

SLAUGHTER AND MAY /

UK PAY GAP REPORT

2022





Contents

This report sets out our gender pay gap data in accordance with the UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, where employers with over 250 employees in the UK are required to publish their gender pay gap data annually. We are required to publish and report our gender pay gap data within 12 months of a data 'snapshot date'.

Our snapshot date is 5 April 2022 and this date has been used to calculate all employee numbers in this report. The gender pay gap in this context is the difference between the average earnings of men and women, expressed relative to men's earnings.

We also share, on a voluntary basis, an analysis of partner earnings as a group and combined with the employee populations, as well as our ethnicity pay gap analysis.

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Introduction

We firmly believe that transparency and accountability are essential if we are to measure and make further progress on diversity and inclusion which is an integral part of our people strategy.

This is why, in addition to mandatory reporting on gender, we are again sharing voluntary data on our ethnicity pay gap. These compare pay and bonus remuneration for our ethnic minority partners and employees with that of white colleagues.

Measuring our progress over time is important. The ambitious gender and ethnicity targets we have set for partnership promotions are another example of this approach in action. But just as important is our commitment to developing a culture of everyday

inclusivity where we are all accountable for increasing equity and fairness for under-represented groups.

This is not just an aspiration, it involves tangible changes to how we operate day-to-day. For example, we have introduced a robust governance system within our legal teams. This makes sure that accountability for progress sits with the groups and the development and promotion of a diverse pipeline, including for partnership in the longer-term, is analysed, challenged and monitored.

We know that different backgrounds and viewpoints help us to make better decisions as a firm and provide the best advice to our clients. Our objectives are therefore to: enhance the retention and promotion

of talent, with a focus on women and diverse groups; drive personal accountability by equipping our people with the skills to lead and work together inclusively, and; create an environment where everyone can feel valued, included and able to be themselves. You can find further details in our [Responsible Business Report 2022](#).

We confirm the data in this report are accurate.



Jill Hoseason
Chief Operating Officer



Jonathan Clarke
Chief People Officer



Key Findings

Gender

Our 2022 employee gender mean and median pay gaps both decreased compared to 2021.

- A gap between men and women on mean and median hourly rates of pay remains although in both cases these gaps have reduced.
- Mean and median bonus gaps between men and women decreased compared to 2021.
- A lower proportion of women and men received a bonus in 2022 compared to 2021.
- A higher proportion of women received a bonus compared to their male colleagues in 2022.

Our 2022 combined UK partner and employee pay gap has increased for both the mean and the median. We believe that our combined gender pay gap remains significantly impacted by both the higher proportion of senior men within the business,

who make up a large part of our upper quartile population, and the proportion of women in more junior and executive assistant roles, who make up a large part of our lower quartile population. We continue to work on improving our pipeline of gender diverse talent across our business to close these gaps, which we cover in more detail on page 17.

Ethnicity

The mean and median pay gaps remain between white and ethnic minority colleagues, with white colleagues continuing to receive a greater mean and median hourly rate of pay.

- Our 2022 employee ethnicity mean pay gap increased compared to 2021.
- The employee ethnicity median pay gap in 2022 decreased compared to 2021.

- The mean ethnicity bonus gaps increased compared to 2021.
- The median ethnicity bonus gaps decreased compared to 2021
- A lower proportion of both ethnic minority and white colleagues received a bonus in 2022 compared to 2021.

We have a concerted focus on increasing the representation of ethnic minorities within our business. A four point plan guides our work around recruitment, retention and progression to ensure equity in outcomes. More information on what we are doing is included on page 17.

Understanding the numbers

HOURLY PAY

Hourly pay for all eligible individuals in receipt of full pay in April 2022.

MEAN

Individuals' hourly pay totalled then divided by number of individuals.

MEDIAN

Individuals' hourly pay ranked then middle value identified.

PROPORTION OF MEN AND WOMEN IN EACH QUARTILE BAND

Divided into quartiles.

BONUS GAP

Actual bonuses paid to individuals in the 12 months to April 2022.

PROPORTION RECEIVING A BONUS

In the 12 months to April 2022, of those employed in April 2022.

A positive gap for the gender figures means that men are paid more than women, whilst a negative gap means women are paid more than men. A positive gap for the ethnicity figures means that white colleagues are paid more than ethnic minority colleagues, whilst a negative gap means ethnic minority colleagues are paid more than white colleagues.

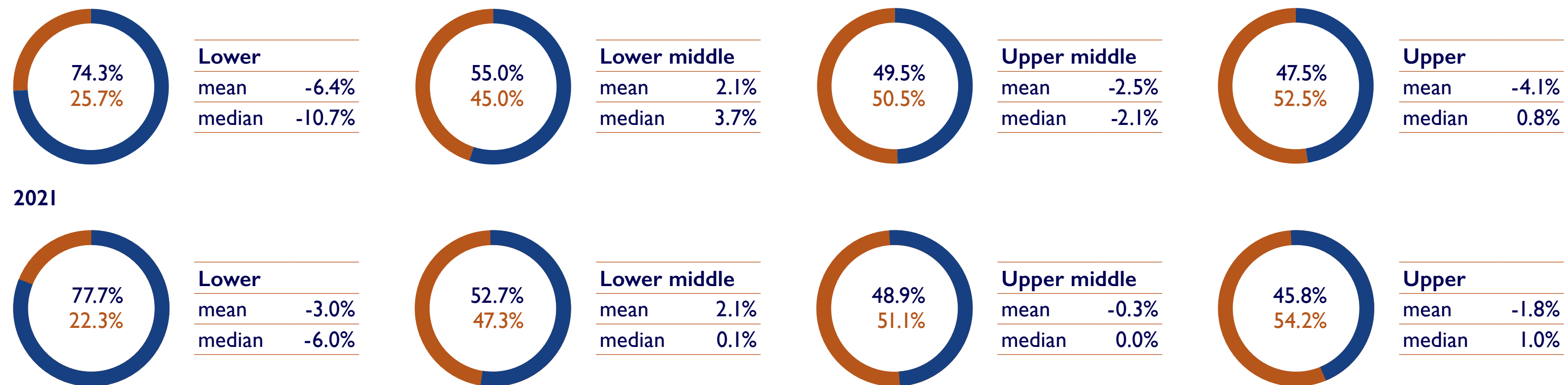


Employee Gender Pay Gap Summary

Hourly pay gap

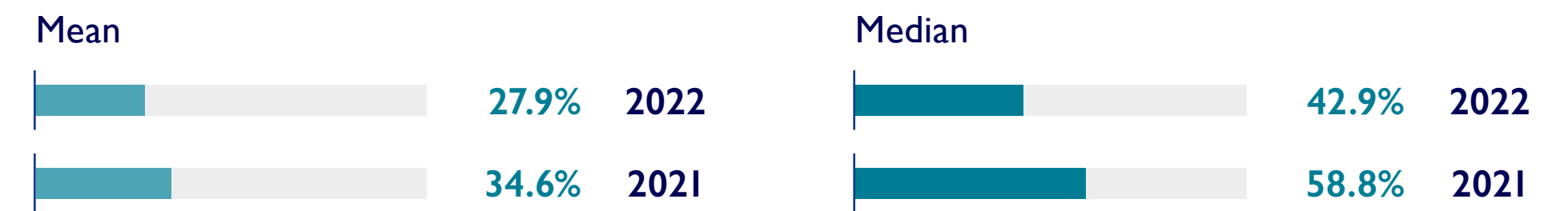


Proportion of women and men in each of four quartile pay bands. Based on pay period 1-30 April 2022

