

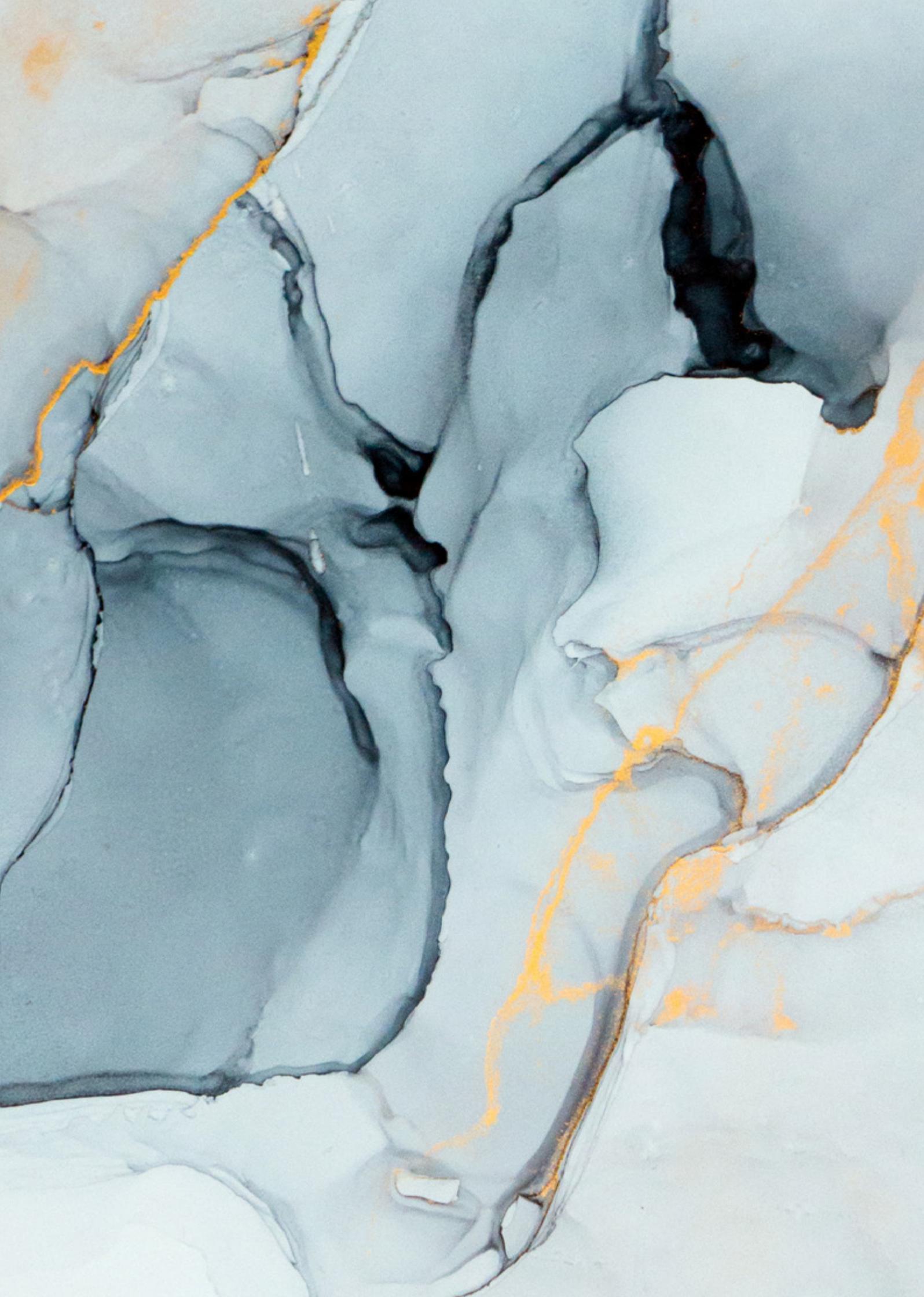
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Gender & Ethnicity Pay Gap Report 2022

Grow | Protect | Operate | Finance

April 2023





Reflections from our Chief Executive

At Dentons, inclusion, diversity & equity (ID&E) are not just ancillary values, they are core to our business strategy. We know that to realise our commercial ambitions, we must ensure our people feel empowered and valued, fostering an inclusive and thereby diverse culture. This is central to our overall commitment to being a responsible business.

