



Diversity and Inclusion at Osborne Clarke

Our pay gap report

Introduction

We are committed as a business to making Osborne Clarke a firm of opportunity – one where the contributions of each of our people are fairly recognised and rewarded, and they can reach their full potential.

Our 2024 pay gap report shows that we continue to make modest yet steady progress in narrowing the gender pay gap across the firm. Encouragingly, our partner gender pay gap fell to its lowest level since we began tracking it in 2017, due to both increased representation and progression of women.

Our ethnicity pay gap has widened this year and we remain very focused on addressing the disparities driving this outcome, such as our attrition rate which remains higher for employees who are from minoritised ethnic backgrounds than for white employees. We have made good progress against our aim of increasing minoritised ethnic representation in partnership, and are on track to reach our 2025 goals.

Last year we began tracking disability and class pay gaps, and are monitoring these pay gaps closely to inform any specific actions.

As a management team, we have been working with our colleague networks to codesign responses to these organisational barriers. Our OC REACH network has been instrumental in helping us to better understand our attrition gap and respond with a refreshed Race Action Plan. Our OC Gender network has advocated for and secured improved policies and leave provision, and increased transparency around progression and development. We appreciate and thank our colleagues who so generously give their time to lead all of our employee networks and help make Osborne Clarke an even more inclusive place to work.

While acknowledging the continued effort needed to address disparities, we have reason to celebrate the actions we are taking to drive meaningful change across Osborne Clarke. We've included a short summary of these actions at the end of this document. You can also read more about some of them in our [2024 Osborne Clarke for Good report](#).

Now – more than ever – we want our people to thrive as part of a diverse and inclusive workforce.



Conrad Davies
Managing Partner



Executive Summary

This report shares a snapshot of data from April 2024, during the penultimate year of delivery against the firm's Gender and Race Action Plans.

Our reportable mean employee gender pay gap has remained broadly static at 17.3% (compared with 17.6% in 2023). Our median gender pay gap has reduced by one percentage point to 25.3%. The mean gender bonus gap is also slightly reduced (to 19.7% compared with 20.9% in 2023) while the median gender bonus gap has risen from 24.6% to 32.6%. Occupational segregation (the clustering of one gender in particular roles) continues to be the key driver of our pay gaps, with regional pay differences (London, Bristol) also playing a role.

In the partnership, female representation increased again during the reporting period to 27.5%, and the partner mean gender pay gap reduced to 8.81%. This figure is a full percentage point down on last year, and is the lowest partner pay gap we have ever reported, almost 20 percentage points lower than our baseline 29%. Of the 11 people who joined the partnership in the reporting year, five were women, with three of them entering the partnership through our internal promotion process.

We expect more volatility in our ethnicity pay gap because of the smaller sample size and indeed this year the mean has increased from 9.7% in 2023 to 16.9%, while the median has jumped from 3.7% to 12.7%. Minoritised ethnic representation has increased to 14.5% of those who disclosed their ethnicity but remains concentrated in the lower quartile. Occupational clustering is again a factor, coupled with the low overall representation creating large swings in pay gaps year to year.

Last year we took another step towards greater transparency by including social class and disability pay gaps in our reporting for the first time. We identified a mean class pay gap of 19.2% which has fallen to 16.9%, and a mean disability pay gap of 8%, which has risen to 10.8%. Both are driven by larger gaps in our legal practice groups than in business services areas. Analysis of the data continues to provide helpful insights for our diversity and inclusion programmes.

We continue to work towards our targets to reduce our gaps by achieving 30% women and 6% minoritised ethnic people in partnership by 2025.

2023-2024 highlights

- ✓ Grew participation in our Inclusion Allies programme from 23% of UK colleagues to 35%, empowering our people with the knowledge and skills to help drive an inclusive culture
- ✓ Hosted our second cohort of students from the 10,000 Interns scheme and expanded the number of clients involved in the programme from two to eight
- ✓ Launched two new outreach programmes – UWE Futures and OC Scholars – and expanded two existing programmes to create opportunities and networks for people from backgrounds currently under-represented in the legal sector
- ✓ Made improvements to our family, carer and flexible working policies and benefits, supporting colleagues in preparation for, and returning from, maternity and other parental leave
- ✓ Ranked 69th in the Stonewall Workplace Equality Index, entering the top 100 for the first time, in recognition of action taken to improve LGBTQ+ inclusion over the previous year
- ✓ Achieved Disability Confident Level 2 accreditation for activities to recruit, develop and retain disabled people
- ✓ Won the Diversity and Inclusion category at the Lexis Nexis Legal Awards 2024
- ✓ Named as a diversity and inclusion champion by our client BT Group, alongside three other law firms

About the report

What is the pay gap?