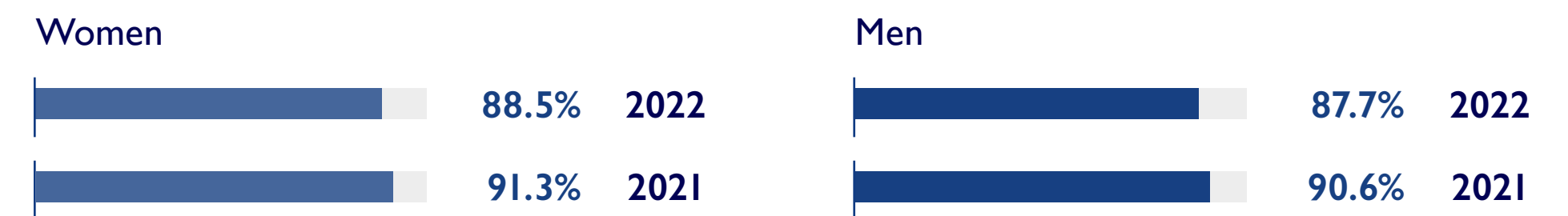


Gender Bonus Gap Summary

Annual Bonus Gap



Proportion of women and men who received a bonus in the pay period



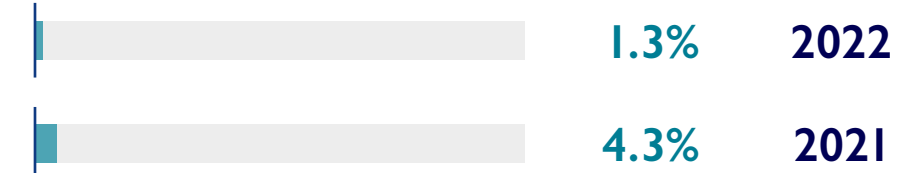
Associate Gender Pay Gap

The data featured in the next four pages cover our two largest employee populations at the firm – associates and business services. We have chosen to provide this for transparency; it is not required as part of the statutory disclosures.

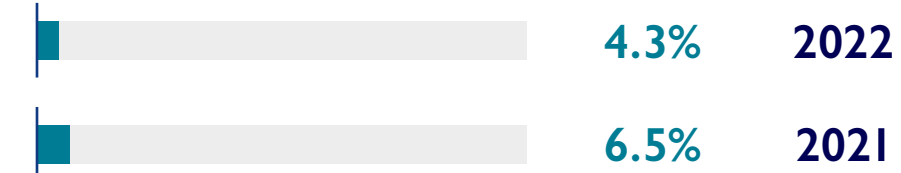
Our associates with the same number of years' experience are generally paid the same salary and receive the same bonus percentage.

Hourly pay gap

Mean

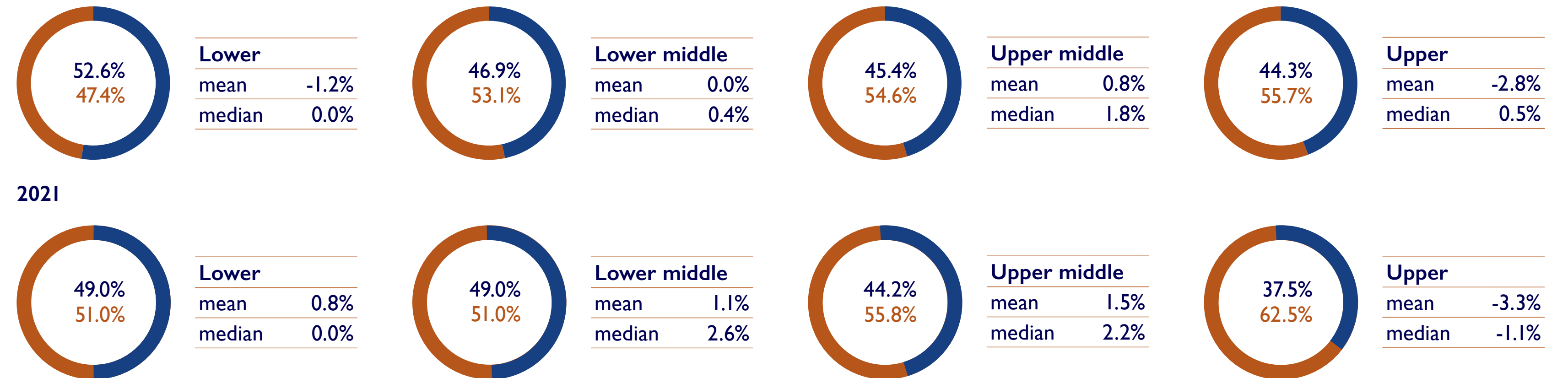


Median



Proportion of women and men in each of four quartile pay bands. Based on pay period 1-30 April 2022

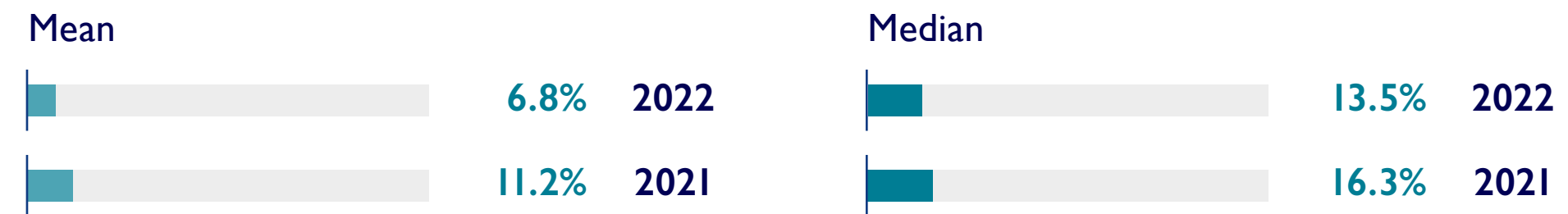
■ Women ■ Men



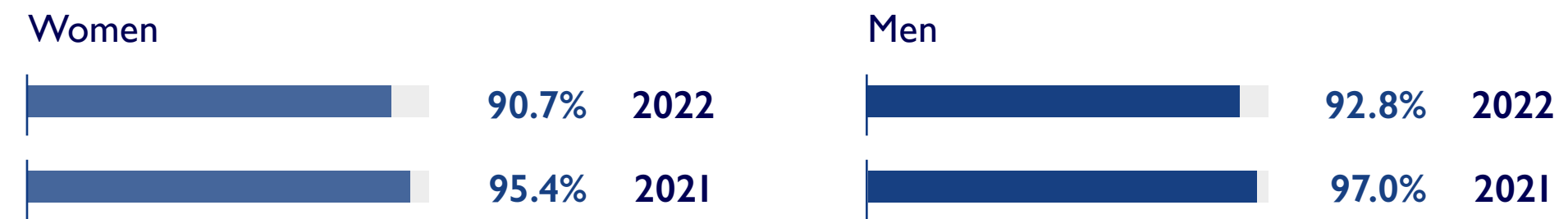


Associate Bonus Gap

Annual bonus gap



Proportion of women and men who received a bonus in the pay period





Business Services Gender Pay Gap

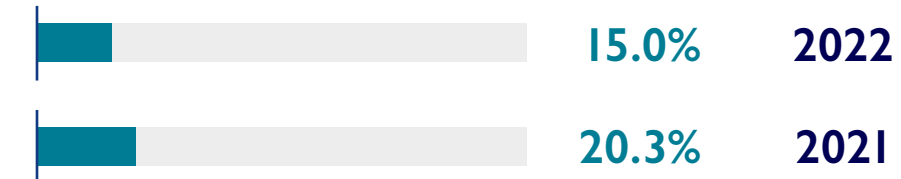
For the purpose of these calculations, the pay gap for business services as a whole has been calculated using data from all our employees, except associates, trainee solicitors and executive assistants.