Since 2017 we have reported on progress towards closing our gender pay gap in the United Kingdom. This year we go a step further to detail the pay gap between colleagues' ethnic backgrounds, and the initiatives in place to increase equal representation.

While no legislative requirement exists to disclose ethnicity pay gaps, we join 19%* of businesses making voluntary disclosures not only because we know it is the right thing to do, but because it has helped us to focus as an organisation on prioritising equitable change for all.

We are acutely aware that progress to address ethnic inequality in the legal profession, and society more broadly, remains slow. We trust this reporting process and many of our other current and future initiatives will contribute to addressing this serious disparity. We are also committed to partnering with our clients to ensure we are working hand-in-hand to mirror one another's ID&E agendas.

From our headline figures in this report, we know our pay gaps are driven by an imbalance in representation, as women and ethnic minority colleagues remain underrepresented at senior levels of our business. We recognise our responsibility to improve in all areas.

Working closely with our colleagues to understand what matters most to them and working alongside our Board, partners and diversity networks to close pay gaps, we will realise our renewed diversity targets outlined in our overall commitment to being a responsible business.

Whilst we have made some progress, we know there is still much to do. We remain deeply committed to ensuring diverse representation at Dentons. Diversity of talent ensures our Firm reflects the communities we serve, strengthens our business and meets the expectations of our clients and our people.



Paul Jarvis

Chief Executive for the UK,
Ireland and Middle East

A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

* Source: *Ethnicity Pay Gap Reporting, Fourth Report of Session 2021-22, House of Commons*

How to read this report

Pay gaps defined and methodology

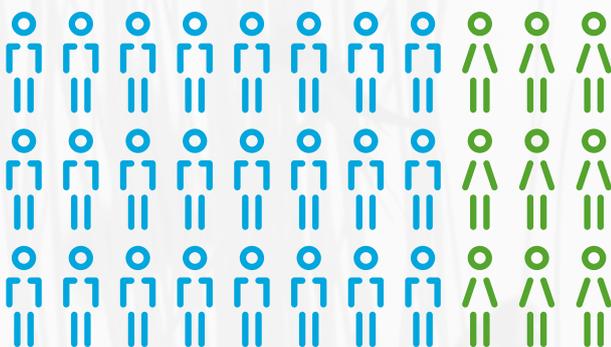
Pay gaps are different to **equal pay**. They identify the differences between groups of people, regardless of their role. **Gender Pay Gap (GPG)** is the difference in mean and median pay and bonuses between all men and all women in an organisation. **Ethnicity Pay Gap (EPG)** reveals the difference in the mean and median pay and bonuses between ethnic minority colleagues and non-ethnic minority colleagues in an organisation.

“Equal pay is a right for everyone, irrespective of who you are.”

— **Peter Roberts**
Head of Rewards and Systems

Understanding the pay gap: illustrative example

Gender pay gap is a measure of the difference in the average pay of men and women. No reference is made to the nature of the work or the location where the work is carried out. It is a strong measure of women progression within an organisation.



Gender pay gap

An **equal pay** comparison involves a direct comparison of two people or groups carrying out the same, similar or equal work.



Equal pay

Our pay gap calculations are based on the methodology outlined by the United Kingdom’s Government Equalities Office. Reporting of GPG is mandatory for all employers in the United Kingdom with over 250 employees, and we are voluntarily reporting our EPG aligned with the same methodology.

Pay gap analysis is undertaken based on hourly rates of pay as of 5 April in any given year and bonuses paid in the previous 12 months. Our most recent analysis is based on hourly rates of pay as of 5 April 2022 and bonuses in the year to the same time.

Overview: Gender & Ethnicity Pay Gaps 2022

Overall, the results of this year's Gender & Ethnicity Pay Gap Report are mixed and influenced by a number of natural people movements and external factors dictating the availability of skilled talent (which we are playing an active role in the market to address – not just for Dentons but for the whole profession).