The gender pay gap measures the average difference in hourly earnings between all of the women and all of the men within an organisation. This is different to equal pay, which focuses on pay for women and men doing the same work. The UK has a gender pay gap of around 13% (Office for National Statistics). That means the average hourly rate of pay for a working man in the UK is 13% more than the average hourly rate for a working woman.

The reasons for a gender pay gap are complex and structural. There are still far more men in higher paid senior roles across all industries, and women still tend to be the majority in roles that attract comparatively low salaries. The pay gap tends to be wider in higher paid roles and in workers over the age of 40.

The ethnicity pay gap is calculated in the same way but, instead of comparing the pay of women and men, we compare two binary groups, those who identify as coming from a minoritised ethnic or mixed background and those who identify as coming from a white background.

For disability pay gaps, we compare the pay of those who have disclosed to us that they are living with a disability, and those who are not. The definition of a disability according to the Equality Act 2010 is that you have a physical or mental impairment that has a substantial and long-term negative effect on your ability to do normal daily activities.

To inform our class pay gap we use one of three social diversity 'markers' to identify our comparator group. We ask our people:

- Whether they were eligible for free school meals
- When they were aged 14, whether the highest income earner in their household was in a technical, craft, routine, semi-routine manual or service occupation; or was long-term unemployed
- By the time they were 18, whether the highest level of qualification achieved by either parent or guardian was below degree level

We compare the pay of those with at least one of these characteristics, to those with none.

Means and Medians

In this report we often present both the mean and median results:

- **Mean** is the average of all the data when added together
- **Median** is the mid-point of the data when the results are in value order

Quartiles

We have split the firm into four equal salary-based quartiles to illustrate how the gender or ethnicity balance of our organisation influences our mean pay gap. This means that we've ordered the entire range of salaries we pay (from the highest to the lowest) and split them equally into quarters, so the highest salaries make up the upper quartile and the lowest salaries make up the lower quartile. We've looked at the demographic in each of these groups.

Quartiles are important when viewing data as they help us to understand the representation of the different groups at different levels within the organisation, how this affects the pay gap and where we should focus efforts to drive change.

Scope

To determine which employees are in scope for our pay gap calculations, we use the government definition of 'relevant employees'. Relevant employees are all those employed on our snapshot date who have a contract of employment or are self-employed and not permitted to subcontract any part of their work. We count all individuals, including those who are part-time, job-sharing or on leave.

We use this list of relevant employees to create a list of 'full-pay relevant employees'. Anyone who was not paid their usual full basic pay or piecework rate because they were on leave at the snapshot date, including maternity, paternity or shared parental leave, sick leave, study leave or other forms of leave, is excluded from the calculation.

We replicate these definitions when we determine the scope for partner pay gaps.



Our results

Employee gender pay gap: Our 2024 employee pay and bonus gaps

Our gender pay gap based on salary

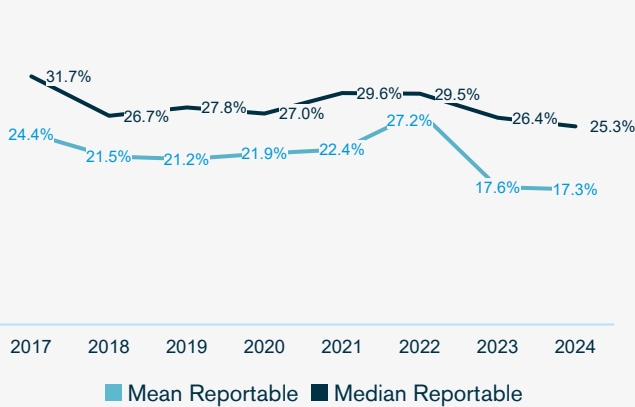
- Our mean gender pay gap for 2024 is 17.3%. This is 0.3 percentage points lower than the figure we reported in 2023. More of our most highly paid ‘outlying’ employees are men, which means the average pay for men in our employee group is still higher than the average pay for women, although this year our overall highest paid employee is a woman.
- Our median pay gap is 25.3%, lower than the 2023 figure and a 6 percentage point fall against the median baseline. The middle ranking woman is paid a lower salary than the middle ranking man, because of the clustering of women in the lower quartile of our employee group.
- Our adjusted gap is 1.57%. This is within the +/-5% boundary considered ‘good’ by UK, EU and US standards, and indicates that almost all of the unadjusted mean pay gap can be explained by other factors such as job level, location and tenure. Job level continues to be the largest contributor: we have a higher proportion of men in our higher pay quartiles and an overrepresentation of women in our lower quartiles.

