or another minority ethnicity		Bonus	
	2021	2020	2021	2020	2021	2020
Employee pay gap						
Mean	15.0%	16.1%	14.2%	16.2%	31.6%	30.1%
Median	35.2%	33.1%			50%	48.7%
Partner earnings gap						
Mean	23.2%	26.1%	10.6%	9.5%		
Median	27.2%	33.1%				
Combined ethnicity gap (partners and employees)						
Mean	31.9%	41.3%	13.7%	15.6%		
Median	42.9%	39.8%				

Ethnicity earnings quartiles



The overall representation of people who are Black, Asian or from another minority ethnicity has marginally decreased this year, although remained constant in the upper and upper middle quartiles. Our mean ethnicity pay gap has reduced, as has our partner earnings gaps and whole firm earnings gap on a mean basis. The median gaps have increased slightly, reflecting the wide range of roles and earnings of our colleagues from minoritised communities.

There is more we want to do to continue to increase representation. We want to build on the success we've seen from our plan and initiatives led from our cultural diversity network.

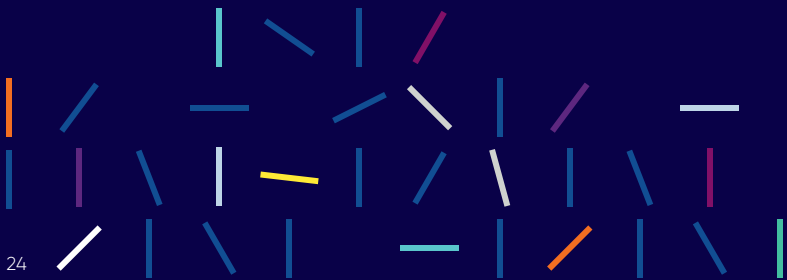
It therefore remains an area of continued focus for this year and in support of our new race and ethnicity strategy.

Our race and ethnicity strategy

We must ensure concrete actions and progress follow, against which we can measure ourselves and in turn will be measured. That's why we've developed a dedicated race and ethnicity strategy.

Race and ethnicity are complex issues, which is why many organisations have struggled to make progress. In October 2020 we launched our race and ethnicity strategy, setting out how we intend to increase representation of those from minoritised communities in the coming years.

Our successful activity and progress in areas such as gender and LGBT+ has taught us that clearly communicating our ambition, using data to inform decisions, monitoring progress and promoting a sense of allyship for underrepresented groups, can all help to deliver change.



We'll be focusing on three areas:

1. Recruiting more diverse talent

We will proactively encourage more people from Black, Asian and minority ethnic groups to enter the legal profession, and join us at Taylor Wessing.

2. Improving the experience of our colleagues

It's vital we improve the experience, including retention and progression, of people from Black, Asian and minority ethnic groups at the firm.

3. Engaging our clients and wider communities


We will work alongside our clients and the wider community to amplify, promote and celebrate the voices of Black, Asian and minority ethnic groups.

In 2020 we joined the Black Solicitors Network, signed the Race Fairness Commitment and will be participating in the 10,000 Black Interns programme in the coming year.



You can find out more about our commitment to overcome racial injustice [here](#).

1000+ lawyers 300+ partners 28 offices 16 jurisdictions



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Belgium	Brussels
China	Beijing Hong Kong Shanghai
Czech Republic	Brno Prague
France	Paris
Germany	Berlin Düsseldorf Frankfurt Hamburg Munich
Hungary	Budapest
Netherlands	Amsterdam Eindhoven
Poland	Warsaw
Slovakia	Bratislava
South Korea	Seoul*
UAE	Dubai
Ukraine	Kyiv
United Kingdom	Cambridge Liverpool London London TechFocus
USA	New York Silicon Valley

* In association with DR & AJU LLC

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