“The process of pay gap reporting itself focuses attention on the issues and circumstances influencing pay gaps that need to be addressed both within our Firm and beyond, which require collective action from the profession.”

— **Claire England**
Head of UKIME Responsible Business

While, at face value, some of our headline numbers present an opportunity for improvement, we have seen increases in the number of women and ethnic minority colleagues in our Firm. In particular, the numbers of women and ethnic minority colleagues in our early careers roles have increased (training contracts and apprenticeships).

Our mean gender pay gap remains static at 16%. We have seen a 3% increase in the number of women in our upper pay quartile reflecting advancements in senior female representation.

In comparison to our last* pay gap analysis, our mean ethnicity pay gap has increased from 6% to 15%. In an effort change this number and increase ethnic-minority representation, we are taking steps across our business. Our actions include having introduced career opportunities for underrepresented groups in our growing Legal Delivery Centre team, with the intention of progressing these professionals through our Firm over time.

We take full responsibility for the lack of current representation. Our Firm is evolving to overcome unconscious structural barriers. We know that women and ethnic minority colleagues are still underrepresented at senior levels. We are committed to ensuring that changes.

It takes time for talent to progress through our Firm and we are committed to nurturing it from a grassroots level. We recognise that cannot be our only approach and we need to address these issues through our approach to promotions and hiring at a more senior level too. We are passionate about creating a more diverse leadership team and, by ensuring diverse talent has the opportunity to progress, we can help redefine what is possible and shape a better future.

* *Note: We have retrospectively calculated EPG for 2021 to provide a baseline to monitor progress from.*



Our commitments

Dentons strives to be a place where everyone in every role, position and location:

1. Feels valued and heard as a full and integral participant in the life and business of our Firm.
2. Is empowered to pursue their career ambitions freely and realise their full potential.
3. Plays an integral role in, contributes to and benefits from relationships with our clients.

United Nations Sustainable Development Goals (UNSDGs)

We recognise that investments made now, particularly in our people and culture, will determine what is possible in the future – how much we can thrive. To help ensure we close the gender and ethnicity pay gaps and have the programmes and policies in place for equal and genuine representation, we have committed to meaningfully impact several United Nations Sustainable Development Goals.

Outlined further in the UKIME Responsible Business Commitment, we have identified several areas that matter most to our business, particularly **Gender Equality** and **Reducing Inequalities**. We have detailed ambitious but realistic and practical commitments to achieve them at a local level, outlined opposite:



UNSDGs we commit to meaningfully impacting

Business commitment



Achieve gender equality and empower all women and girls

- **Increasing representation of women to 35%** in our regional partnership (currently 23%) and in all Business Services Director/leadership roles by 2028.

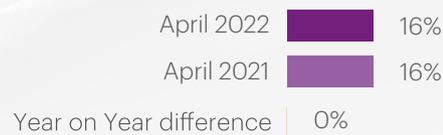


Reducing inequality within and among countries

- **Increase ethnic diversity to 10%** in the United Kingdom, Ireland and separately in the Middle East partnership and in Business Services Director/leadership roles (currently 6%) and **12% across Senior Associates and Counsel** (currently 4%) in the UK and Ireland by 2028.
- Evolving our approach to disability inclusion, **increasing the number of disabled people and those with long term conditions employed by the region** and providing great career opportunities to those with disabilities.
- Creating a working environment **more inclusive of LGBTQ+ colleagues**, building on progress from the past decade.