- In a reversal of the trend in recent years, representation of women rose slightly in the lower quartile (to 72.7%, compared with 71.0% in 2023), and fell slightly in the upper quartile this year (to 52.0% compared with 53.9% in 2023). The lower middle quartile saw the largest change, with the proportion of women falling from 71.6 to 69.1%.

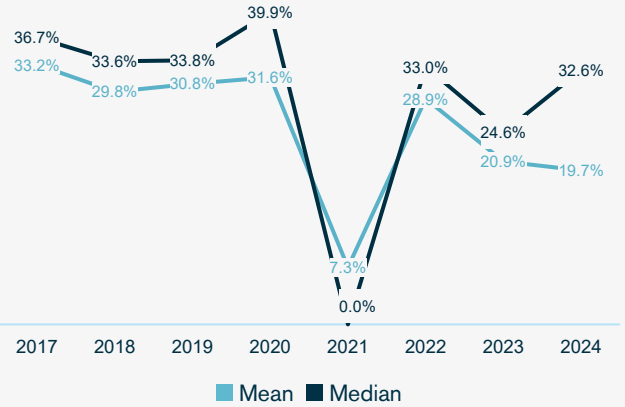
Our gender pay gap in our bonus payments

- The mean bonus pay gap fell slightly to 19.7% (compared with 20.9% in 2023) while the median rose to 32.6% (up from 24.6%). As bonuses are linked to a percentage of pay, these gaps are likely to mirror the pay gap.
- The proportion of women who received a bonus this year increased to 85.2% (compared with 79.5% in 2023).
- We include all bonus payments in the analysis: performance-related bonuses, profit share and referral bonuses. 16.3% of women received a performance-related bonus this year, compared with 16.8% of men.

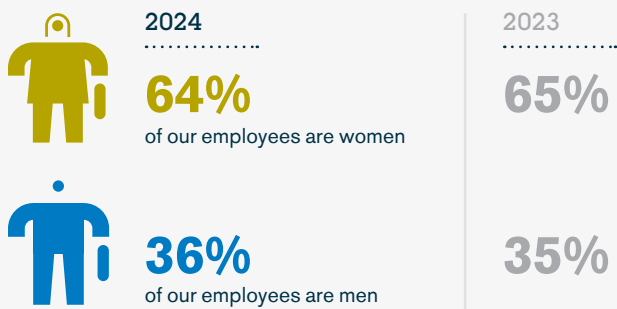
Employee gender pay gap



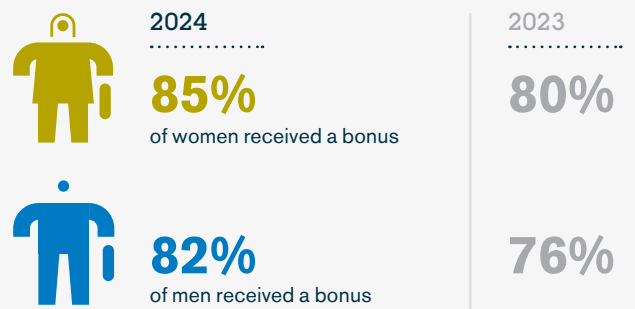
Bonus pay gap



The gender split of our employees



The gender split of bonus recipients



“We are committed to recognising and rewarding the contributions made by our people. Since the reporting year, we have implemented new structures and long term incentives for exceptional performers. We spend considerable time collectively reviewing and moderating bonus nominations at all levels to ensure we are awarding bonuses to our highest performers in a fair and equitable way.”



