



Gender Pay Gap

2023



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Foreword

In November 2022, we launched our Equity, Diversity and Inclusion Strategy, setting out our ambition to create a diverse, inclusive environment in which everyone has equal opportunity and which more accurately reflects the modern society in which we live and work. Diversity and inclusion has run through the heart of our business for as long as we can remember and we consider our diversity, and our culture more broadly, a key part of what makes us Trowers.

Through our strategy, we are committed to achieving more diverse representation across all levels of our business. We know from our data that we already sit in the top quartile in certain areas and so we will aim to maintain this. In other areas, we recognise we have more work to do and the objectives we have set reflect this. As such, our target here is focused on female representation within our partnership. We are proposing to increase the proportion of female partners by 3% taking us to 42% by the end of 2026.

In this report we are publishing our 2023 pay gap results with a year-on-year comparison against our 2022 figures, as well as highlighting some of the ways we are working hard to create as diverse and inclusive environment as possible where everyone can progress

through the firm. As in previous years, for transparency, we have taken the decision to publish our partner data as part of our report, although this currently sits outside of the gender pay gap reporting obligations.

There are some positive results within the data as well as areas where we need to do better. Our overall firmwide gender pay gap is narrowing but as before, it is only when breaking this information down for further analysis, that a greater understanding can be achieved. We are proud of the progress we have achieved but recognise that we will need to keep working even harder to build on this.



Sara Bailey
Senior Partner



Paul Robinson
Director of Human Resources

What is the Gender Pay Gap?

By law, employers with 250 or more employees are required to report on the gender pay and bonus gaps within their organisation. This is the difference between the average hourly earnings of men and women in an organisation. It is calculated by looking at the mean and median hourly pay of men and women and is typically expressed as a percentage. It is not a comparison of men and women's salaries for doing the same job. That is equal pay and the two measures are very different things. Paying men and women differently for doing equal work is unlawful. We are committed to paying fairly and have remuneration and moderation processes in place to ensure men and women in the firm receive equal pay for equal work. Therefore, the presence of a gender pay gap does not reflect an equal pay issue.

The pay reporting date for this report, is 5 April 2023 and the bonus reporting period is 6 April 2022 – 5 April 2023. The data refers to UK partners and employees only.



Gender Pay Gap 2023 overview

Gender Pay Gap data

The UK firmwide median pay gap for all partners and employees has continued to reduce from 32.2% in 2022 to 26% in 2023 and the overall mean pay gap has reduced from 20.3% in 2022 to 19.8% in 2023, suggesting that overall our gender pay gap is narrowing. The mean pay gap across the firm has continued to reduce for the fifth consecutive year. These figures encompass a spread of roles across distinct groups: partners, fee earners, paralegals, Business Services. If we were to exclude partners from this calculation, there is a mean pay gap of 13.3% and a median pay gap of 26.7% in favour of men. As before, it is only when breaking this information down for further analysis, that a greater understanding can be achieved to enable us to better determine the cause of our gender pay gap and subsequently how to improve it.

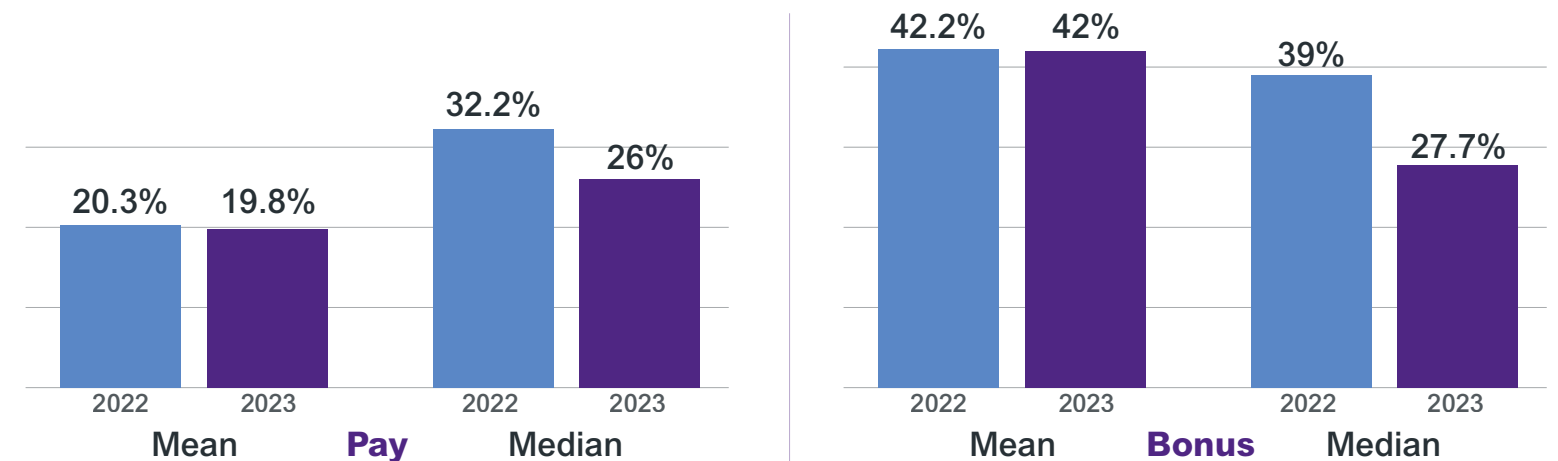
We continue to be proud of the female representation within our partnership but recognise that we still have work to do to achieve a more diverse partnership, particularly in the more senior ranks of the partnership.