Gender Pay Gap GPG Statutory Disclosures

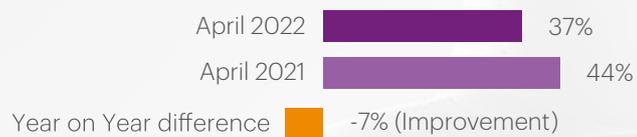
Mean gender pay gap



Median gender pay gap



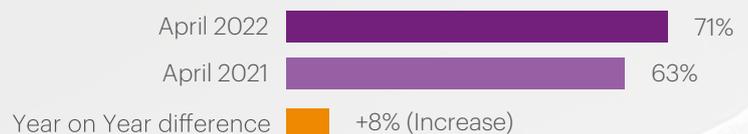
Mean bonus gender pay gap



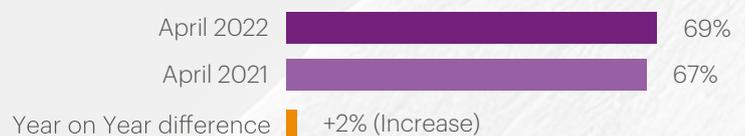
Median bonus gender pay gap

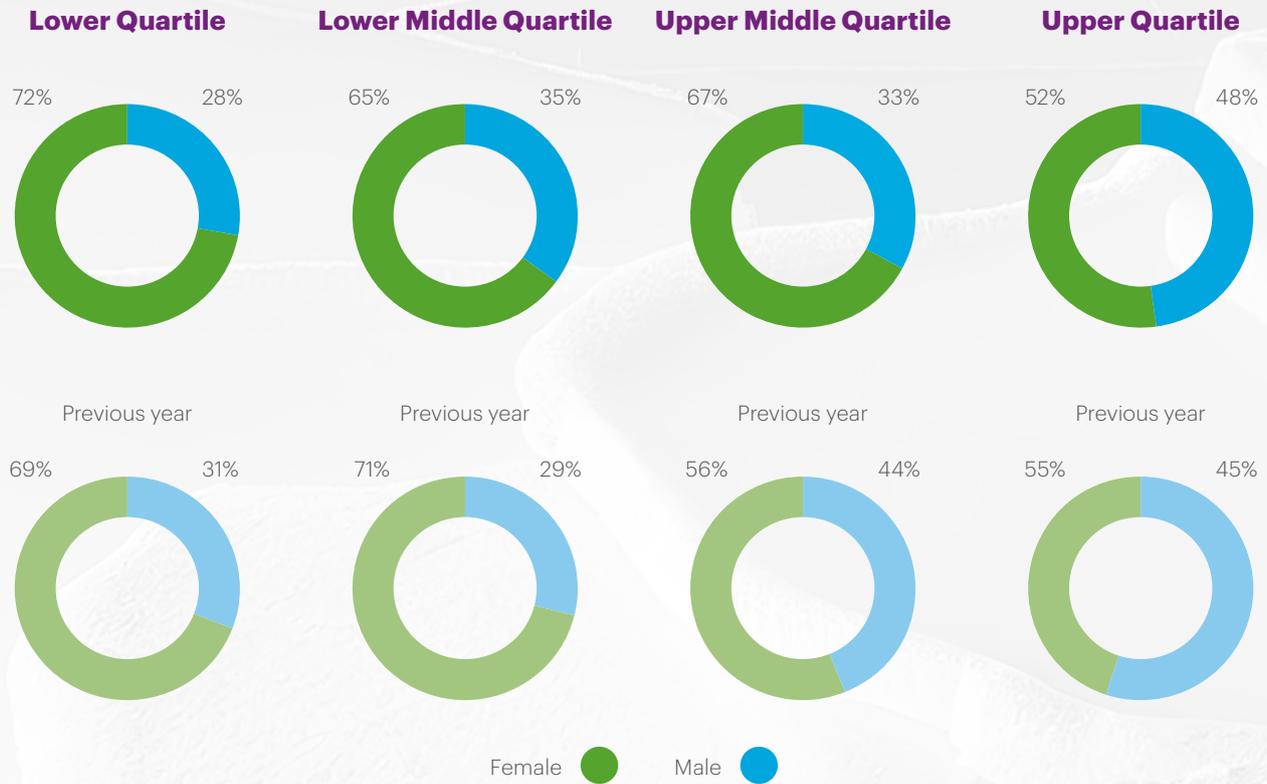


Proportion of males receiving a bonus



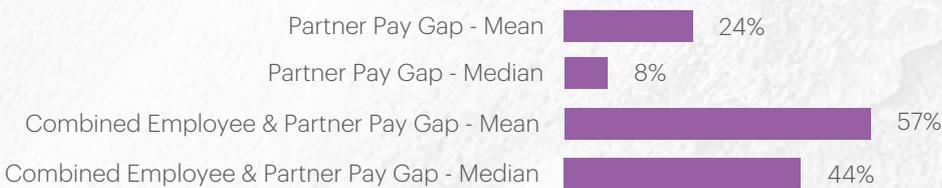
Proportion of females receiving a bonus





Additional data

An assessment of pay across our Partner cohort, which combines income and bonus for a total compensation view (reflecting how Partners are remunerated), reveals that while mean and median pay gaps are similar to employees, the combined total compensation highlights a clear under representation of women in the Partnership.