Sarah Underhill
Head of Reward

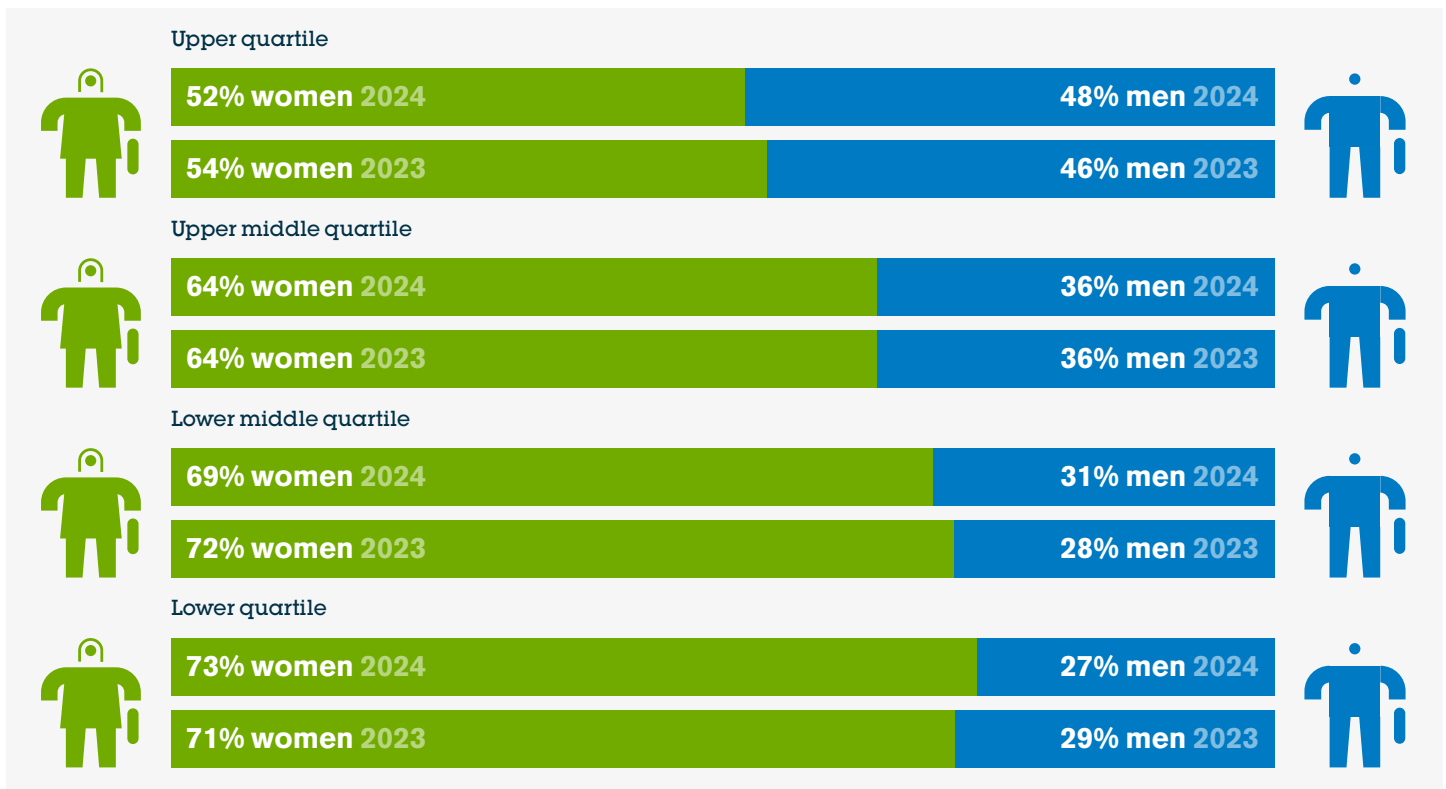
Our results

Gender: representation across quartiles

Our employee gender pay gap based on salary quartiles

Grouping employees into four equal salary quartiles demonstrates how representation of women across the firm may affect the pay gap. To do this we order the entire range of salaries from top to bottom and split an equal number of those salaries into four quarters. We then look at the gender representation in each of those four groups, or quartiles.

- Women make up just under two thirds of employees at the firm overall (64%). They have traditionally held the majority of roles in all four quartiles but been overrepresented in the lower quartiles. In recent years the trend has been towards small increases in the representation of women in the upper quartile and decreases in the lower, but this reporting year that trend has reversed. We have seen a 2% decrease in the upper quartile, and a 2% increase in the lower. These changes negate an improved picture in the middle two quartiles, and cause our gender pay gap to remain broadly static compared with last year.
- Compared with our 2017 baseline year, the proportion of women who make up the combined Lower and Lower Middle Quartiles has reduced by 8%. Representation in the combined Upper and Upper Middle Quartiles returned to 2017 levels last year, and remains there this year, having fallen in the intervening years.
- Women continue to be overrepresented in roles that attract salaries in the lower end of the pay range. This keeps the median wage of women down in the Lower Middle Quartile, while the median man is still in the Upper Middle Quartile.
- The regional nature of the firm remains a significant contributor to the pay gap. London is female dominant in all quartiles except the upper quartile where there is closer to a 50/50 split. Administrative and secretarial services are predominantly concentrated in our Bristol office, although Bristol has the highest proportion of men in the lower quartile (32.8%, compared with under 20% in Reading and London). Our Reading office saw the most significant decrease in its mean gender pay gap this year (9%), but from a high base, and with its much smaller population, this didn't result in a meaningful change in the firm-wide gap.



“Gender imbalance affects everyone, and we’re all responsible for working towards greater equality. This year our OC Gender network focused on the role of allyship in challenging the structures that can delay and hinder female progression in the workplace.”



