



Our Gender Pay and Ethnicity Gap Report 2018-2019

Better
balanced leadership

Optimised
talent retention

Enhanced client
experience

TaylorWessing

Our approach to diversity

Diversity in our business is one of our top priorities. We are committed to creating a diverse and inclusive firm where we encourage all of our talent to flourish.

Gender pay gap reporting promotes transparency and we are approaching this as part of our Gender Plan, established in the autumn of 2017. For the second year, we have included more information than the regulatory requirements. Data for our partner earnings and the comparative data for 2017 are included in our findings, and we have reported the results in respect of our ethnicity gap.

We have dedicated more time to implementing measures that directly impact our gender pay, earnings, bonus and ethnicity gaps, and these are certainly moving in the right direction.

Our Gender Plan outlines the steps we have taken to promote gender equality, with the aim of balancing leadership, optimising talent retention and improving our clients' experience. Initiatives this year have resulted in an increasingly strong female talent pipeline. Further examples of these initiatives and details on how they have contributed to our overall improvements this year are outlined in this report.

We welcome the opportunity to report on our gender pay gap. Our objective is to place more emphasis on accountability, with measurable outputs against which our UK Executive Board and Practice Area Leaders can respond.

This year, we were involved in The Law Society's Gender Pay Gap Reporting consultation. Partner and Head of our Balance in Business network Elaine Dobson, and Diversity, Inclusion and CSR manager Dan Harris shared our views to help set the right standards for the legal sector and build clearer guidance on reporting looking ahead.

Statement of accuracy

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



A handwritten signature in black ink that reads "Shane Gleghorn".

Shane Gleghorn
Managing Partner
TW Global Board



A handwritten signature in black ink that reads "Sian Skelton".

Sian Skelton
Lead Partner, Diversity & Inclusion
UK Executive Board



A handwritten signature in black ink that reads "Wendy Tomlinson".

Wendy Tomlinson
UK Talent Director
UK Executive Board

Key findings

For the second year, our mean gap for employee pay is lower than national average of 18.1%. At 6.3% our mean has improved substantially from 13.5% in the previous year.

We have reduced the employee gender pay and bonus gaps, and (separately) the partner earnings gap over the last 12 months.

Improved business performance created greater partner earnings and has contributed to a marginal increase in the firm's mean earnings gap compared to last year. The combined employee and partners median gap has improved and is now 44.2%, down from 49.4% the previous year.

Our proportion of female partners has also improved. Since the snapshot date (5 April 2018), more female partners were made up in the May 2018 promotion round.

Find out more about our gender initiatives: [taylorwessing.com/diversity](https://www.taylorwessing.com/diversity)

What is gender pay gap reporting?

The government has passed legislation requiring all businesses with 250 employees or more to report on their gender pay gap. This is the difference between the average hourly earnings of all male and all female employees. Gender pay gap reports must be published online and to the government by 4 April 2018.

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.
- ▶ The national mean gender pay gap average is 18.1% (Imperial College London).
- ▶ The national median gender pay gap average is 10.4% (Personnel Today).

Required reporting

The following data represents all employees of Taylor Wessing Services Limited, the service company employing staff on behalf of the LLP and is reported to the Government Equalities Office. This data excludes our partners.

Our employee pay and bonus gap

Our mean and median hourly gender pay gaps as at 5 April 2018.

Employee hourly pay gap

	Gender Pay Gap	
	Mean	Median
2017	13.5%	32.8%
2018	6.3%	18.5%
Variance	-7.2%	-14.3%