Hourly pay gap

Mean

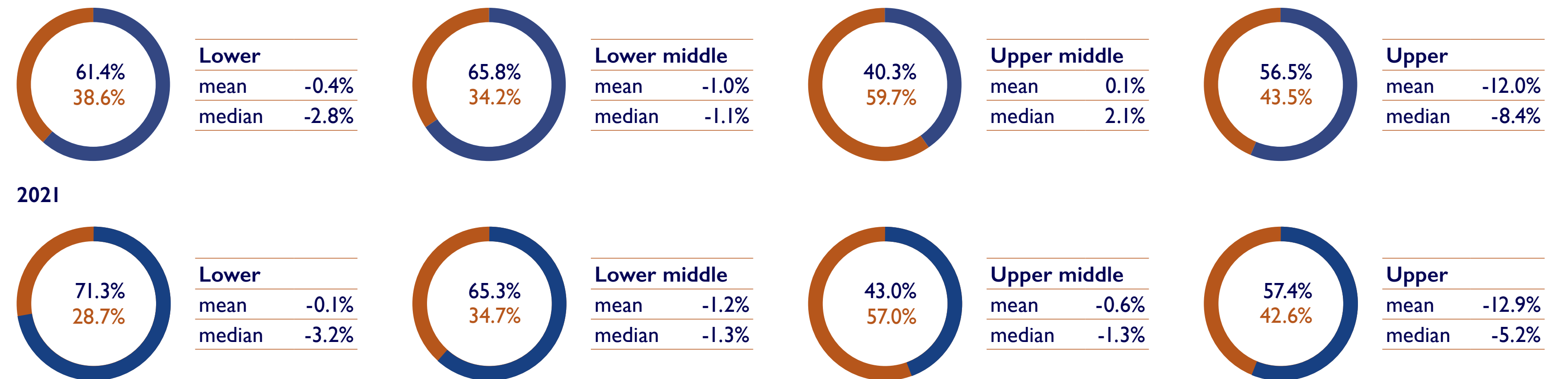


Median



Proportion of women and men in each of four quartile pay bands. Based on pay period 1-30 April 2022

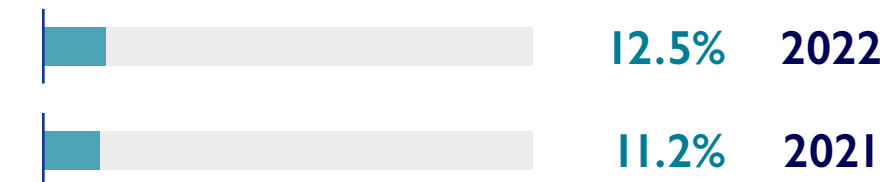
■ Women ■ Men



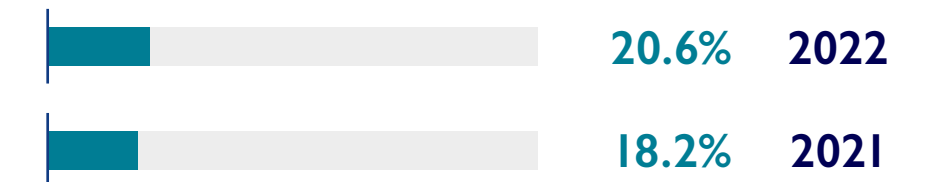
Business Services Bonus Gap

Annual bonus gap

Mean

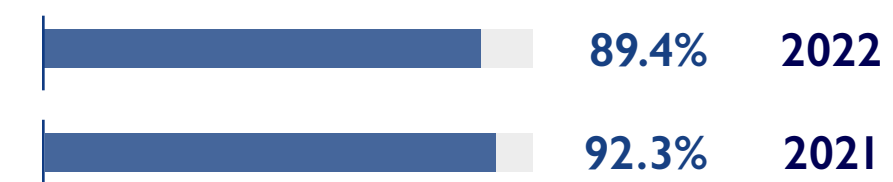


Median

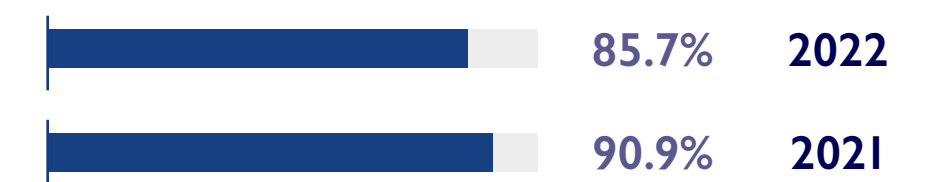


Proportion of women and men who received a bonus in the pay period

Women



Men





Partners Pay Gap Summary

Slaughter and May is a general partnership. All of our partners have equal voting rights and partners promoted to the partnership at the same time are remunerated equally.

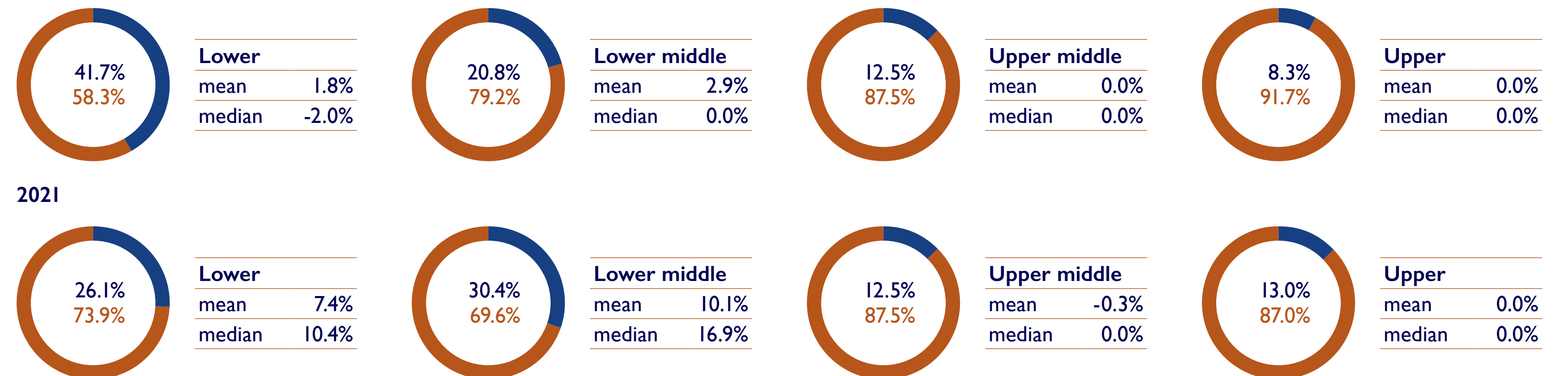
For clarity, our partners are not “paid a salary”; instead they take a share of the profits. They also do not receive any additional payments, such as bonuses. As a result, our partner pay gap figures have been calculated using an hourly rate based on the annual profits for the 12 months to 30 April 2022.

The mean and median pay gaps in our partner population in London are explained by the fact that there is a higher representation of men at the more senior levels of our partnership, occupying the upper quartiles of pay. This has the effect of widening the gender pay gap. The gender balance across the partnership is, however, changing over time as we promote more women into the partnership, helping to close the gap.

Hourly pay gap



Percentage of women and men in each quartile pay band



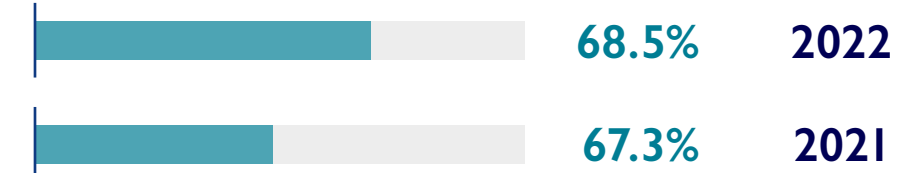


Employees and Partners Combined

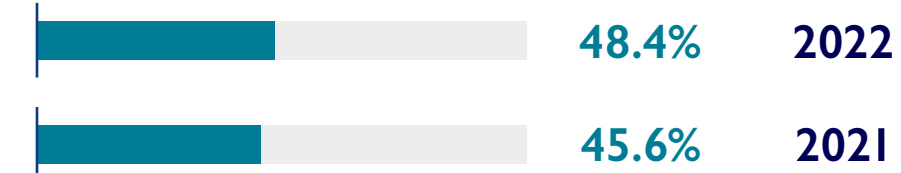
In order to combine our employees and partners, we have used the hourly rate for both partners and all employees based on total earnings. Total earnings for partners are the annual profits for the 12 months to 30 April 2022. For employees, total earnings are their annual salary as at April 2022 plus any bonus paid during the relevant period, adjusted for statutory inclusions/exclusions (such as allowances and salary sacrifices).

