

Slater and Gordon | **Gender Pay Gap Report 2021**

At Slater and Gordon we are proud of our record and our progress on gender diversity at all levels of our organisation. Four of the nine members of our Executive Leadership Team are women and our Senior Leadership Team (representing the 60 most senior leaders in our business) is comprised of 58% women.

What is the Gender Pay Gap?

The gender pay gap shows the difference in the average pay between all men and women in a workforce, irrespective of their role and level in the organisation. It is not the same as equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because of their gender. A gender pay gap will arise where a company has more men in senior or higher paid positions and more women in lower paid roles. The national average gender pay gap is 15.5% in 2020 according to the Office for National Statistics (ONS).

How is it calculated?

The gender pay gap is the difference between the mean or median hourly rate that men and women receive. The mean (or average) is the sum of all hourly rates divided by the number of relevant employees. The median is the middle figure when the hourly rates of all employees are listed in ascending order. For the purposes of reporting, only 'full-pay relevant employees' should be counted. Pay data relating to employees on 'leave' – which includes annual leave; maternity, paternity, adoption, parental and shared parental leave; sick leave; and special leave are not included in this report.

Slater and Gordon employs more women than men at all levels of our organisation and the proportion of women is highest in our lowest three pay quartiles. Therefore, at a group level the mean and median pay of women will always mathematically be lower than men although women are always paid the same as men doing the same jobs throughout the organisation.

Our approach to gender diversity

At Slater and Gordon, we continue our commitment to improving gender representation at all levels of our organisation as part of our wider Inclusion and Diversity programme. Since our last gender pay gap report, the Covid-19 pandemic has continued to have an impact on the way we work and the needs and preferences of our teams. Our commitment to tackling the gender pay gap starts with our investment in people at all stages of their careers.

As part of our 2021 lawyers' promotions programme, we were delighted to confirm 14 promotions, the majority of whom were women at all levels. We continue our focus on various initiatives including Trainee Solicitor and Apprenticeship programmes to help our people develop their careers from early stages.

You can read more about some of the specific initiatives we have in place to continue to improve gender diversity at the end of this report.

Gender Pay Gap (2020/21)

For the 2020/21 period, we have calculated our Gender Pay Gap (GPG) as a combined total which takes into account SGL, Motor and Mobile Doctors – Both Motor and Mobile Doctors have a headcount of less than 250 staff each and we have therefore not reported on these groups separately.

In order to provide context, the previous years' results have also been included.

	2018-2019	2019-2020	2020-2021
Mean pay gap	20.0%	20.1%	16.7%
Median pay gap	18.5%	19.6%	15.9%

It is encouraging to see a significant improvement of both our mean and median Gender Pay Gap figures which highlights our focus on pay consistency across Slater and Gordon following the introduction of job levelling in the previous reporting year. While there is still work to do to reduce the gap, we are pleased with our progress and are committed to building on this success in future years.

Bonus Gap 2020/21

We introduced our new Group Incentive Plan scheme in 2020 which we believe rewards all colleagues fairly and consistently based on their individual performance and contribution to the business. This is a significant move from the 14 different schemes that were previously in place, due to legacy arrangements relating to previous mergers and acquisitions. Following the introduction of the new bonus scheme we are pleased to report significantly increased bonus distribution for all colleagues and a decrease in the mean bonus gap of 17.2%.

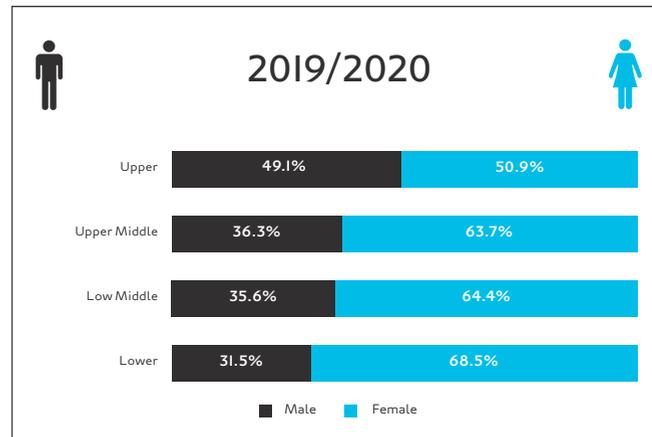
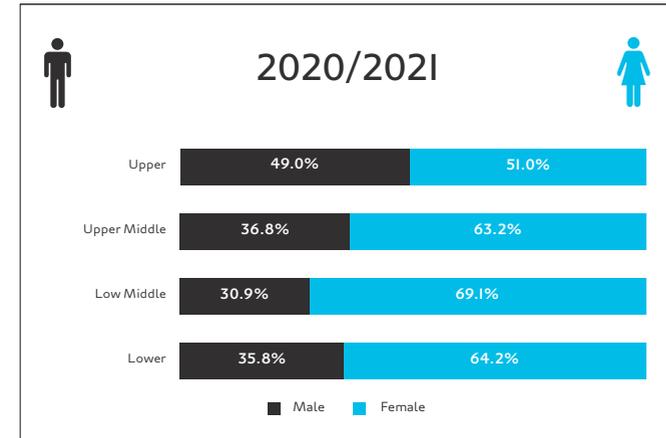
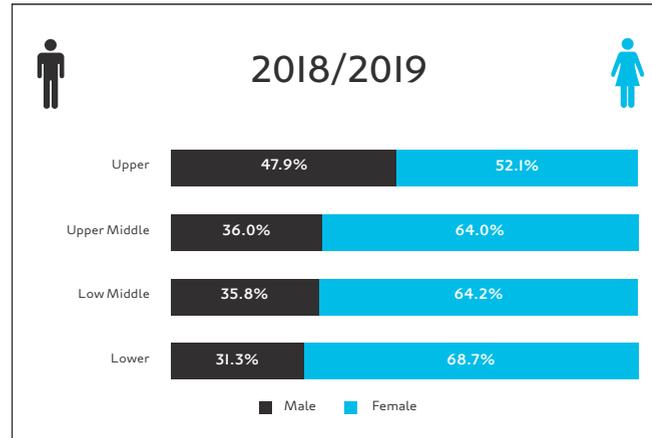
The median gap has risen by 5.4% which accounts for a larger percentage of colleagues receiving a

