

2017 Gender pay gap report



Foreword

At Reed Smith diversity and inclusion are key components of our culture and values, our business model, and our economic platform. Being inclusive is not only good for our people, it is also good for our profitability. It helps us develop the right relationships with our clients, forming connections that lead to better understanding of commercial challenges and opportunities. Innovation flourishes in a diverse environment; solutions are derived more rapidly and cooperatively. People thrive when they are respected and valued.

We are committed to equal pay for equal work and equal performance, and we are confident that we meet that commitment day in and day out. But the gender pay gap is not the same as an equal pay analysis; the pay gap is measured across the entire firm, irrespective of the job description of the worker or the skill set required for each position.

History has led us all to where we find ourselves today as business leaders. The facts are clear: there is disparity but we are all now working to correct it, starting with the full disclosure of the mean and median gender gap in both pay and bonuses.

We know at Reed Smith we still have some work to do and we will focus on these areas as a matter of urgency. We want to do better, and we know our peers do, too. We join with them in welcoming the transparency that the new reporting asks of us, and we pledge to take further steps to create true gender equality in the British business community.



M. Tamara Box

Managing partner, Europe and Middle East

About Reed Smith

Reed Smith is a dynamic international law firm dedicated to helping clients move their businesses forward. Our people are our biggest asset. We are determined to attract people from the widest pool possible to continue to be competitive and to ensure the very best service for our clients.

We monitor our diversity statistics across the entire firm to ensure that we are utilising the best talent possible in every one of our 27 offices, but the London office – our largest – is the only one that falls under the UK regulations for gender pay gap reporting.

Statutory data

Gender split by job responsibility



Fee earners



Associates only



Business services support staff



Secretarial support staff

Pay quartiles

Lower



Upper middle



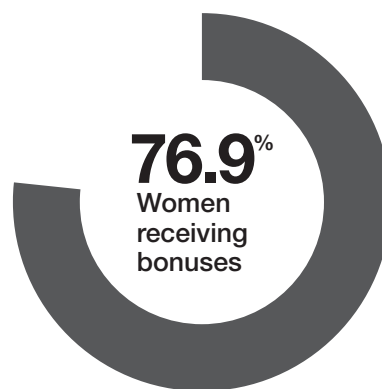
Lower middle



Upper



Proportion of men and women receiving a bonus



Mean and median pay and bonus gap

14.8%
Mean Gender pay gap

37.1%
Median Gender pay gap

27.1%
Mean Gender bonus gap

13.2%
Median Gender bonus gap

Understanding our results

Our London office employs more women than men in every one of our four categories of job responsibility.

We actively recruit and promote on a gender-neutral merit basis, so the variations in pay quartiles throughout the firm reflect a similar split, with women leading men in not only the lower pay categories but the higher ones as well.

Similarly, more women receive bonuses.

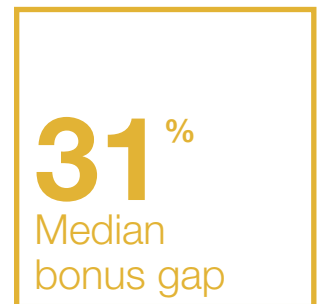
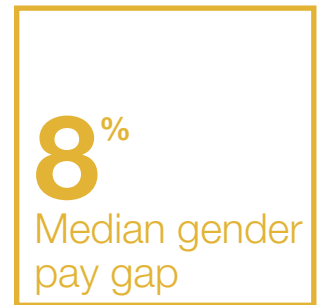
However, in both the hourly rate of pay and in bonus, a gender pay gap is evident in the analysis. The figures are heavily impacted by the fact there are no men in secretarial roles (not for lack of recruiting effort) and in relation to the bonus pay gap only, by the fact that more women work on a part-time basis (despite our gender-neutral, family-friendly policies).

Our partnership

Due to the distinct nature of a partnership – partners typically being considered more akin to owners than employees - the legislation does not require us (or allow us) to include partners in our statutory gender pay gap and bonus analysis. Whilst we understand the rationale for that, we are conscious that our partners make up a significant portion of our population and that our commitment to gender equality applies to all levels of seniority within the firm. It was therefore important to the firm that as part of this exercise we looked too at the pay and bonus gap within our partner population.

We consider that the results are promising and consistent with our view that, whilst there remains more to be done, the firm is in many ways leading the way in the legal profession in terms of gender diversity: women hold 50 per cent of our firm's senior management positions. Furthermore, we have been ranked as 'Gold Standard Certified' by the Women in Law Empowerment Forum for a record seven years in a row. Our figures tell us that women are reaching partnership, and within that equity partnership, and that those reaching these positions are being fairly rewarded without reference to gender: in fact, the average hourly rate of pay for our female equity partners is actually higher than that of our male equity partners.

Most importantly, we consider that our senior female partners serve as vital role models and mentors for our aspiring female population, supporting our aim to achieve more women in the partnership and particularly within the equity partnership.



Gender split of partnership – All partners



Our commitment to closing the gap

We are working hard to establish complete gender parity throughout the firm. To that end, we have adopted several guidelines that have been shown to be effective best practices in combatting the inequities of leading organisations worldwide. One of the most recent is being an inaugural signatory to the Mansfield Rule, an initiative of Diversity Lab, an organisation that creates and experiments with innovative ways to close the gender gap and boost diversity in law firms, legal departments, and banks by leveraging data, behavioural science, and design thinking.

There are also many more under consideration and review, as we choose to adopt only those initiatives that are based on solid research and also support the core values that guide our firm:

- Integrity
- Quality
- Teamwork and respect
- Performance
- Innovation and improvement

All of these are consistent with the establishment of gender parity. We have seen improvement over the past five years, but we will not rest until the gender pay gap is zero.

Adoption of the Mansfield Rule

In 2017, Diversity Lab partnered with 44 leading law firms to pilot the Mansfield Rule, which measures whether law firms have affirmatively considered women lawyers and lawyers of colour – at least 30 per cent of the candidate pool – for promotions, senior-level hiring, and significant leadership roles. For example, if firm management has identified a short list of five candidates for an opening on the executive committee, under the Mansfield Rule guidelines, two of the candidates would need to be women and/or people of colour. Firms that consider these candidates for 70 per cent or more of leadership committees and roles that are open during the review period qualify to become Mansfield Certified.

We are proud to be one of the firms leading the way on this initiative.

Awards

Tamara Box, managing partner EME, was ranked ninth in the 2017 *Financial Times* & *HERoes* champions of women in business list. The list celebrates 50 senior female role models who help to increase gender diversity in the workplace. Tamara is listed for her passion for gender parity and has ensured that Reed Smith is visible in community, industry and global initiatives championing women.

Alicia Millar, director of learning and development EMEA, was featured in *Brummell Magazine's* Inspirational Women List for 2017. The list shines a spotlight on 30 women in the City of London who are influential industry change-makers.

Margaret Campbell won the silver prize in the Champion of the Year – Mentoring/ Sponsoring Programme category at the *Citywealth* Powerwomen Awards 2018. Margaret is a partner and director of WINRS for EMEA, and she supports women at all levels of their careers.

Brigid North was awarded the Editor's Choice Award at the *Citywealth* Powerwomen Awards 2018. Brigid is a partner in the real estate practice who has a particular interest in assisting women among the associate body who feel that combining partnership with family is not possible; Brigid uses her experience to assist the next generation of female lawyers coming through.

We confirm the data in this report to be accurate.



Tamara Box
Managing Partner -
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Kevan Skelton
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