Headcount



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

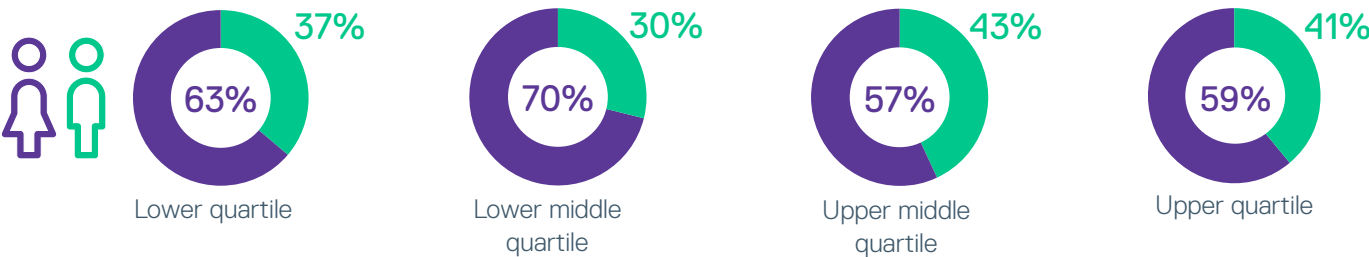
Bonus gap

We operate a discretionary employee bonus scheme. Payments are typically paid as a percentage of salary in July each year. The data shown below is for bonuses paid in July 2017 as a reflection of contribution for the previous 12 months. We are pleased to see our bonus gap has reduced.

	Bonus Gap		Bonus Receivers	
	Mean	Median	Female	Male
2017	29.3%	53.5%	50.3%	51.0%
2018	22.5%	25.9%	49.4%	41.4%
Variance	-6.9%	-27.6%	-0.8%	-9.6%

Pay quartiles

This chart illustrates the gender distribution across our employees in the firm in four equally sized pay quartiles. We have more female employees in roles that sit across each quartile. This has changed from the previous year where more men were employed in the upper quartiles. This reflects a number of promotions made to high performing senior female employees during this period.



Additional information

We employ a wide range of people in roles where market pay rates vary considerably. The separate gender pay gap and demographic splits provided here are intended to increase transparency and aid like-for-like comparisons.

	2017			2018		
	GPG	Headcount split		GPG	Headcount split	
	Mean	Female	Male	Mean	Female	Male
Associate	-0.3%	61.0%	39.0%	-2.7%	63.8%	36.2%
Senior Associate	-1.7%	50.0%	50.0%	0%	61.5%	38.5%
Senior Counsel	2.9%	50.0%	50.0%	4.6%	55.2%	44.8%
Business Services	12.2%	66.4%	33.6%	7.8%	66.0%	34.0%

Our female associates continue to receive more than their male counterparts, this year by 2.7%.

We have a balanced, zero gap for our senior associates. We continue to invest in retaining a strong female talent pipeline and can demonstrate that recent initiatives as part of our overall gender plan are paying off.


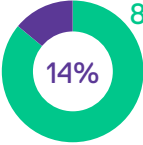
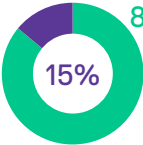
The gender pay gap for senior counsel has increased very slightly (by 1.7%) to 4.6%. This is a small population. Any slight change in the composition of our population will therefore have a disproportionate impact on the gap. To address these expected fluctuations, we have identified opportunities to promote more senior counsel to partner, where appropriate.

Our overall business services gender pay gap has also reduced by 4.4% this year to 7.8%. We have seen an increase in the number of senior women and more men joining our legal support teams.

Enhanced reporting

Partner data

We are a full equity partnership and our partners are remunerated differently to our employees. Partner earnings are determined as a share of the profit of the firm, rather than a fixed salary and/or bonus. There is therefore no separate bonus gap to report for our partner data.

		Partner earnings gap		
		Mean	Median	
2017	53.2%	50.0%		86%
2018	49.4%	48.9%		85%
Variance	-3.8%	-1.1%		

We have provided comparative figures for last year, which do show a small reduction to our partner gender pay gap. We recognise that we have more work to do to address this at partner level.

We are committed to addressing the percentage of women partners in the firm as well as our pay gap.

Having focused on developing opportunities for female progression, flexible working methods and retention, we have an increasingly strong female talent pipeline.

Our proportion of female partners in the business has continued to improve. The numbers above do not take into account additional female partners made up on 1 May 2018, which was after the snapshot date.

Combined Gender Pay Gap (employees and partners)

The data used to report below combines our overall partner earnings results, with our comparative total employee earnings data (salary and bonus).

		Combined earnings gap	
		Mean	Median
2017	65.9%	49.4%	
2018	67.5%	44.2%	
Variance	+1.6%	-5.2%	

As expected, the combined earnings gap for employees and partners is higher than calculating each category separately. In most organisations there will be a disparity of the level of earnings between the owners of businesses and those that they employ.