Hourly pay gap

Mean



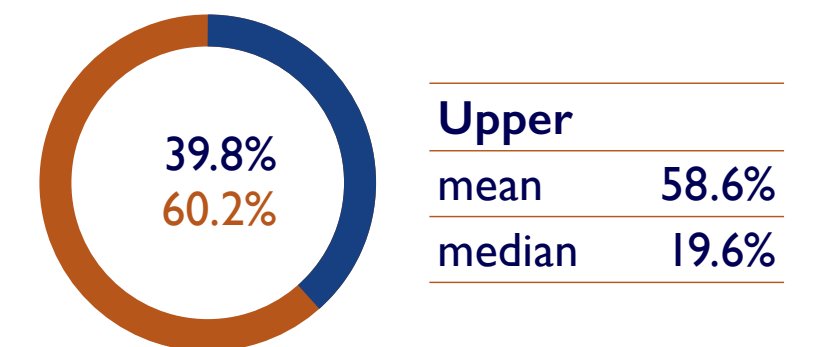
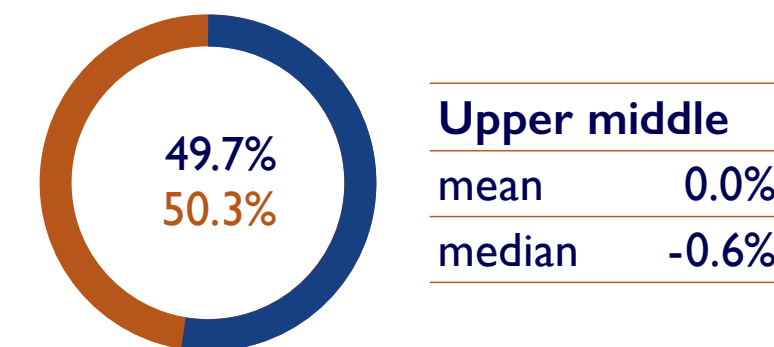
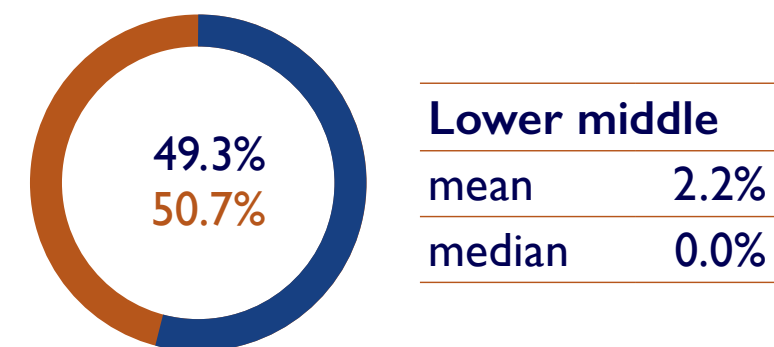
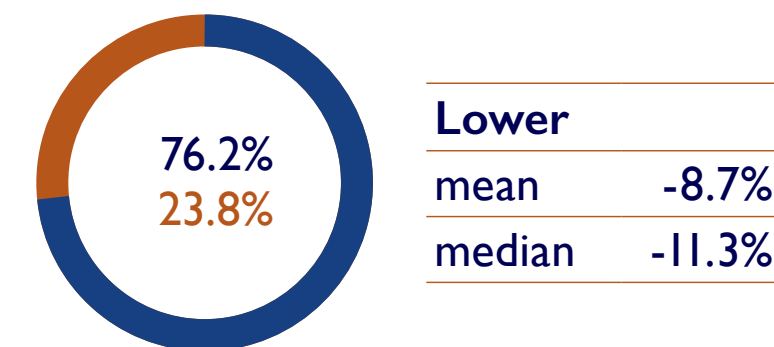
Median



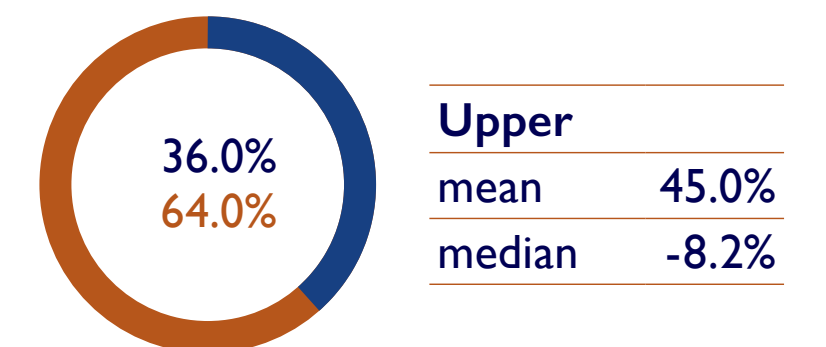
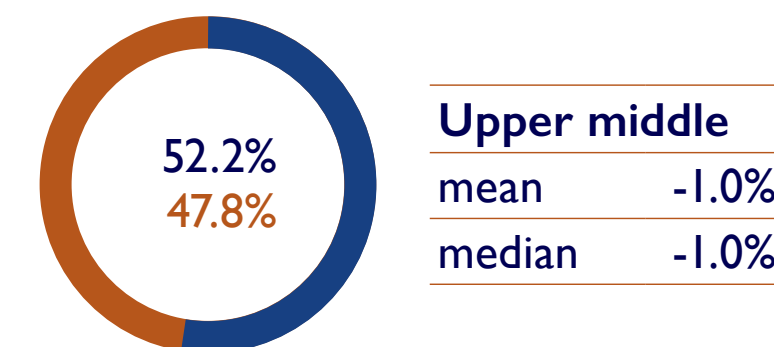
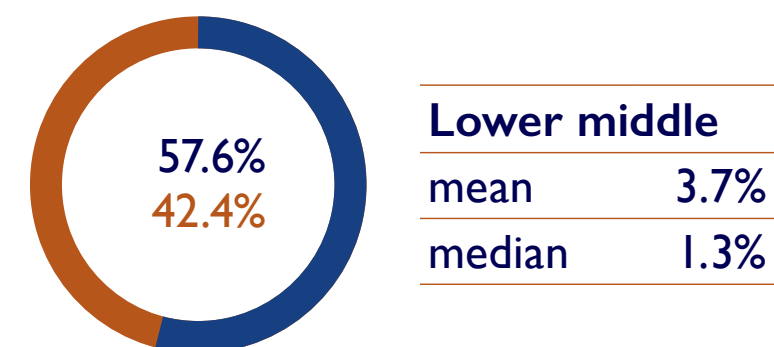
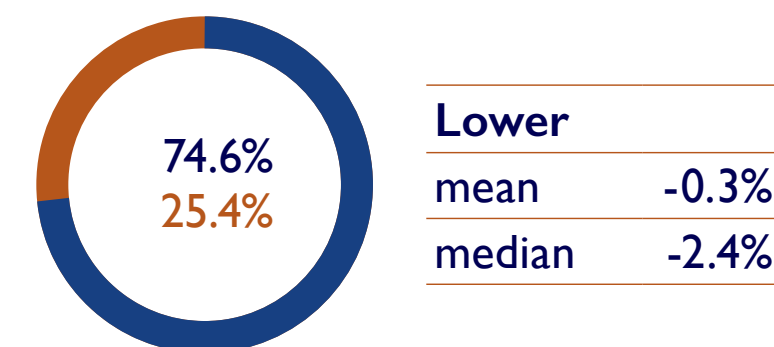
Percentage of women and men in each quartile pay band

2022

■ Women ■ Men



2021





Ethnicity Pay Gap Summary

Our ethnicity pay gap reporting has been produced on the same basis as our regulatory gender pay gap reporting. It shows the difference in pay between ethnic minority employees and white employees. We have also calculated the pay gap for employees and partners combined.

Reporting on the ethnicity pay gap relies on individuals disclosing their ethnicity. This voluntary disclosure means that there are individuals who have not provided this information.

As a result, the population used to calculate the ethnicity pay gap will not be the same as the population used to calculate the gender pay gap.

92% of our employees and partners included in the gender pay gap reporting have provided their ethnicity details. This remained the same from 2021. We continue to encourage our employees and partners to complete this information in a drive to increase the overall disclosure rate, which will increase the reliability of the data being reported.