The pay gaps for Business Services across the UK have risen since 2022, following a downward trend for the past four consecutive years. It is important to bear in mind that the makeup of Business Services staff is diverse, ranging from junior clerical and admin staff in regional offices across the UK, to the Directors of the Business Services functions in London. As such, the biggest driver of our gender pay gap, as in previous years, is this wide disparity of roles and locations. Women are overrepresented within our secretarial and administrative roles and underrepresented in our most senior roles.

Gender bonus gap data

The bonus gap is the percentage difference between annual bonus payments made to women and men in an organisation. The figures indicate that whilst the overall bonus gap, again inclusive of partners, is in favour of men, it is narrowing. Both the mean and median bonus gaps have decreased since last year, notably the median gap which has shrunk by 11.3% and now stands at 27.7%. When we exclude partners, the mean and median bonus gaps reduce to 39.5% and 22.5% respectively.

Whilst 88.5% of females and 79.5% of males received a bonus, a far greater proportion of women than men work part-time hours which does impact on bonus (10.4% of fee-earning staff are part time employees of whom 92.7% are women and 7.3% are men). Whilst this has no impact upon salary differentials which are calculated on an hourly pay basis, it does impact upon bonus.



*figures include partners

Closing the gap

In a sector that can find it a challenge to retain female talent at senior levels, we are rightfully proud that our partnership is made up of over 40% female partners. We are committed to reaching our target to increase the proportion of female partners to 42% by 2026 and will seek to continue progressing through:



Gender Action Plan

One of our flagship initiatives has been the launch of our Gender Action Plan, to identify and address barriers to female progression throughout the partnership. Our focus has been on reviewing existing policies, processes and programmes as well as listening to our employees and partners. We have already made great strides and the intelligence we have gathered and going to be able to use will provide invaluable insights into female progression within the firm.

Read the spotlight interview on the next page to find out more.



Introduction of Responsible Business hours

The importance of ED&I to the business is now epitomised by the introduction of Responsible Business hours (and target hours) which recognises and rewards participation in ED&I activity.



Embedding ED&I into equity partner appraisals (senior leader ownership)

Gender (and ethnicity) is a priority area of focus within our ED&I strategy, owned and driven by our Senior Management and ED&I team. ED&I is now embedded within the balanced scorecard approach to wider equity partner appraisals.



Training

We rolled out mandatory Managing Inclusively training for partners and managers across all UK and International offices, to equip our leaders with the skills to lead and manage inclusively.



Supporting flexible and part time working

We have broadened flexible working options, both formal and informal, including hybrid working to suit colleagues that have caring and other responsibilities to manage that alongside their careers.



Comprehensive review of our family leave policies

We have undertaken a review of our policies, seeking input from our employee networks as appropriate, to create more favourable family leave policies and to support colleagues as best we can.



TrowersConnects

In addition to offering more structured mentoring opportunities for all staff, we have also introduced a tool which enables people to link up across the Trowers network. Connections can be one-off conversations or the start of a longer relationship. The tool can also be used to support reverse mentoring and as a means to learn more about a colleague's background, insights and experiences and in this way is a key ED&I tool.



Gender, Work and Family Network

Employee networks continue to be the heart and soul of our ED&I work and overall firm engagement on ED&I has been at record levels. Through this network we have hosted a variety of events and created content to raise awareness of key issues and support our staff. Highlights include a safe space discussion on equality vs equity, an International Women's Day Q&A panel event with owners of female founded businesses, a talk and written piece on pregnancy loss and a 'me-no-pause' session educating attendees on menopause and the options of maintaining optimal health through midlife and menopause. We also have menopause champions in each office, providing an additional avenue of support for affected colleagues, as well as support through Vitality, the firm's private medical provider.



