



Our 2017 UK gender pay gap report

At Herbert Smith Freehills, we aim to be the leading global law firm for the attraction, promotion and retention of women as part of our commitment to inclusion across the spectrum of diversity.

Fostering a culture of inclusion is imperative for our business and for the diverse clients we serve. Embracing diverse views and experience means we attract and retain the best people, and provide our clients with the most considered and innovative advice.

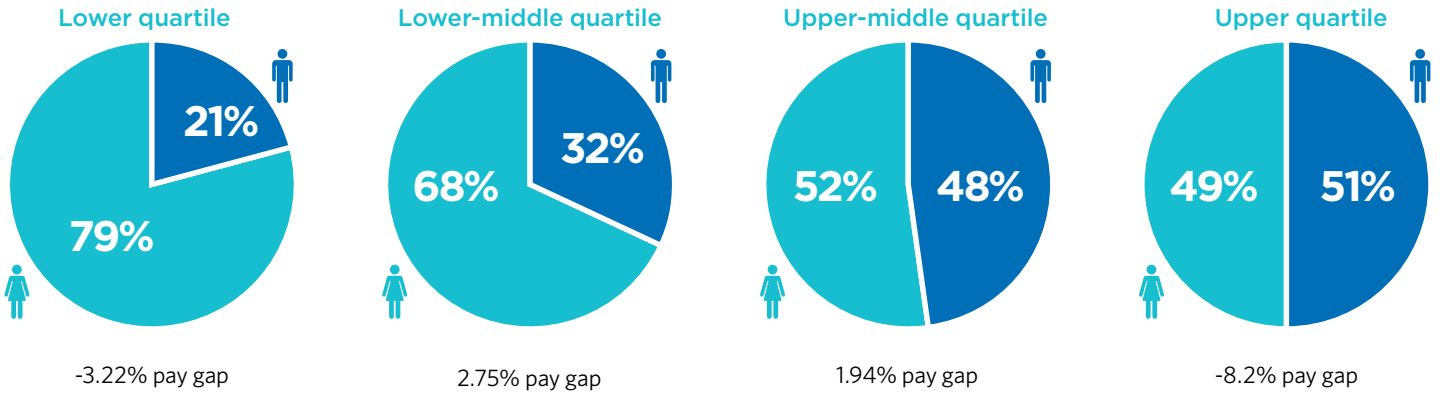
As a Times Top 50 Employer for Women, we welcome the introduction of gender pay gap reporting as an important contributor to transparency, and we are committed to working to reduce or eliminate any gap that exists.

Pay and bonus gap: difference between men and women

	Mean	Median
Hourly pay	19.0%	38.8%
Bonus paid ¹	35.2%	44.2%

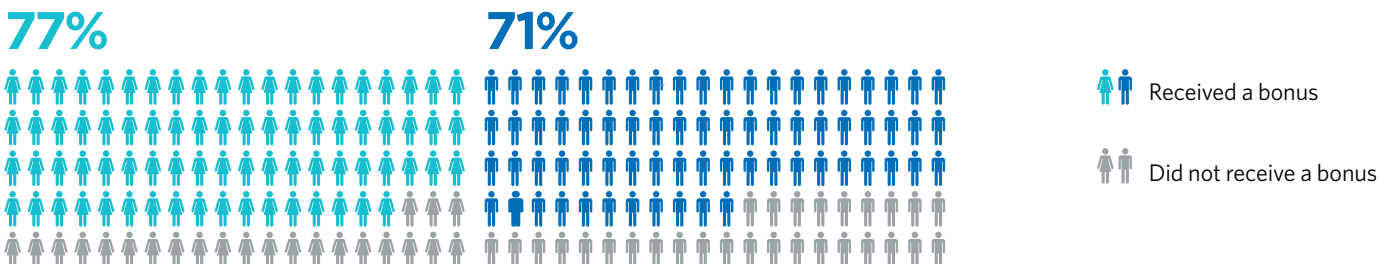
This table shows our median and mean pay gap based on hourly rates of pay. It also shows the mean and median difference in the bonuses paid to men and women.

