

Withers Gender Pay Gap Statement 2018

We have always been proud of our record of female leadership and the ways in which we have supported women's careers, including promoting flexible working practices for both men and women for over a decade.

The business has been led by a female CEO since 2002, as of this year 47% of our UK partners are female. There are few other leading international law firms with such high female representation in their senior leadership teams.

We are committed to creating a bias free working environment and to maintaining our reputation within the legal profession for an inclusive culture – particularly in relation to women. This second Gender Pay Gap report gives us the opportunity to compare our gender pay statistics against our initial 2017 report and to better identify where we need to concentrate our efforts in order to minimise gender pay gaps and continue to be positioned as a leading business.

What is the gender pay gap?

In line with section 78 of the Equality Act 2010 and as outlined in the Gender Pay Gap Regulations 2017, gender pay and bonus gaps for our employees are reported here. In the interests of full transparency and in line with The Law Society's guidelines, we also include pay gap information for UK based (self-employed) partners and for employees and partners combined.

While we have provided employee bonus gap information, we have not done so for partners. This is simply because bonus payments alone do not reflect our reward strategy for partners as we use a system of partnership points alongside bonus payments.

A gender pay gap is a measure of disadvantage (a gap) expressed as a comparison between what, on average, men earn and what, on average, women earn (gender pay).* The gender pay gap is not the same as unequal pay which is paying men and women differently for doing the same (or similar) work. Unequal pay has been unlawful since 1970.

We are confident that individual men and women are paid the same for doing the same or similar work and have equal access to promotion opportunities.

Understanding our gender pay gap

When looking at our gender pay gap it's useful to give general consideration to the distribution of men and women at different levels within our business and across the legal profession. Our pay gap continues to be influenced by several key factors:

- A high proportion of our workforce in our lower and lower middle pay quartiles are female. In line with other law firms, 95% of our secretarial team is female (and accounts for 16% of our London workforce).
- Whilst we have more females in senior roles than many other law firms, we still have more men than women in the most senior Business Services roles. Currently all of our UK based Business Services Directors are male.
- 17% of our workforce work part-time and of those, 86% are female.**

Summary

We are pleased to report that we have no significant pay gap for partners.

Whilst our employee pay gap remains close to our position in 2017, our 2018 bonus gap for employees has widened since 2017 and is larger than we would like to see.

Our mean employee bonus gap is higher than our median which is largely a result of a small number of large bonus payments being made to individuals at senior levels (whose

* Definition from the CIPD, Gender Pay Gap Reporting Guide, 2017.

** The Government has specified that pay and bonus gap reporting figures must be based on the actual amounts paid rather than the full-time equivalent rates. Those who have had a period of absence such as maternity leave would also receive prorated pay and bonus – impacting the figures.

remuneration packages are closely tied to the firm's performance and who are predominately male) which is skewing the data.

Combining our partner and employee pay data creates a combined mean gender pay gap of 34.6% and a median of 30.7%. The close proximity of these figures indicates that the overall dataset is not skewed by the presence of either very low or very high earners and that the differences between pay are broadly the same across all levels of staff.

We have included our UK full time equivalent partner compensation, which includes bonuses and equity points. The mean is 3.5% (as compared to -6.7% in 2017) and the median is -0.1% (as compared to -21.0% in 2017).

Action plan

We recognise that it may take time to close our gender pay gap and whilst there are immediate actions that we can take, a longer term focus is also required.

A number of positive steps have been taken this year. We have recruited a female global chief people officer (based in New York), have seen an increased uptake of Shared Parental Leave by males (signifying a shift in the mind-set regarding childcare) and believe that the move towards administrative roles instead of traditional secretarial roles in some areas, along with the introduction of alternative legal career paths, will help.

The attitude towards flexible working for both genders is changing too. As part of a move to a fully agile working environment this year we also introduced the support and technology for seamless homeworking – more than doubling the number of staff (from both genders) working from home on a regular basis. This shift in culture and in technological capabilities has made it much easier for many of our employees to balance the demands of work and home life.

We also provide new partners and those with hiring responsibilities with unconscious bias training.

We are committed to working hard to reduce our gender pay and bonus gaps and particular areas of focus for the forthcoming year include:

- Continuing to review and refine our policies and processes to ensure decisions around recruitment, performance appraisals, work allocation, promotions, pay and bonus are equal, fair and objective.
- Further analysis on our bonus gaps and our bonus schemes to ensure that bonus criteria are free from bias.
- Exploring alternatives to the traditional career model for all associates and encouraging more transparency around progression at an earlier stage in an individual's career. Legal staff promotion criteria is also under review as part of this project.

- Continuing to actively promote and support agile working and flexible working opportunities such as part-time working and homeworking for both genders.
- Continuing to provide a supportive working environment, which includes active promotion of enhanced family friendly policies (and in particular shared parental leave), dependent care solutions, as well as a strong focus on personal growth and the opportunity to network.
- Rolling out a wider training programme of unconscious bias training.
- Monitoring the gender imbalance at director level and ensuring that all business services staff have the support to achieve their career goals.
- Encouraging males into traditionally female roles within our lower and lower middle quartiles by introducing more administrative roles and providing more opportunities for career progression.



Margaret Robertson
CEO



Emma Steggles
Assistant HR Director
(Europe and Asia)

Please see next page for data graphics.

Pay data

	Mean		Median	
	2018	2017	2018	2017
Employees	20.3%	19.4%	35.7%	32.0%
Partners*	0.9%	-4.2%	3.8%	40.0%
Employees and partners combined	34.6%		30.8%	

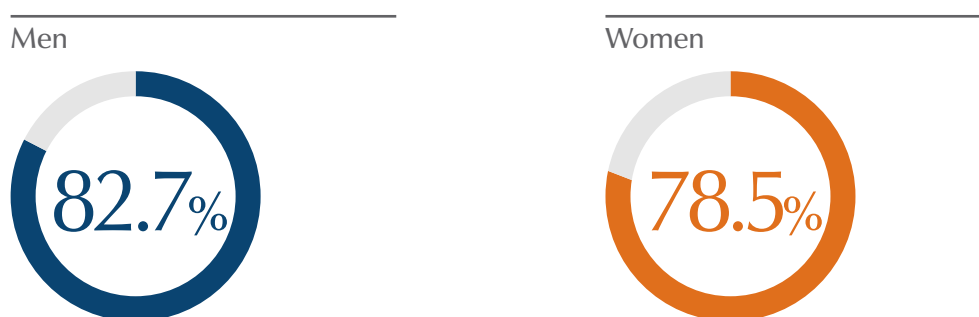
Bonus data

	Mean		Median	
	2018	2017	2018	2017
Employees	65.2%	54.0%	16.1%	7.8%

Pay quartiles 2018

	Employees		Partners		All	
	Men	Women	Men	Women	Men	Women
Upper	41.5%	58.5%	37.5%	62.5%	49.1%	50.9%
Upper Middle	42.6%	57.4%	43.7%	56.3%	43.6%	56.4%
Lower Middle	13.8%	86.2%	50.0%	50.0%	24.5%	75.5%
Lower	34.0%	66.0%	37.5%	62.5%	29.1%	70.9%

Proportion of staff receiving a bonus 2018



* Partner data provided is based on the 2017–18 financial year and represents full time equivalent total compensation.

Footnote: The data used for calculating hourly pay is for UK employees (excluding partners) who were employed on the snapshot date of 5 April 2018. The bonus figure has been calculated using the 12 month reference period preceding 5 April 2018. The data also includes those who work under a contract of service and those who are under a contract to do work personally.