smaller bonus payment across the Group during the relevant period due to impact of Covid and Furlough.

The bonus gap can also be linked to the pay quartile data, where the data shows a much larger population of female staff in lower quartile roles – as bonus payments tend to rise in magnitude as a percentage of salary for higher paid colleagues. According to our analysis, the average bonus for our male colleagues is slightly higher as whilst we have a higher ratio of women to men in the business, the men are clustered towards the higher-paid roles. We are seeing and expecting to continue to see the new scheme narrowing the gap through consistent rewards.

	2018-2019	2019-2020	2020-2021
Mean Bonus Gap	34.1%	47.1%	29.8%
Median Bonus Gap	23.1%	34.9%	40.4%
% Males Receiving Bonus	38.0%	41.9%	65.2%
% Females Receiving bonus	37.9%	38.6%	71.9%

Pay Quartile Distribution



As evidenced in the charts above, whilst our lower middle combined quartile has become more weighted towards female colleagues, there has been an increase in our male population in the other quartiles. Whilst our gender balance remains positive in our higher quartiles, we will ensure and are committed to a balanced workforce and that we create opportunities to progress in the business for all our colleagues.

Our lower and lower middle quartiles remain weighted more towards our female colleagues. As in previous years, this weighting will have an impact on our pay gap percentage as a larger percentage of our female workforce are on lower salaries, which naturally lowers the average female salary.

Our inclusion and diversity activities

We continue to accelerate a number of initiatives in 2022 that will help to build an equal, diverse, and inclusive Slater and Gordon:

- We are continuing to roll out **Connected Working** which is our hybrid working model and enables our people to work in a fully agile and flexible way. This will reduce our property and carbon footprints, allow colleagues to truly make time to live and encourage more diversity as we create job roles that can suit people from a wider range of lifestyles.
- To enable this agile working environment, we continue to invest heavily in **technology** and provided our teams with the latest Microsoft Surface devices and training so they can work productively and collaborate with colleagues and customers from anywhere. We continue our drive to invest in our people and technology to improve our colleague experience.
- In 2019 we concluded a **job levelling process** with an external benchmarking specialist to ensure we are operationally and organisationally fit for the future as well as establishing clear pay structures for each role which are considered in the annual pay review cycle. As part of our commitment to continuous improvement we reviewed this within our Reward Strategy in 2021/2022.
- We continue to review our **recruitment** processes to identify any barriers and seek to remove these.
- Our **career development and succession planning** initiatives continue to allow colleagues from all areas of the business, not just the fee earning community, the

opportunity to diversify their skillsets and complete further formal and informal training.

- We plan to launch **personal development programmes** such as an internal mentoring scheme, which will allow colleagues in senior positions within the business to offer themselves up as a mentor to less experienced colleagues, and a sponsorship programme aimed at school leavers from lower socio-economic backgrounds.
- We have strengthened our commitment to a culture of equality, diversity, and inclusion by partnering with the following organisations which gives us access to best practice and to achieve our **Inclusion and Diversity** initiatives and allowing us to benchmark against others.
 - Inclusive Employers
 - Business Disability Forum
 - The Valuable 500
 - Disability Confident Scheme
 - Socio-Economic Diversity Taskforce
 - 55/Redefined
- In addition, we will continue providing equality and diversity training and **unconscious bias training** to all colleagues.

Finally, our female leaders and lawyers are often recognised as role models to their colleagues, and we are proud that many of them were shortlisted for and won several prestigious external awards in 2020/2021 including Claimant Lawyer and Clinical Negligence Lawyer of the Year at the PI Awards, Innovative Leader of the Year at Women, Law and Power in Law awards. These accolades recognise top female lawyers who have made a remarkable difference in the legal profession.