Colin Stratton
Partner and OC Gender network champion

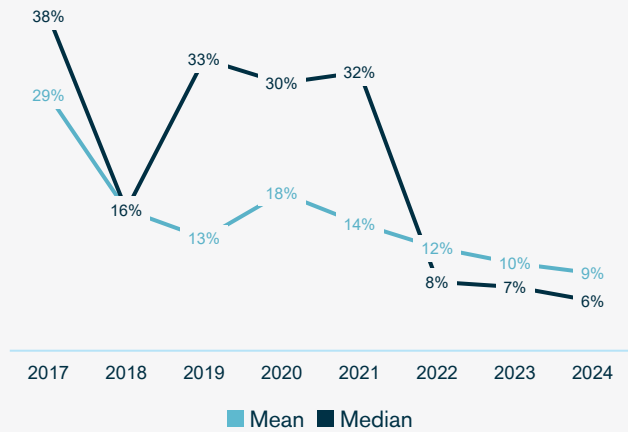
Our results

Our Partner and combined gender pay gaps

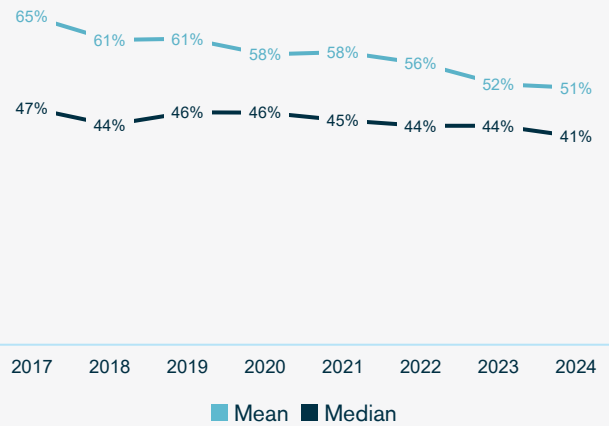
- With a smaller cohort and smaller salary range, the Partner Gender Pay Gap tends to fluctuate more than the Employee pay gap, but is subject to the same influences of outliers on the mean and clustering on the median pay gaps.
- The mean Partner Pay Gap has again fallen to its lowest level since we started reporting in 2017: 9% compared with a 29% baseline; and the median partner pay gap has fallen again to 6%.
- During the reporting year the firm added 11 new partners, of whom 5 (45%) were women. Representation in the partnership reached 27.5%, and we remain focused on achieving our target of 30% women in partnership by the end of 2025.

- As with the employee cohort, the upper pay quartile of partners contributes the most to the pay gap, although our highest paid partner at the snapshot date was a woman.
- The combined partner and employee mean pay gap has remained fairly static at 51.1%, a decrease of 13 percentage points overall since we started reporting in 2017.
- The combined median gap has fallen to 41.4% (compared with 43.6% in 2023).

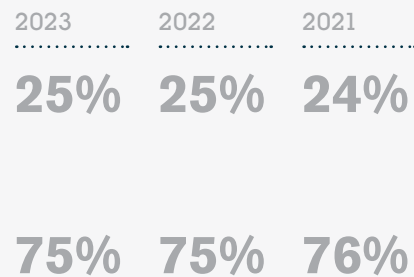
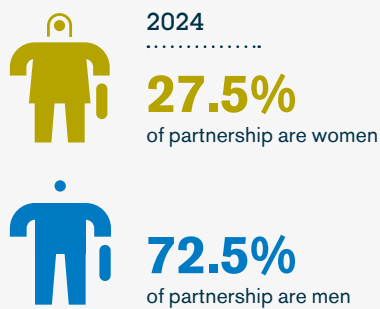
Our partner gender pay gap



Our combined gender pay gap



The gender split of our partnership



“We recognise that those entering leadership roles, whether through promotion or lateral hire, have development needs specific to the phase of their career. Our partner development programmes provide skills and knowledge training, network building, coaching and mentoring to enable all partners to perform at their best and continue to progress at the firm in a way that is sustainable for the longer term.”