Return to work support

We continue to offer maternity and paternity mentors to men and women going off on and returning from parental leave.



Safe Space Discussions

These sessions are a key ED&I tool with attendance of often over 100 people covering a broad range of sensitive topics such as microaggressions, equity vs equality, disability and language, alcohol in the workplace. We also run a series of sessions for women who are due to go on family leave, those on family leave and those who have returned within the past three years, irrespective of their route to motherhood. Topics covered include sleep deprivation, mental load, celebrating motherhood and navigating work and home priorities as a new parent. These sessions provide a forum for these colleagues to share their experiences, challenges and insights. We are looking to roll out a similar initiative for fathers.



Wellbeing Programmes

We have a firmwide programme aimed at all employees across the business as well as our award-winning Partner Wellbeing programme. Example sessions include a men's health masterclass covering myth busting, male specific cancers and sexual health as well as a women's health masterclass covering a broad range of topics going beyond supporting women at peri/menopause age.



- Our Partner Wellbeing Programme won a People in Law Award in 2023 for 'Best Health and Wellbeing Initiative'
- Ranked 2nd in Law.com's 2023 ranking of UK law firms with the most female equity partners
- TrowersConnects has been nominated for a 2024 People in Law Award for 'Excellence in ED&I'

Spotlight on our Gender Action Plan

What is it like being a partner at Trowers & Hamlins? How has the firm supported you?

I joined Trowers as a trainee in 2003 and have always been encouraged and supported in my journey through the firm. Being a partner is a privilege – to be able to be part of the direction of the firm and to help the business grow is why I wanted to become a partner. As a partner I see my role as being one of building the business both from the client side but also from within – encouraging, supporting and developing the people who are part of the firm as our business is only as good as the people within it. I have been fortunate to work with some amazing people – both women and men who have provided me with support, guidance, mentorship and positive role models. As a working mum, I have always valued the support of those who have allowed me to work in the way I have needed.



Rebecca Wardle
Partner and chair of the
Gender Action Plan group

How is Trowers & Hamlins supporting women to progress?

We are a firm who want to support all our people, whatever their challenges and circumstances. We are actively working towards addressing the issue of underrepresentation of women at senior levels through our Gender Action Plan. We have recently undertaken a review of all our policies that affect working parents to ensure that we are doing all that we can to support our families at Trowers. In addition, we run parental coaching/mentoring in the lead up to taking parental leave which is there to help those going off and returning from leave. Safe space discussions under our TrowersIncludes banner have become an integral part of how we want to encourage all at the firm to be able to speak openly about matters that affect them. Topics that are particularly relevant for our female population have been on menopause, celebrating motherhood, managing mental load, and baby loss awareness.

What is the Gender Action Plan and how will it help Trowers & Hamlins to achieve its strategic targets for female representation?

The Gender Action Plan (GAP) is part of our strategic mission at Trowers to increase female representation at Partner level. Whilst we rank highly, above other firms, in terms of our gender representation in the equity, we are far from reaching parity. As part of GAP we have initiated the ongoing review of key policies, processes and programmes to identify and address any systemic equity barriers that inhibit the progress of women at the firm. We have been working with women and men across the firm to understand the barriers that exist and how to address these – by utilising interviews, focus groups and data analysis. We want to encourage participation in GAP, irrespective of gender identity, as it is also about raising awareness, understanding and allyship if we are to remove the barriers holding women back. Bringing men along on the journey will only improve women’s experience. We are working hard at interrogating our current processes for progression and to ensure that they are not only equal but equitable.

Why are initiatives like this so important for the firm and the wider legal profession?

Initiatives like this are hugely important to retain female talent. Women have made up over half of practising solicitors since 2018 and yet the profession continues to be led predominantly by men. Gender equity is good for business and for society as a whole. As a firm, we want to ensure that we are supporting women at every point in their career – and working towards changing the systemic bias that unfortunately lingers even in 2024.



Conclusion

In a sector that can find it a challenge to retain female talent at senior levels, we are rightfully proud that our partnership is made up of over 40% female partners, but we do not wish to stop there. We are committed to taking this even further.

As outlined in the report, we have put measures in place to ensure that we continue to attract women into the business and ensure that these women both stay in the business and have successful, well remunerated careers. Though we have made good progress in some areas, we recognise that we still have lots to do in others. Looking to the future, gender continues to form a key pillar of the firm's ED&I strategy.

