

Gender Pay Gap report

March 2018



Our Gender Pay Gap ambition

At Osborne Clarke, we're proud to be different. We celebrate diversity and actively promote an inclusive culture. We recognise that we're all individuals and we each bring something unique to the firm.

Gender pay at Osborne Clarke

We have been working hard to introduce initiatives to reduce the gender pay gap, as well as to ensure that more women and people from Black, Asian and minority ethnic (BAME) backgrounds are recruited and promoted into senior roles. And we are committed to promoting social mobility too. These programmes are starting to show progress. But we know it is not enough. We need to do more.

We welcome moves towards greater transparency around all aspects of diversity and inclusion. That's why, alongside gender pay gap reporting, we're also bringing in a range of new initiatives to ensure everyone has the opportunity to thrive at Osborne Clarke.

What is gender pay gap?

The gender pay gap measures the average difference in hourly earnings between men and women within an organisation. This is different to Equal Pay, where women and men are paid different amounts for the same work. The UK has a gender pay gap of around 18%. Which means that the average working man in the UK gets paid 18% more than the average working woman. In the legal sector, the Law Society estimates that the gender pay gap is around 30%.

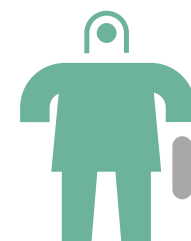
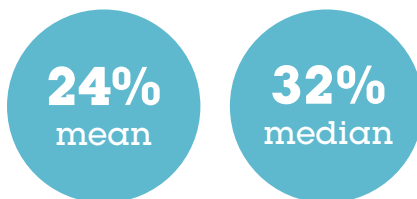
The reasons for a gender pay gap are not straightforward. Male dominated careers tend to pay more, female dominated careers tend to pay less, and there are still far more men in higher paid senior roles across all industries. Understanding these complex issues helps us to break down barriers and remove obstacles to equality.



Our results

Our gender pay gap based on salary

If we use mean (the average of all salaries added together) as a measure, we have a gender pay gap of 24%. If we use median as a measure (the mid-point of all salaries) we have a gender pay gap of 32%.



68%
of our employees
are female

Gender pay gap in our bonus payments

Although our profit share scheme is paid to everyone, the figure we need to report is lower because people who joined the business between the payment date and the reporting date hadn't received their bonus during the analysis period.

The bonus gap is wider than our pay gap because it is calculated on total bonus paid. A higher proportion of those who received a bonus work part time (19%, compared with 16% across the firm) and therefore receive a proportionately lower bonus.



32%
of our employees
are male

Our gender pay gap based on salary quartiles

We have split the firm into four equal salary-based quartiles to illustrate how the gender balance influences our mean gender pay gap.

Lower quartile	Lower middle	Upper middle	Upper quartile
79% women 21% men	77% women 23% men	63% women 37% men	52% women 48% men

1 in 3
women are low
earners in the
lower quartile

1 in 5
women are high
earners in the
upper quartile

Our Partner figures

Transparency is important to us, so whilst the regulations do not require us to report our Partner figures we believe it is important to provide a complete picture of gender pay at Osborne Clarke. The table below shows the partner data, as well as the overall pay gap with partners included. This data includes salary and bonus for employees and the equivalent elements of Partner remuneration.

Partner pay gap	Overall pay gap
29% mean	65% mean
38% median	47% median

Please note: Figures have been rounded up or down to the nearest whole number.

Understanding our results

While we are confident we pay men and women equally for equivalent roles and we are pleased that the percentage of men and women receiving bonuses is almost identical, we recognise that our gender pay gap is too high.

Our data tells us

Our gender pay gap is the result of:

- Having fewer women in higher paid roles
- Women more likely to face interruptions during their career
- Women clustered into certain types of roles

Fewer women in higher paid roles

Although we have a high proportion of female employees overall, some roles have a very high concentration of women. As the pay scale rises, so does the proportion of men. There's a 35% decrease in women from the lower quartile to the upper quartile, which shows that we have more men in higher paid roles. There are also more women in roles where salary progression is more limited, for example in our PA teams.

Interruptions to career progression

Our gender pay gap increases with length of service. It starts as low as 12% (median) for anyone with under a year's service, and increases to 48% (median) for people with over 20 years in the firm. This follows national trends. More women than men interrupt their careers to take time off to care for young families, usually between the ages of 30-40, which can impact on pay progression, particularly in roles where pay progression is linked to experience gained.

Women doing different types of roles

So, what happens when we split the data by occupation?

Legal Practice

Our Trainee Solicitors and Paralegal roles all have negative pay gaps, with women's hourly rates marginally higher than the men's. For all other qualified lawyers, the gap reduces to between 1% and 3%, which confirms that we offer equal pay for equal work.

But when we combine all roles across our Legal Practice Groups ranging from entry level roles up to the most senior Consultant the gap widens because of geographic pay variances and levels of seniority.

Business Services and Business Support teams

Our junior level roles all have negative pay gaps (so women are paid on average slightly more than men), and while the pay gap increases for management level roles, overall, it remains below the firm wide average.

There are more women than men across most of our Business Services and Business Support roles, so the pay difference overall is due to having significantly more men in senior roles, in this part of the business.

BAME groups

The pay gap is much lower for BAME, with a mean of 8% and median of 8%, but we still need to bring more people from this group into senior roles.



Please note: Figures have been rounded up or down to the nearest whole number.

The conclusion

Enabling more women to progress, more quickly, into senior roles would help to narrow our gender pay gap significantly.

What we are doing to take our business forward

We are committed to improving the diversity of our workforce at all levels. And we believe that having a more diverse senior team will make us stronger. That's why, as a priority, we've already taken a number of steps to improve diversity at Osborne Clarke.

Our initiatives include:

- Networking groups for LGBT+ and BAME, OC Women's network and the Female Progression Initiative to help us to retain and promote women
- Female Partner networking and development programme
- Improved support for parents with young children through:
 - Actively promoting flexible working
 - Increasing paid maternity/adoption/shared parental leave
 - Offering coaching to help parents to progress their careers and manage their work life balance.

Wellbeing

Our wellbeing programmes are designed to improve and maintain the physical and mental health of all our employees and include specific networks and resources for working parents too.

Social Mobility

Alongside our work towards gender equality, we believe that social mobility is an important tool in promoting inclusivity for all. To this end:

- Our business leadership team (many of whom are first generation university graduates themselves), HR and recruitment team are trained to manage unconscious bias
- We've partnered with St Mungo's through Roll on Monday to help homeless people into employment
- We are active members of the Social Mobility Business Partnership
- We've signed up to a Rare Contextual Recruitment System, which will help us to increase the diversity of our trainees.

Summary

We are continuing to track our pay data, and our gender pay gap has already reduced since the official reporting month of April 2017. Our initiatives are already making a difference. However, we're not stopping there, and we are already working on a range of new activities to speed up our progress.

We believe that people can only really be successful when they can be themselves. We're confident that our continuing efforts will not only reduce our gender pay gap and help us achieve our diversity targets, but also ensure that women and men from all kinds of backgrounds, with all kinds of stories, have the freedom to progress, and equal opportunity to use their talents to the full at Osborne Clarke.



Please note: Figures have been rounded up or down to the nearest whole number. We confirm the data reported is accurate.