Sarah Hunt
Head of People Development

Our results

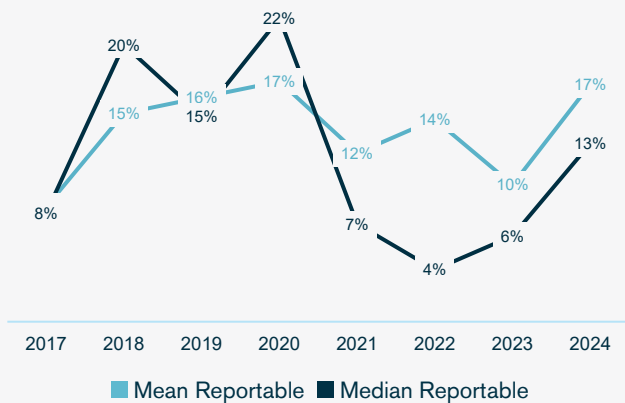
Our ethnicity pay gap

- Representation of employees from minoritised ethnic groups has increased to 13.76% (14.51% of employees who have disclosed their ethnicity – we saw a slight fall in disclosure rate to 95.51% this year) and in all quartiles except the upper middle.
- The mean ethnicity pay gap has risen to 16.9%, largely due to the difference in pay in the upper quartile: our outlying highest paid employees are white, pushing up the average pay for white colleagues as opposed to the average for minoritised ethnic colleagues. In each case, these figures exclude partners.
- Representation is greatest in the lower and lower middle quartiles, and so the middle ranking minoritised ethnic employee is still paid less than the middle ranking white employee. This median ethnicity pay gap has grown six points to 12.7% this year.
- Paralegal and PA job levels have again experienced the highest rates of recruitment of minoritised ethnic employees,

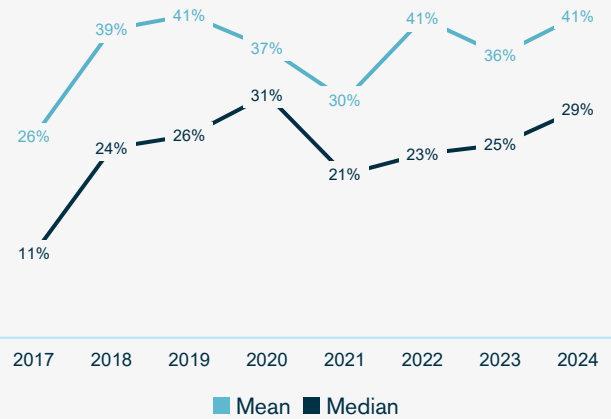
as well as Business Services Manager roles this reporting year. This continues to drive the increase in minoritised ethnic representation in the lower pay quartiles, and while positive for the long term, in the short term this occupational clustering prevents the pay gaps from closing.

- This year's largest contributors, by department, to the ethnicity pay gap, are fee earning practice groups. The Bristol office is the largest contributor by location. We are still experiencing a statistically significant gap in attrition rates between white and minoritised colleagues.
- The proportion of minoritised ethnic representation in our partnership remains low although it has increased again from 3.75% in 2023 to 4.46% in 2024. When we combine the data for Partners and Employees our pay gaps are less favourable to minoritised ethnic employees. The mean combined pay gap is 41.1% and the median is 29.2%.

Our employee ethnicity pay gap



Our combined ethnicity pay gap



“We have been doing some thoughtful work this year to understand and address the drivers of our ethnicity gaps, including our attrition gap. We have more work to do. I'm grateful for the openness with which our network are sharing their experiences to help make Osborne Clarke a more inclusive place to work.”



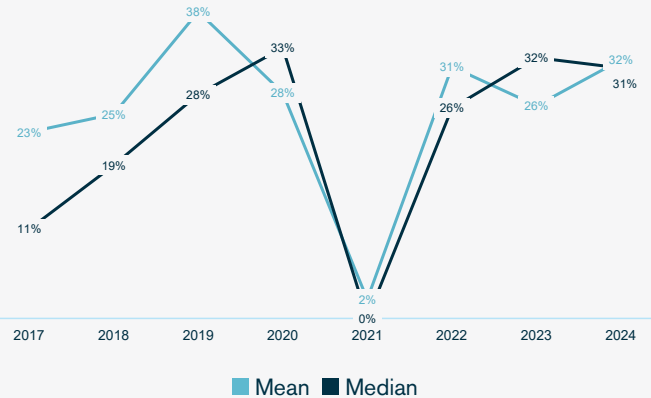
Anika Chandra
Partner and OC REACH network champion

Our results

Our ethnicity bonus gap

- Our bonuses are generally linked to a percentage of pay, and therefore are likely to reflect differences in representation across quartiles and pay.
- The mean bonus gap has returned to 2022 levels, at 32% (compared with 26% in 2023). The median bonus gap has fallen slightly (31% compared with 32% in 2023).
- The proportion of minoritised ethnic employees who received a bonus was again lower than the proportion of white employees (75% compared with 86% of white colleagues) but was ten percentage points higher than in 2023. Minoritised ethnic representation was higher than the firm average among new joiners, who were ineligible for bonus payments in this reporting year.

Our employee ethnicity bonus gap



Percentage of employees receiving a bonus

2024

75% ↑
86% ↑

Minoritised ethnic employees

White employees

2023

65% ↓
82% ↑

2022

69% ↓
81% ↓

2021

89%
95%

Building for the future: Our Race Action Plan

We launched our Race Action Plan in 2022 to close the pay gap – and the stay gap – between minoritised ethnic and white colleagues. It is structured around the three strategic pillars of recruitment, retention and progression, which we have continued to progress this year.