Hourly pay gap

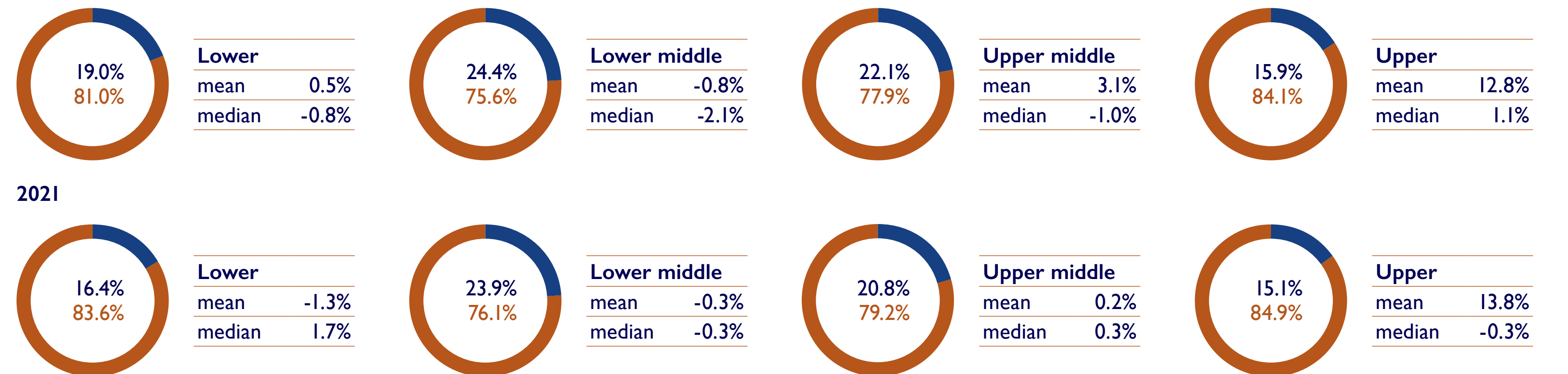
Mean



Median

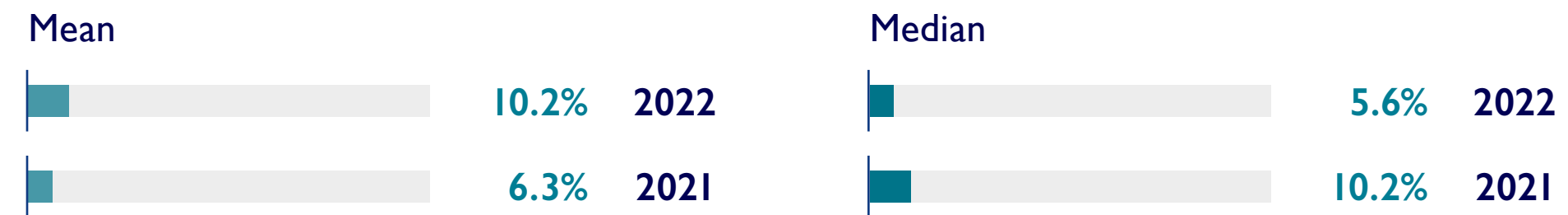


Proportion of ethnic minority and white employees in each of four quartile pay bands. Based on pay period 1-30 April 2022

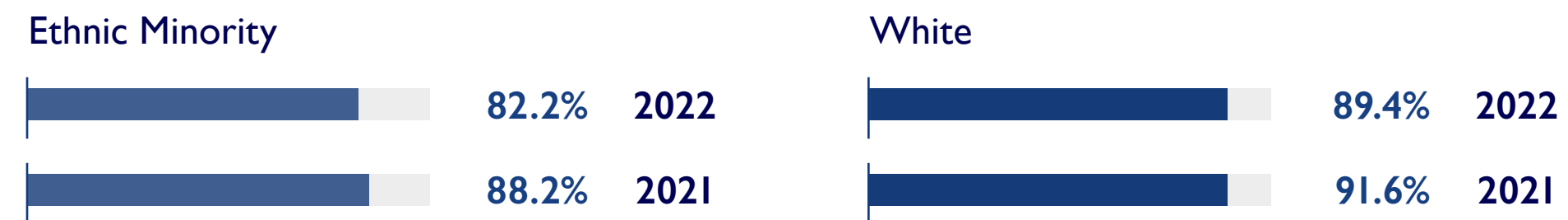


Ethnicity Bonus Gap Summary

Annual bonus gap



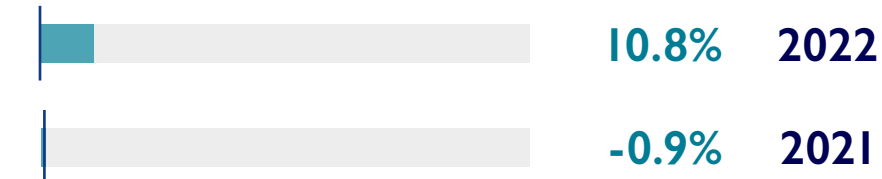
Proportion of ethnic minority and white employees who received a bonus in the pay period



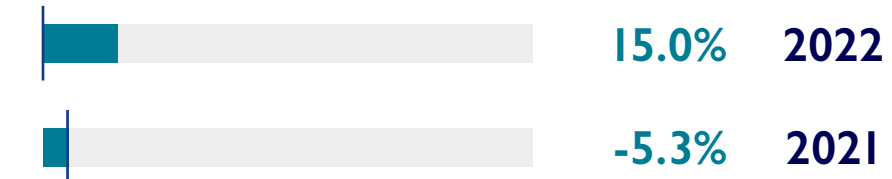
Ethnic Minority Partners

Hourly pay gap

Mean

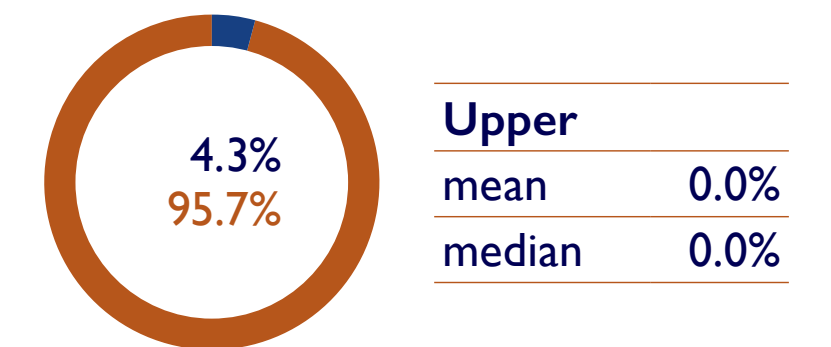
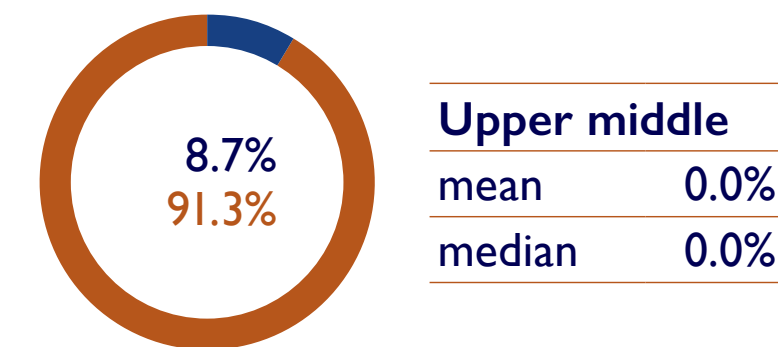
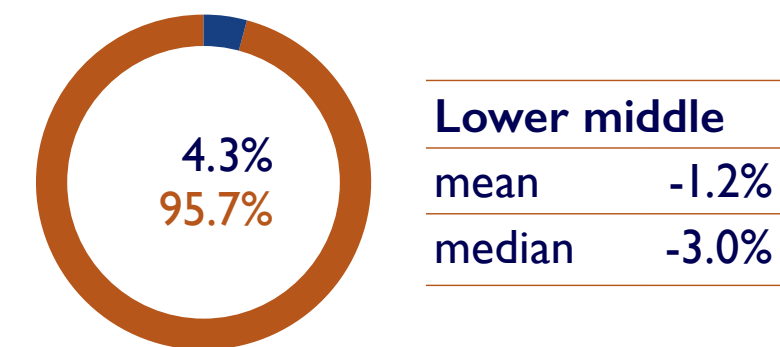
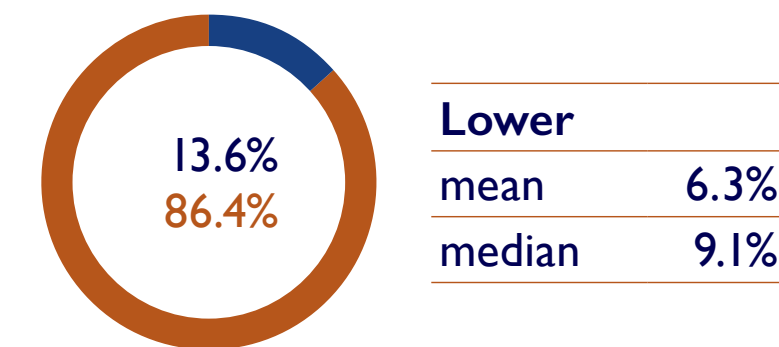