Pay quartiles



The charts illustrate gender distribution across the firm in four equally sized quartiles, and the mean gap between men's and women's salaries at each quartile.

Proportion of women and men awarded a bonus in 2016



UNDERSTANDING OUR RESULTS

Based on our analysis, we are confident that men and women are paid equally for doing equivalent jobs across our firm. We are also confident men and women have an equal opportunity to earn a bonus.

Our mean gender pay gap is smaller than the mean gap for the UK legal sector, which stands at 24%.² However, our median gap of 38.8% is higher than the legal sector median, which stands at 25.7%.

Our analysis shows that our pay gap exists primarily because of the distribution of women and men within different types of roles in the firm.

Within each pay quartile, gaps are much smaller – or non-existent. However, as the figures show, the percentage of women is larger in the lower-middle and lower quartiles.

A large proportion of women in our firm – 22% – work in secretarial roles, a pattern that is similar across the legal sector. We also have more women than men in the firm overall: 62% women, compared with 38% men.

If we exclude secretarial roles from our data analysis, our mean pay gap reduces to 8.8% and the median to 13.6%. This result helps us conclude that our pay gap is the result of distribution of roles; we remain confident that we pay equally for equivalent roles.

The distribution of role types also affects our bonus gap: although women were more likely in our analysis to receive a bonus than men, the bonuses awarded to women tended to be lower because of the nature of their roles.

GENDER BALANCE AND DIVERSITY AT HERBERT SMITH FREEHILLS

We monitor the gender impact of our reward processes – a practice that plays a fundamental role in helping us identify and, where possible, improve our gender pay gap. This includes conducting a rigorous review throughout the organisation to ensure that decisions about pay are made fairly and in keeping with our commitment to diversity.

As part of our ongoing work to foster gender balance across the firm, we will continue to ensure we attract a diverse pool of candidates to all types of job roles.

In 2014, we set a target to have 30% women in our global partnership by 2019, with an interim target of 25% by 2017. Globally, 22.5% of our partners are women – up from 17.5% when we set the targets – and the majority of our global practice groups and regions have hit the interim target. In Business Services, we set a target that neither gender would represent more than 60% or fewer than 40% of senior roles. In 2017, women are in 54% of senior Business Services roles.

These targets are an important step in helping create equal opportunities for men and women aspiring to become partners or to progress to senior levels in Business Services – and an important part of the firm's overall approach to achieving greater gender balance at all levels.

To support further progress against our targets in all areas of our business, we have reviewed our partner promotions process to reduce the potential for unconscious bias in decision-making. We have also launched a new suite of e-learning training to help people in the firm – including all senior leaders – recognise unconscious biases.

We support women in further enhancing their leadership skills through initiatives such as targeted career development, coaching, mentoring and sponsorship. We also provide opportunities for professional networking and personal development through our women's networks. Our employee resource groups support the overall diversity and inclusion strategy with a particular focus on professional and personal development via career insight panels and speakers. These groups include:

- Women Lawyers' Network
- Women Trainee Lawyers' Network
- Women in Business Services

There are many other initiatives that underpin our efforts to address the gender pay gap – our agile working policy, for example, gives people greater flexibility and more control over how they work. In addition, we offer benefits such as childcare assistance and maternity 'coaching' – support for planning and managing the departure and return to work – to help people balance the demands of their professional and personal lives.

The work we do to support all our people is aligned with the aims of gender pay legislation. We are committed to continuing and enhancing these activities – and we are confident that the efforts we are making will help us reduce the gender pay gap in our firm.

We confirm the data in this report to be accurate.

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1 In our original 2017 report, we unintentionally calculated our bonus gap incorrectly. We included employees within the calculation who were not paid a bonus during the reporting period; these employees should have been excluded. We have recalculated these figures and corrected them in this report and on the government portal.

2 Source: Office for National Statistics

Key contacts



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