UWE Futures

We started UWE Futures, in collaboration with the University of the West of England and leading Bristol law firms, to offer non-legal work experience to students from minoritised ethnic communities. One of this year's cohort has since joined us on a 12-month internship in business services.



OC Scholars

OC Scholars was launched this year for students from minoritised ethnic communities interested in pursuing a career in private practice. The programme provides multi-year financial support, paid work experience and mentoring with both a junior and senior mentor throughout their university degree. We chose to fund the pilot from our award from our client Microsoft's Law Firm Diversity Programme which we gained for our progress on diversity and inclusion.



Our results

Our disability and class pay gaps

Our disability pay gap

- Employees who identify as having a disability represented 7% of those who had chosen to disclose this characteristic at the snapshot date. The disclosure rate for this diversity characteristic is 90.0%.
- Relative to overall representation across the employee population, disabled employees are marginally overrepresented in the lower middle pay quartile. The most significant change year on year is in the upper middle quartile where representation of disabled employees has increased from 4.3% to 6.2%.
- As a result, the mean disability pay gap has risen to 10.8% while the median has reduced to 11.8%.
- Excluding two business support departments which have no disability representation, the main contributors to the disability pay gap are legal practice groups. Some business services teams have negative mean and median pay gaps, favouring those with a disability.
- The relatively small sample size means limited significance can be drawn from this analysis. As a business we will continue to monitor this pay gap and aim to grow disclosure and representation of disabled people at the firm.

Our class pay gap

- Employees from working class backgrounds represent 57.0% of those who chose to disclose*. Representation has fallen across all four quartiles, but they are still overrepresented in the lower and lower-middle pay quartiles. The disclosure rate for this diversity characteristic is 80.8%.
- Consequently, the mean class pay gap has fallen just over two points to 16.9% and the median is static at 36.5%.
- In business services roles both the mean and median pay gaps are around 5%. The overall pay gaps are mainly driven by structural imbalances in legal services roles, with over-representation of employees from working class backgrounds in the lower quartiles and under-representation in the upper two quartiles.
- The class pay gaps are almost entirely driven by our London office where working class employees are more significantly underrepresented in higher paying roles. This is in contrast to our Bristol office where there are higher levels of social diversity in higher paying roles.

* See page 4 for information on how the class pay gap was calculated.

Our disability pay gap

2024

10.8%

Mean pay gap

11.8%

Median pay gap

2023

8.1%

Mean pay gap

12.1%

Median pay gap

Our class pay gap

2024

16.9%

Mean pay gap

36.5%

Median pay gap

2023

19.2%

Mean pay gap

36.4%

Median pay gap

“Social mobility has been a strong theme, both in our diversity strategy and our community investment programmes this year. Our partnership with UK Youth continues to create impact for those at risk of digital exclusion, while The Bridge is enriching outcomes for young people through our education outreach and work experience.”



Victoria Parry
Partner, Chair of
Diversity Champions Forum

Understanding our results

Key drivers for our pay gaps

Analysis of our employee pay data indicates that when the data is adjusted for factors that legitimately affect pay variances, such as length of experience, age, tenure, job level or location, the remaining unexplained mean gender pay gap is 1.57%. This is within the +/-5% boundary considered 'good' by the UK, EU and US standards, but we still need to focus on hiring, progressing and retaining people from minoritised groups into more senior positions.

A number of factors are contributing to our reportable gaps:

- We have a disproportionate number of women in lower and lower middle salary quartiles. Many of these roles are within our Business Services and Support functions which are predominantly based in Bristol.
- This regional variation is a significant factor in our pay gap. Our London office is home to a higher proportion of the earners who sit in our upper two quartiles, with London salaries exacerbating the gaps.
- Recruitment into lower paid roles is weighted more heavily towards women and minoritised ethnic colleagues, with regional variation playing a part here too; recruitment into higher paid roles was again predominantly in London.



We partner with organisations addressing social diversity, including Visionpath, UK Youth and the City Century Initiative



We are a Stonewall Diversity Champion and a Disability Confident employer



We are signatories of BITC's expanded Race at Work Charter

“Since joining Osborne Clarke in 2024 I have been impressed at the commitment of our leadership to understanding and tackling the imbalances in representation that exist across the firm. There has been a particularly sharp focus on recruitment and supporting the early talent pipeline, and it is encouraging to see the impact of this in the data relating to more junior roles. There is still work to be done to cultivate inclusion and retain diverse talent throughout the career pathway and I'm hopeful that our data will reflect the results of this work in the next few years.”