Our mean earnings gap has increased slightly compared to last year – this is in the context of improved business performance which leads to increased partner earnings. The combined median gap for employees and partners has improved and is now 44.2%, down from 49.4% the previous year.

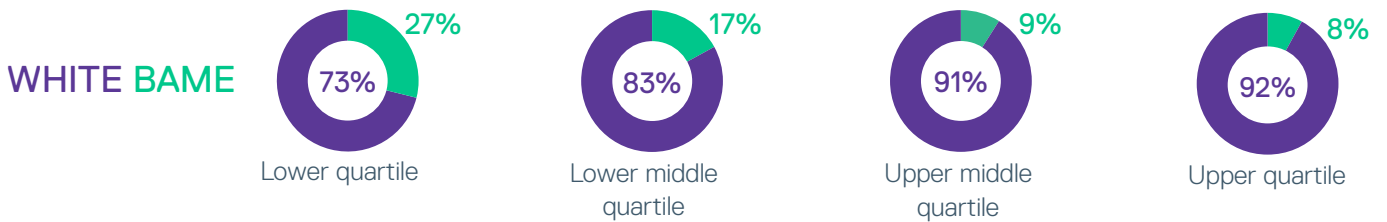
Ethnicity earnings gap

In line with The Law Society’s recommendations for 2020, we are also reporting our ethnicity earnings gap ahead of this standard being officially enforced.

Part of our strategy on diversity is to provide greater transparency and take positive action to increase the representation of our Black, Asian and Minority Ethnic (BAME) colleagues. We have established a cultural diversity network which raises awareness, supports colleagues and increases the profile of our role models across the business.

We are only able to include those who have declared their ethnicity, which is 88% of our people. Calculations are based on full time equivalent earnings so that partners and employees can be included.

	2018		
	Mean	Median	% who are BAME
Employees earnings gap	26.1%	33.3%	16.2%
Partner earnings gap	29.0%	48.9%	9.8%
Combined earnings gap	43.1%	44.5%	15.2%



Results show a combined ethnicity earnings gap of 43.1%.
 Our Black, Asian and Minority Ethnic population is small, but this does mean that any change in this group have a greater impact on our ethnicity gap.

The progress of our gender plan

In 2017, we announced our Gender Plan, building on the work already taking place within the firm to promote gender equality.

In 2018, our leadership teams reviewed our plan to achieve better balanced leadership, optimise talent retention, improve modern working practices and enhance our client experience. Progress and developments include:

- ▶ A focus on our **talent pipeline** in the last two years has resulted in 75% of our partner appointments being female.
- ▶ We have introduced specific reviews to ensure fair and **balanced representation** for all promotion shortlists.
- ▶ Our **shared parental leave scheme**, which for employees already matches our enhanced maternity leave, is being extended to include our partners.
- ▶ Our **International women's leadership programme** supports our partners to build their practice and will be running again this year.
- ▶ We were **one of the first law firms to introduce an award winning reverse mentoring programme**. This provides opportunities for our partners and leaders to be mentored by junior colleagues from underrepresented groups, who share experiences and insight.
- ▶ We recognised the importance of having more male involvement within our gender network and relaunched as **Balance in Business** with a new committee and redefined objectives.
- ▶ Our aim to improve gender and diversity within our business is one of our top priorities, and was addressed as a plenary session at our **International Partner Conference** by our Global Board. This enabled our partners to share experiences and ideas to tackle this from an international perspective.
- ▶ Our **Appointments Review Committee**, introduced in 2017, continues to ensure that key management appointments are made based on merit together with improving transparency and diversity of thought.
- ▶ **Inclusive leadership** sessions for partners, senior associates and managers – which also focus on how our leaders have a key role to play in sponsoring our talent.
- ▶ We have reviewed our approach to **lateral partner hiring** to focus on reducing any perceived barriers for women to our business. Recruiters are now also briefed on our gender strategy as a priority.



Find out more about our gender initiatives at
[taylorwessing.com/diversity](https://www.taylorwessing.com/diversity)