We will continue to be committed to driving change through some of the flagship ED&I activity noted in the report. We will seek to identify and address the barriers to progress, not just within the partnership, but throughout all levels within the organisation. We recognise that progress will not be linear and that some actions and interventions will take time to deliver results. Our focus is on bringing more diverse talent into the business as well as fostering a truly inclusive culture and working environment where individuals feel supported and can progress into more senior roles.

We can confirm the data reported is accurate.

Current reporting requirements dictate that we need to report in a binary way, recognising only men and women, but we recognise that gender is more nuanced than the reporting requirements allow for.

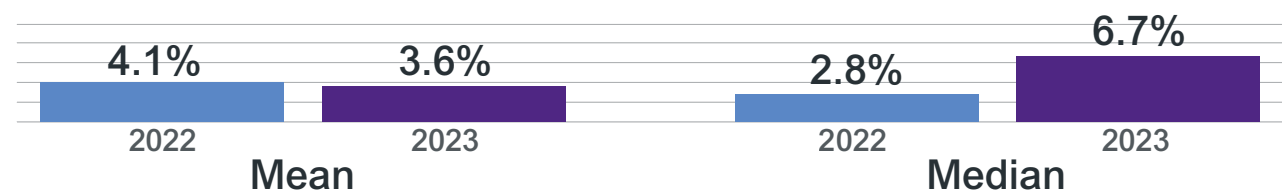


Data in detail – Gender pay gap analysis

Our partnership

In 2023 we had a ratio of 40% female partners to 60% male partners.

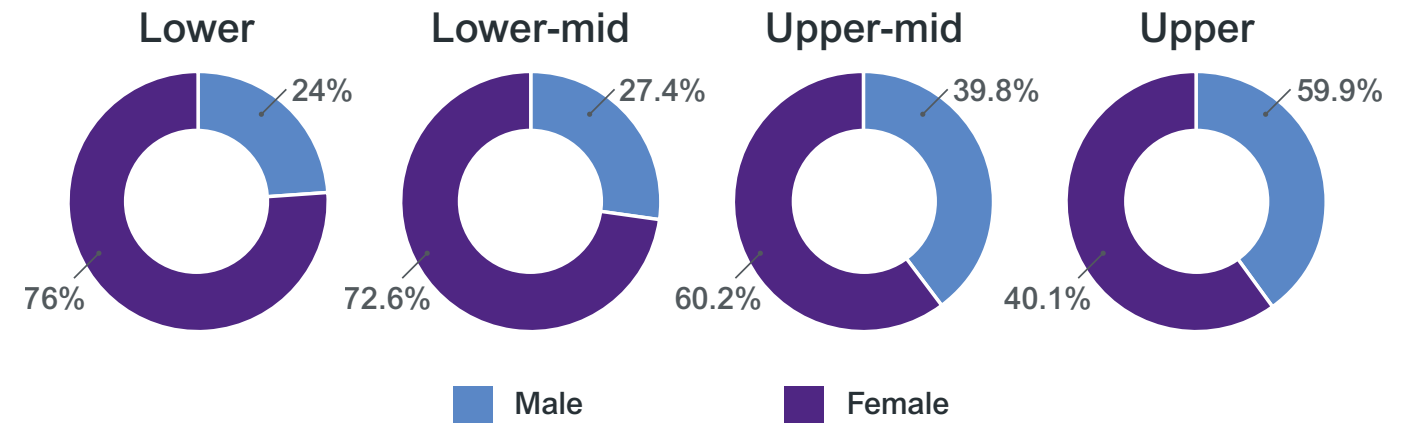
Our partner pay gap is as follows:



As can be seen from the data above, the gender pay gap within the partnership remains in favour of men. The partner pay gap is driven by the fact that we have significantly more men within the equity partnership (67% compared to 33% females). However, in a partnership that comprises over 40% female partners overall, we continue to be encouraged by these results and are working hard to continue to improve.

Our employees

Our workforce as of April 2023 comprised 67.8% females and 32.2% males, excluding partners. Men and women are represented across the four pay quartiles as follows:



Currently, 76% of roles in the lowest pay quartile are performed by women. The high proportion of female employees in the lower/lower middle quartiles is reflective of the fact that women are overrepresented in junior, lower paid roles compared to men. For example, our Secretarial Services department and Paralegal roles in the regions, where salaries tend to be lower, are predominantly made up of women.