Kate Millar
Head of Responsible Business

Understanding our results

Addressing our pay gaps

We are committed to driving down the pay gaps through strategic action, guided by our Gender and Race Action Plans. These plans are structured around three key opportunities in the career lifecycle: attracting and recruiting diverse talent; fostering an inclusive work environment and retaining that talent; and targeting support for career progression.

In addition to the action being taken at practice group level to address specific challenges, we have implemented the measures set out below to support the wider firm's trajectory to meeting our ultimate goal of 30% women and 6% minoritised ethnic groups in partnership by 2025:

Objective	Action taken
Recruit	<ul style="list-style-type: none">– Hosted our second cohort of students from the 10,000 Interns scheme and expanded the number of clients involved in the programme from two to eight. We also became a member of the 10KI law firm collaboration network.– Launched two new outreach programmes – UWE Futures and Osborne Clarke Scholars – to provide financial support, work experience and mentoring to university students from backgrounds currently underrepresented in the legal sector.– Redesigned our inclusive hiring training and engaged a specialist recruiter for female talent.– Launched a new Guaranteed Interview Scheme which covers provisions for physical disability, long term health conditions, mental health conditions and neurodivergence.– Started working with 55 Redefined to promote job opportunities with the firm to people aged over 50.
Include and Retain	<ul style="list-style-type: none">– Grew participation in our Inclusion Allies programme from 23% of UK colleagues to 35%, empowering our people with the knowledge and skills to help drive an inclusive culture.– Developed our reverse mentoring programme.– Made improvements to our family, carer and flexible working policies and benefits, and produced a number of guides for managers and individuals supporting colleagues in preparation for, and returning from, maternity and other parental leave.– Ranked 69th in the Stonewall Workplace Equality Index, entering the top 100 for the first time, in recognition of action taken to improve LGBTQ+ inclusion over the previous year.– Achieved Disability Confident Level 2 accreditation for activities to recruit, develop and retain disabled people.– Adopted the Age-friendly Employer pledge, committing to promoting supportive environments for older workers.
Progress	<ul style="list-style-type: none">– Reviewed all levels of the promotion process for lawyers, including:<ul style="list-style-type: none">- using data to consider how representative the longlisted and shortlisted promotion candidates are.- providing interviewers with training on how to identify and mitigate bias.- ensuring the promotion panel is as diverse as possible.– Reviewed succession plans through a diversity lens to identify a more diverse pool of talent for leadership.– Facilitated the promotion of women to senior positions by improving family, carer and flexible working policies and benefits.

Our plan for 2025

We have assessed our progress and evolved our plan to take account of what is working, and what needs more focus. Throughout 2025 we are continuing to review our recruitment processes to remove bias and diversify appointments. Key to this is improving our ability to report where candidates drop out of the process. We will offer 'affinity meetings' to allow candidates to meet with colleagues with similar diverse backgrounds or lived experiences. And we'll broaden our support and outreach to communities that are under-represented in the legal sector.

We'll further expand our Inclusion Allies and Reverse Mentoring programmes, and develop a continuous listening strategy to help define what we mean by 'OC Culture' and identify useful metrics to monitor and report on. Mandatory race equity and anti-racism training for partners and business services managers will help establish inclusion as the foundation of our performance culture, and drive action.

In support of equitable career progression, we'll continue to improve our approach to equitable work allocation by investing in resource management, improved processes and tools. Our coaching offering will be promoted to all OC REACH network members, and we'll work to improve the diversity of our coaching pool. OC REACH will also be working with our People Development team to launch a leadership development and sponsorship programme for minoritised ethnic colleagues.

We will continue to share progress against our Gender and Race Action Plans in our annual 'OC for Good' responsible business report, and on our website.

Osborne Clarke in numbers

1320+

talented lawyers

working with

340+

expert Partners

in

26

international locations*

advising across

8

core sectors

with insight into

3

transformational trends

driven by

1

client-centred approach

Our locations around the world

Europe

Belgium: Brussels

France: Paris

Germany: Berlin, Cologne, Hamburg, Munich

Italy: Busto Arsizio, Milan, Rome

The Netherlands: Amsterdam

Poland: Warsaw

Spain: Barcelona, Madrid, Zaragoza

Sweden: Stockholm

UK: Bristol, London, Reading

USA

Miami, New York, San Francisco

Asia

China: Shanghai

India*: Bengaluru, Mumbai, New Delhi

Singapore

Osborne Clarke is the business name for an international legal practice and its associated businesses. Full details here: osborneclarke.com/verein/

*Services in India are provided by a relationship firm

osborneclarke.com