Median

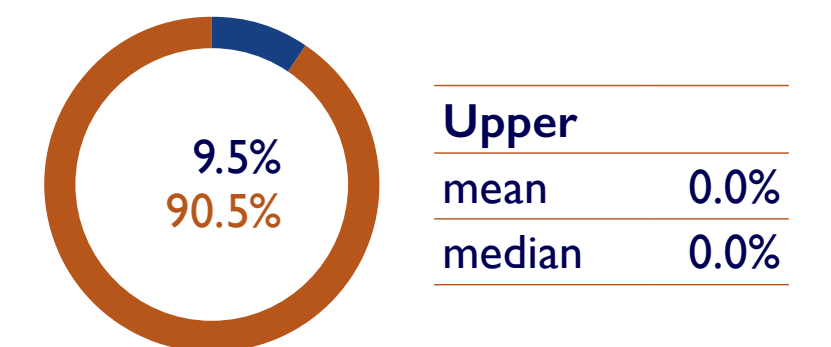
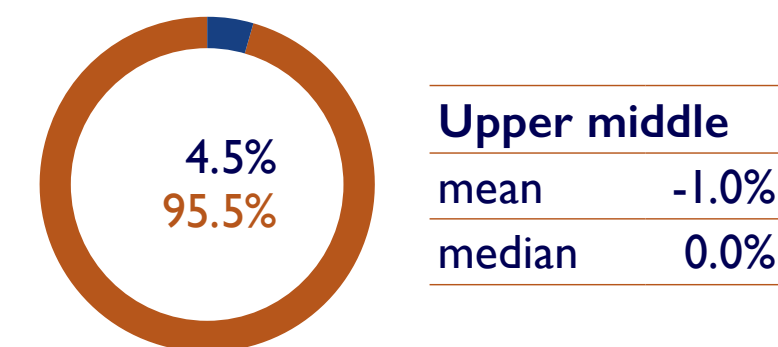
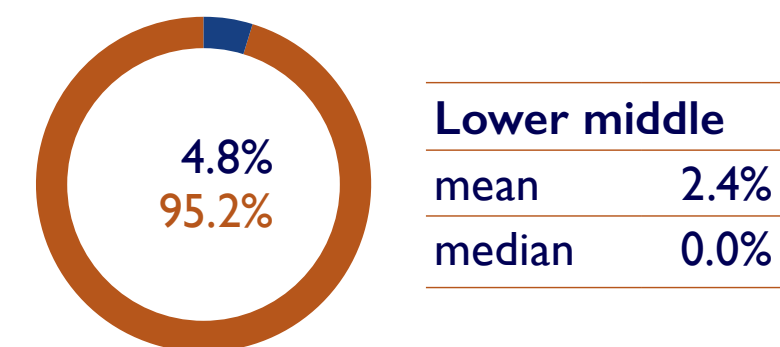
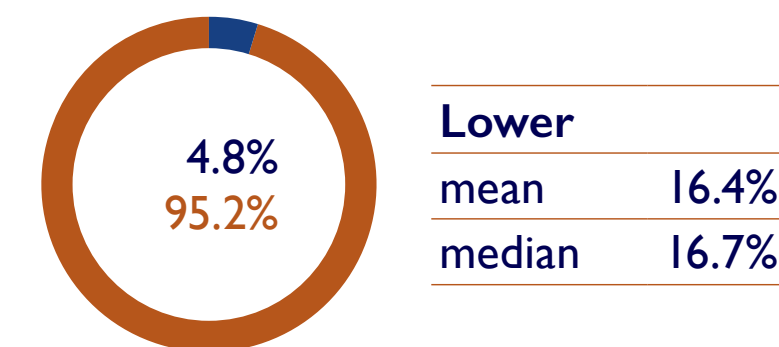


Percentage of ethnic minority and white partners in each quartile pay band 2022

■ Ethnic Minority ■ White



2021

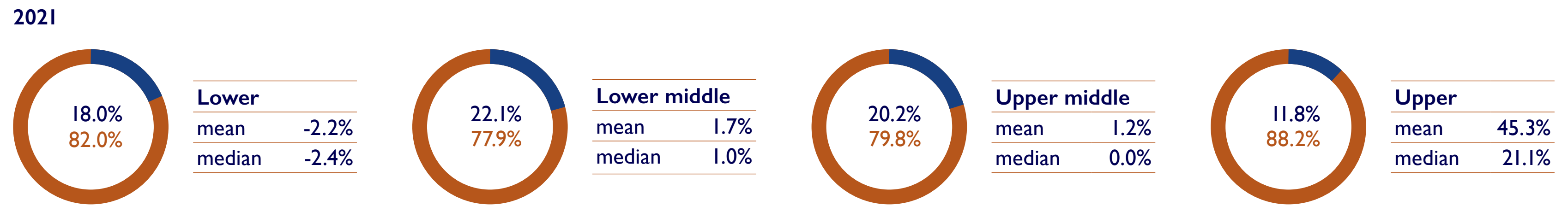
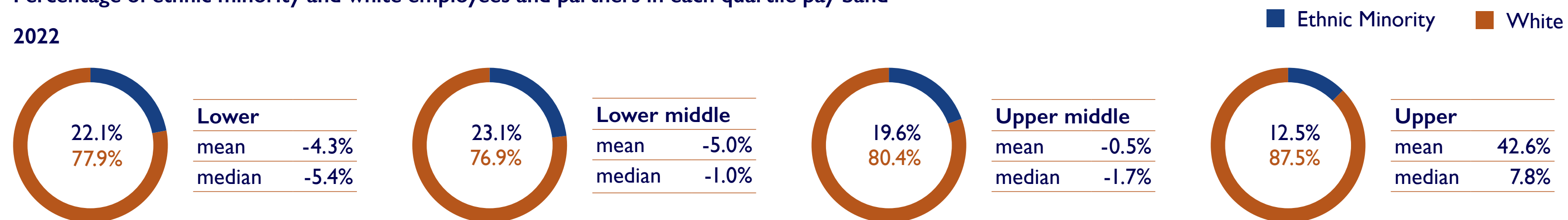


Ethnic Minority Employees and Partners Combined

Hourly pay gap



Percentage of ethnic minority and white employees and partners in each quartile pay band 2022



Raising the Bar on Diversity and Inclusion

Addressing better gender and ethnicity balance within our business continues to be a key priority for our diversity and inclusion strategy, and this includes our work to reduce the gender and ethnicity pay gap. Different backgrounds and viewpoints help us to make better decisions as a firm and provide the best advice to our clients. We recognise that inclusivity enables our people to bring their authentic selves to work, so they will ultimately feel happier, more valued, and able to thrive. Our focus is on increasing equity and fairness for under-represented groups within the firm and across our spheres of influence. We embrace and encourage individuality through cultivating an inclusive culture and hold every one of our people accountable for delivering on this commitment.

Our objectives are to:

1. Enhance the retention and promotion of talent, with a focus on women and diverse groups;
2. Drive personal accountability by equipping our people with the skills to lead and work together inclusively; and
3. Create an environment where everyone can feel valued, included and able to be themselves.

We have two ambitious partner promotion targets and detailed gender balance and race fairness action plans to support our efforts to bring about the necessary change. However, our diversity and inclusion strategy has a broader focus than gender and ethnicity and a more detailed plan, which also highlights some of our strategic and operational activities across other areas of diversity and inclusion, can be found in our [Responsibility Business Report 2022](#).