Fee earners

When looking just at the results in the fee earner population (excluding partners), the mean pay gap has increased to 6.6% (an increase of 2.6%). The median pay gap has reduced to 7.9% (a 2.1% reduction on 2022).

Gender pay gap by region (excluding partners)

	2022 Mean	2022 Median	2023 Mean	2023 Median
Fee earning staff (All UK offices)	4%	10%	6.6%	7.9%
Fee earning staff (London)	2.5%	2.1%	3.7%	5.2%
Fee earning staff (Birmingham, Exeter and Manchester)	10.3%	6.1%	10.1%	6.7%

Looking at location, outside London, the gap is influenced by the fact that we employ significantly more paralegal staff, the majority of whom are female and whose salary range is lower than that of a qualified solicitor. This demographic difference is the reason for the mean pay gap outside London as when we exclude this category of staff, the gender pay gap largely disappears.

Gender pay gap by role

	2022 Mean	2022 Median	2023 Mean	2023 Median
Paralegal (All offices)	4.3%	13.7%*	4.5%	7.1%*
Solicitor (All offices)	4%*	1.6%*	2.3%	0.2%*
Associate (All offices)	3.6%	25%	1.6%	0%
Senior Associate (UK offices)	10%*	20.6%*	4.2%*	1.3%*
Partner (UK)	4.1%	2.8%	3.6%	6.7%

Looking at the different levels within this group, the data shows a minimal pay gap and in some areas a pay gap in favour of women. At Associate level, the mean pay gap stands at 1.6% (a 2% reduction) and there is no median pay gap. Our pay gaps at Senior Associate level are in favour of women and stand at 4.2% (mean) and 1.3% (median).

Paralegals across all UK offices continue to have a median salary pay gap in favour of women (7.1%) and in the regions, both mean and median pay gaps are in favour of women, 10.4% and 8.9% respectively.

Business Services

Among our Business Services employees, the pay gaps have increased since 2022 and now stand at 23.6% (mean) and 16.8% (median). This increase follows a downward trend for the past four consecutive years. It remains the case that the makeup of Business Services staff is diverse, ranging from junior clerical and admin staff in regional offices across the UK, to the Function Directors in London. This wide disparity of roles and locations produces a significant gender pay gap, with the vast majority of the junior administrative, clerical and secretarial roles being performed by women. It is our intention to continue to work hard to improve these figures, acknowledging as we have done previously that this is likely to take a number of years to achieve. To do so would require not only increasing the number of women recruited or progressing into senior Business Services roles in London, something that will take some time to achieve, but significantly increasing the number of males recruited into the junior roles. Longer term efforts to even out the pay gap within Business Services may be achieved through continuing to offer apprenticeships across a number of our functions in addition to work experience and social mobility initiatives, with a view to encourage more men to join the firm in entry level administrative roles.

Bonus pay gap analysis

Fee earners

The mean bonus gap of all fee earners, excluding partners, has continued to reduce from 23.9% reported in 2022 to 21.9% this year. The median bonus gap now stands at 16.4%, a reduction of nearly 14%. In 2023, a similar percentage of both male and female fee earning staff received bonus payments (92.1% and 92.6% respectively). As outlined earlier, bonus gaps are calculated based on actual bonus amounts paid rather than a full-time equivalent amount and therefore the large proportion of women working part time hours compared to men will increase the bonus gap.

*= in favour of women

	2022 Mean	2022 Median	2023 Mean	2023 Median
All Partners (all UK offices)	4%*	0%	10.8%	0%
Fee earning staff (all UK offices)	23.9%	30.3%	21.9%	16.4%
Fee earning staff (London)	27.6%	42.9%	23.6%	36.9%
Fee-earning staff (Birmingham, Exeter & Manchester)	21.8%	23.8%	20.5%	16.3%

Business Services

Among Business Services, the mean bonus gap has increased to 57% compared to 50.5% reported in 2022. In 2023, 95.9% of men and 93.8% of women received a bonus payment. Our bonus gap is driven by the wide disparity of Business Service roles and the fact that our female employees are overrepresented in areas of the business where lower bonuses tend to be paid. We also have a far greater proportion of women than men working part time, which produces a considerable bonus gap. In 2023, 11.4% of our Business Services staff were part time employees of whom 94.3% are women and 5.7% are men.

*= in favour of women

	2022 Mean	2022 Median	2023 Mean	2023 Median
Business services (all UK offices)	50.5%	27.1%	57%	19.9%
Business services (London)	55.3%	22.5%	58.5%	14.1%
Business services (Birmingham, Exeter and Manchester)	3.1%*	8%*	10.8%*	2.1%*