Our strategy comprises four strands:

 <p>1</p> <p>COMMUNICATING COMMITMENT AND LEADERSHIP INTERNALLY AND EXTERNALLY</p> <p>Visibly taking action allows us to demonstrate that we are committed to delivering change. Accountability for diversity and inclusion sits with our senior leadership team, with nominated partners taking the lead. We have in place four partner-led working groups on race fairness, gender balance, social mobility and flexible working.</p>	 <p>2</p> <p>OBJECTIVITY AND FAIRNESS IN OUR PROCESSES AND PRACTICES</p> <p>We assess our culture, processes and policies through the lens of diversity characteristics to make adjustments to the workplace experience and eliminate bias to create an objective and fair work environment. We take a data driven approach, tracking and analysing our diversity data to assess the experience of different groups at key stages in their career with the firm, with a specific focus on gender, ethnicity, social mobility, LGBTQ+ and disability.</p>
 <p>3</p> <p>PROMOTING INCLUSIVE CULTURE AND BEHAVIOURS</p> <p>We promote inclusive behaviours to create an environment where everyone can thrive and feel a responsibility to contribute to an inclusive culture.</p>	 <p>4</p> <p>WORKING WITH DIVERSE INDIVIDUALS TO OFFER MENTORING, ACCESS TO DIVERSE ROLE MODELS AND LEADERSHIP PROGRAMMES</p> <p>We offer external and internal mentoring opportunities at all levels to access confidential career advice from a senior business leader and access to targeted leadership development programmes.</p>

Our progress and accountability

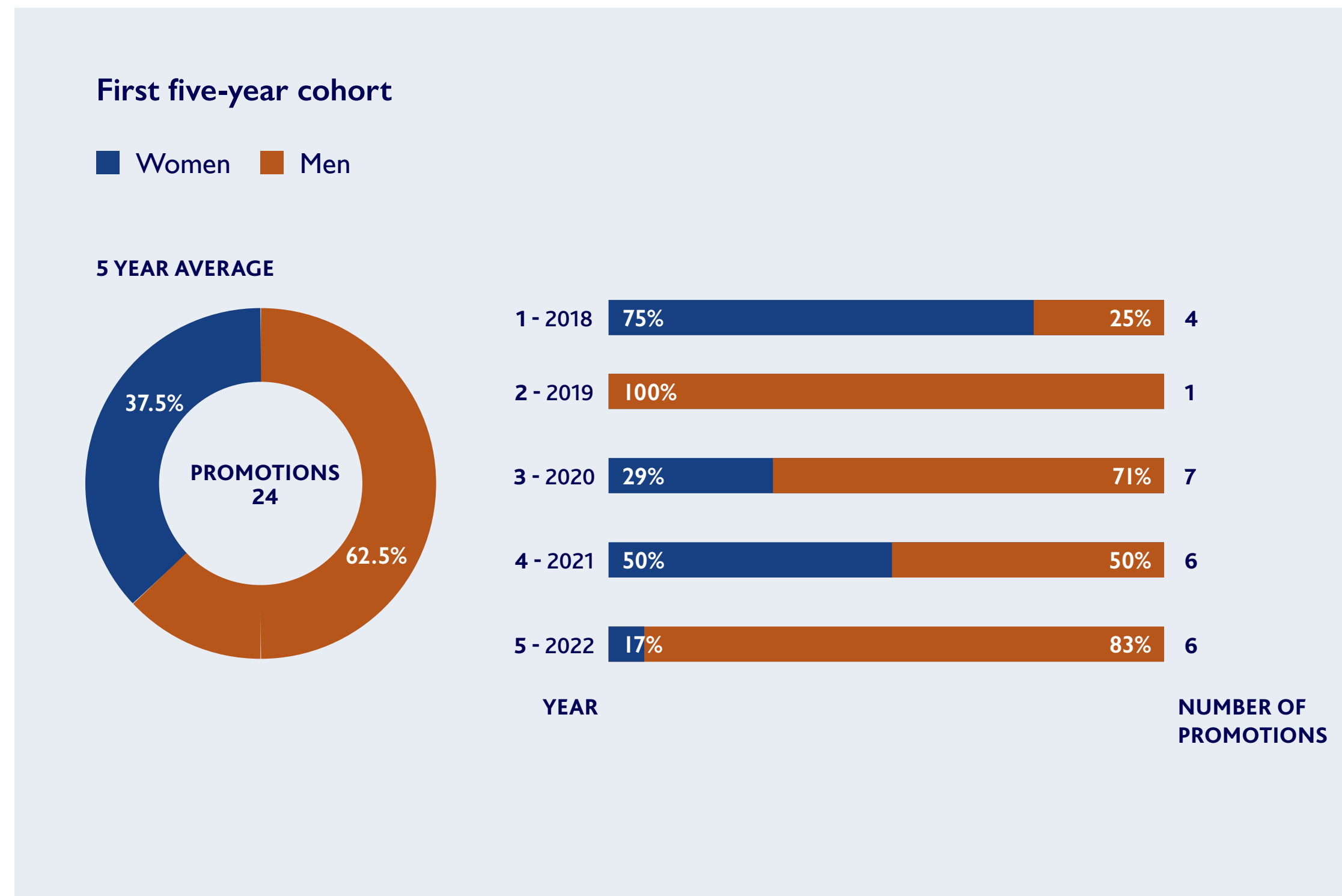
In 2021, we publicly announced two targets at partner level that have board-level oversight. Whilst there has been some progress made towards achieving the targets, we recognise there is still much work to be done and continue to review and refine our plans to ensure their effectiveness.

Gender

In the 10 years to 2027, a minimum of 40% of the firm's equity partner promotions globally will be women. The targets will be tracked in two five-year cohorts - 2018-2022 and 2023-2027.

We narrowly missed our gender target in the first five-year cohort, and we are applying the learning from the past period to try to exceed the target for the next five-year cohort.

We have increased the number of women on the board and across Business Services senior leaders. This underscores our commitment to achieving diversity at the highest level.



LEADERSHIP FIGURES AS OF 1 MAY 2022

24% of our global partnership is made up of women

22% of our London and Brussels partnership is made up of women

37.5% of promotions to partnership over the last five years on average have been women

75% of our Business Services senior leaders are women

64% of our partnership board is made up of women

47% of our operating committee is made up of women

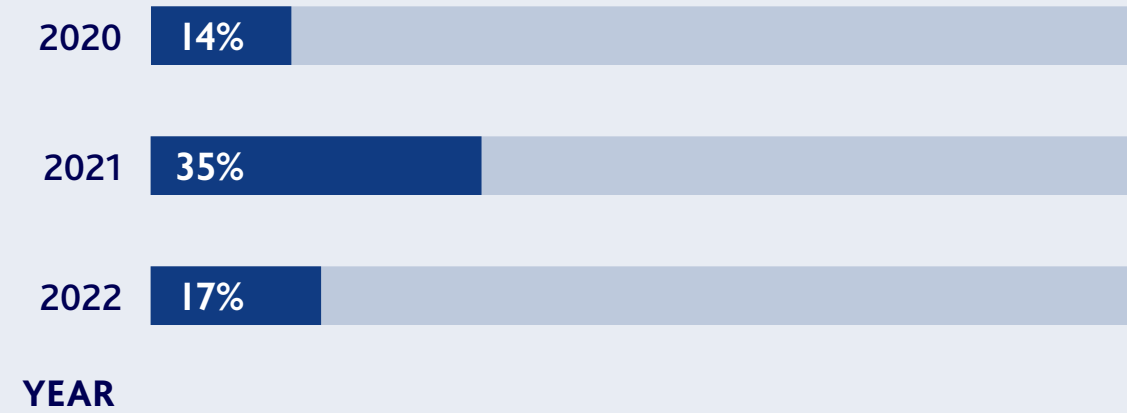
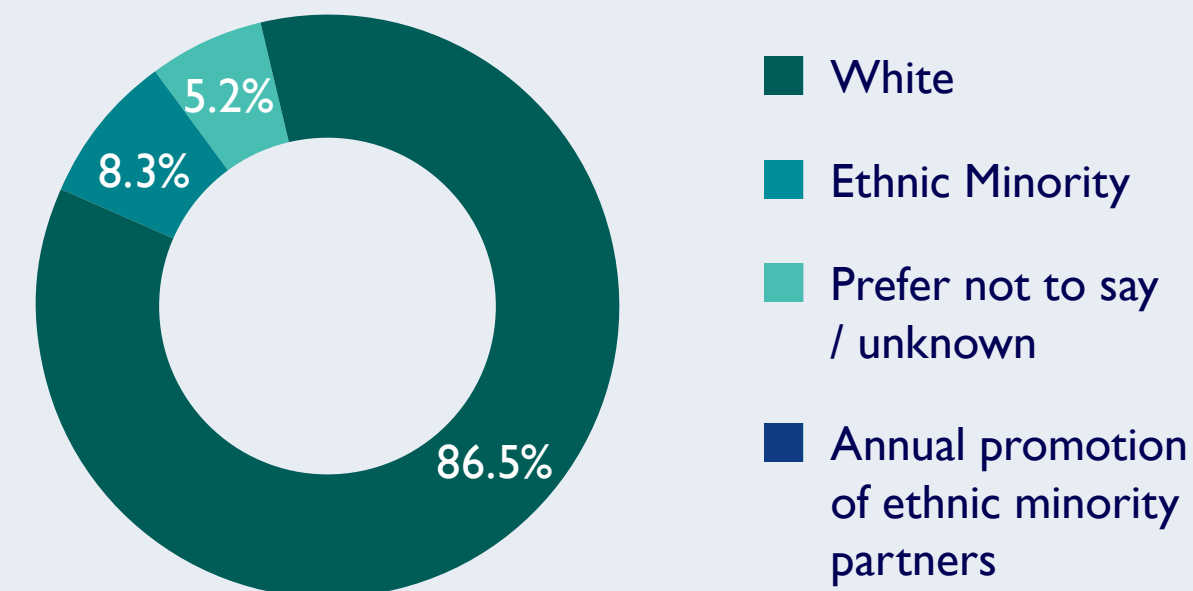
Ethnicity

Between May 2020 and April 2025, a minimum of 15% of equity partner promotions in London and Brussels will be from an ethnic minority background.

Since 2020, our three-year average is 21%, and we are continually reviewing our work on race and ethnicity inclusion, and in particular around Black heritage representation, to improve in this area.

Progress

TOTAL FIRMWIDE



“ Accountability is very important in driving change. By making our targets public we expect our employees, clients and wider stakeholders to hold us accountable for achieving them.



Jane Edwarde, Partner

Our achievements

Performance against our targets is just one important measure of progress. Our broad range of actions and initiatives that focus on increasing equity and fairness for women and underrepresented groups will help to ensure an inclusive workplace for everyone.

I. Communicating commitment and leadership internally and externally

- We spearhead **Legal CORE** with seven other founding firms which is the first leadership-led, cross-firm collective aimed at tackling the underrepresentation of ethnic minority groups in the UK's legal sector.
 - We collaborate with five other law firms, both with funding and pro bono support, to assist with the development and launch of the **Black Equity Organisation (BEO)**, the UK's new national and independent Black British civil rights organisation, created to advance justice and equity for Black people in Britain.
 - We partner with **#10,000 Black Interns** to provide Black students and graduates paid internships to offer an insight into careers in law.
- We work to enhance inclusion fluency and awareness through leadership-led firmwide discussions and communications.
 - We have introduced a robust governance system within our legal teams to ensure the development and promotion of a diverse pipeline is analysed, challenged and monitored.

2. Objectivity and fairness in our processes and practices

- We have established a mechanism to identify talent early in the pipeline in order to monitor and track effectively the progress of individuals at every level of the firm. Coupled with **data analytics**, this information helps to drive key decision making across the firm on **retention and progression of diverse talent**.

- We have reviewed our policies and core HR practices, placing an increased focus on race and ethnicity to include a **zero tolerance statement** with regards to any form of racism, bullying and harassment. We ask in every exit interview whether the person leaving has experienced or seen racism in the firm.
- We have in place a **flexible working pilot "Job Design"** which aims to test new sustainable ways of working so lawyers are supported in doing their work, delivering value to clients, developing their careers, and managing their work-life balance. Our approach is gender neutral and not limited to women, but we expect this to have a positive impact for women and working parents.

3. Promoting inclusive culture and behaviours

- We continue to facilitate ongoing conversations across the firm to promote inclusive behaviours where everyone can feel a responsibility to contribute to an inclusive culture. Our work includes the launch of **Everyday Inclusion**, a firm-wide engagement and development programme. The aim is to coach participants across all levels and areas of the business in how they can ‘call out’ non-inclusive behaviours and ‘call in’ the contribution of colleagues who experience them.
- We also launched **Hemisphere**, an online learning platform created by Rare that uses storytelling and education to reduce unconscious bias and improve racial literacy to key people decision-makers.
- Our **reverse mentoring programme, Insights**, pairs diverse employees with business leaders to create a dialogue, increase inclusion fluency and to develop inclusive leadership.
- Our **employee networks** continue to focus on intersectionality, and an **LGBTQ+ women and non-binary (WNB) sub-group** of our PRISM network has been formed, providing resources and support for WNB people within the firm.
- We launched a **menopause support group**, recognising the need to support our people at different stages throughout their life.

“ We are pleased to have been able to contribute to the creation of BEO through a cross-sector approach to funding and pro bono legal support. We are hopeful that the charity will bring a lasting change to improve the lived experience of Black people in the UK and help us move to a more equal society. The launch of BEO is significant and will amplify activities on race fairness across and outside the sector.



Samay Shah, Partner

4. Working with diverse individuals to offer mentoring, access to diverse role models and leadership programmes

- We have a strong **mentoring** culture, which we have built over a number of years. Our aim is to provide all our employees who want a mentor with access to a senior business leader to help navigate the profession or their career path.
- We have continued our **cross-company mentoring and leadership development programmes** - to provide opportunities to women, ethnic minority and LGBTQ+ employees to access diverse role models and seek impartial career advice.
- We sponsored the **Black Counsel Forum 2022** which equipped Black heritage lawyers with practical road-tested strategies to help them navigate their careers successfully and network with experienced barristers and solicitors in the UK.
- We continue to run our discussion series for women at trainee, associate and partner level, which provides a forum for open career conversations.

“ Among the plethora of events available, the Black Counsel Forum is undoubtedly one of the best I have attended; the calibre of speakers was exceptional and the sessions engaging and relevant. It provided a chance to connect with, learn from and share experiences with Black lawyers across the city. While a strong internal network remains fundamental to career success, it is also good to have safe spaces and opportunities to build on our networks externally. I am proud that Slaughter and May sponsored this great initiative and very much look forward to the next event.



Ngozie Azu, Special Adviser – International Law Firm Relationships

Benchmarks, signatories, and awards

We are committed to bringing about change and continuing to improve the experiences of our people, which is integral to creating a culture of belonging.

Race Fairness commitment

We are founding signatories to the Race Fairness Commitment.

Designed by Rare Recruitment to help firms create a fair and inclusive work environment for Black and ethnic minority employees, and opportunities for everyone, from all backgrounds, to succeed.

We collaborated with Rare Recruitment to launch the Recruitment Agency Race Fairness commitment, aimed at ensuring that ethnic minority job seekers get the same job opportunities as their counterparts.

Sunday Times Open Letter

The Times open letter is a commitment by businesses to hold themselves to account to tangible measures on Black inclusion. **We are signatories alongside more than 30 CEOs.**

Halo Code

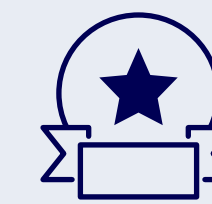
The Halo Code is a campaign pledge, signed by schools and businesses that promises members of the Black community that they have the “freedom and security to wear all afro-hairstyles without restriction or judgment”.

We are signatories to the Halo Code.

“ Having four representatives from Slaughter and May featured in the EMpower and HERoes lists is indicative of the work that we are doing as a firm to improve diversity and inclusion. They have all played a key role in leading this change throughout the past year and I am delighted that their efforts have been recognised.



Uzma Hamid-Dizier, Responsible Business Director



ROLE MODEL LISTS 2022



Gayathri Kamalanathan, Partner,

was included for the first time on EMpower's 100 Executives Role Model list



Lorna Nsoatabe, Associate,

was included for the first time on EMpower's 100 Future Leaders Role Model list



Justina Omotayo, D&I Manager,

was named a HERoes Top 20 Ethnically Diverse Women Role Model



Tanja Velling, Senior Professional Support Lawyer,

was named a HERoes 100 Women Future Leaders Role Model