Initiatives to close our Gender Pay Gap

Working towards a better gender balance in our leadership

We are pleased to have seen progress in the number of women within our partnership over the last several years, but we remain focussed on progressing more women through to leadership roles, both within our partnership and business services teams.

In the United Kingdom, Ireland, and Middle East region, we are now working towards 35% women Partners and overall Firm leadership by 2028. Currently, we have 25.5% female partners and 40% of our Board are women. Several people processes are in place to achieve this aim, including:

- Robust succession planning processes to ensure a diverse pipeline to partnership and for key partner leadership roles;
- Ensuring gender (and ethnicity) balance on our Senior Development Programme as part of the pathway to partnership; and
- Ensuring all partner candidates have effective sponsorship in order to support the business case and the transition to partnership.

Aiding the retention and progression of our women

We have a strong proportion of women in our trainee solicitor and associate levels but, to reach our women leadership goals, it is vital we retain and progress more talented women. We are pleased to be more proactive in our efforts than ever before.

Career Directions Programme

2022 saw our region design and run a women-only career development programme for the first time. The programme focussed on helping participants identify their strengths and consider their career path, mapping out the stages to progress.

Modules included: the myths of confidence; building your reputation; and thriving personally and professionally. With the pilot programme having been a resounding success, this is now a core part of our talent development programme, with the programme planned to run twice in 2023.

“Running the Career Directions Programme helped to inform further actions we should take to best support our women in their careers. 2023 will now see us launch a revised mentoring programme for women, and sessions focussed on business development and effective client connection.”

— **Jayne Schnider**
Partner, Executive Sponsor – Inspire
(Gender Equality Network)

Global Women’s Sponsorship Programme

We launched our Global Women’s Sponsorship Program to drive advancement of women into more senior leadership roles in our Firm. Dentons’ sponsors and protégés from around the world come together to build critical business relationships and leverage the benefits of our global platform.



**Dentons
Inspire**



Women of the World (WOW) Programme

Our global Women of the World (WOW) Programme brings together voices from in-house and across the broader business community in a global network of support and learning to recognise and promote the talent of female professionals. The WOW programme includes a free-to-access webinar series which profiles global women leaders who engage participants on topics relevant to career success. As part of our wider WOW programme, we also offer facilitated global networking groups and have created an online collaboration hub where WOW registrants can access relevant insights, tools and resources.

You Choose: flexible working policy

Having introduced 'You Choose', our hybrid flexible working policy, and taken feedback from our teams, we know this has made it easier for different groups of people to manage different commitments. That includes working parents having flexibility to balance better their childcare and professional commitments. We have recently confirmed this policy will become permanent following a trial period, easing the pressures that come with working and having children, historically a tension point in particular for a large number of women.

Creating a working culture inclusive of women

The power of diversity networks

Our longstanding gender equality network, Inspire, continues to go from strength to strength. Providing a space for colleagues to come together and focus on activities that ensures Dentons is a place fully inclusive of women. The last year has seen the network deliver on this commitment by:

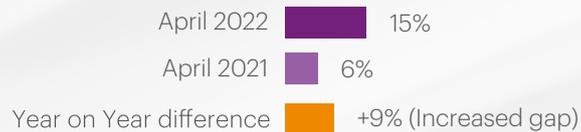
- Working with our Human Resources team to develop a series of **policy and benefit improvements** focussed on women and family. This includes the introduction of new Fertility Leave and Pregnancy Loss/Failed Adoption Leave policies; introducing Peppy – a digital health app offering expert support in areas including hormonal imbalances, fertility and early parenthood; and providing colleagues with access to fertility treatment.
- Becoming a **Menopause Friendly Employer** through a programme of menopause awareness, education and support including training women in our Firm as menopause champions to help colleagues discuss menopausal symptoms in the workplace.
- Relaunching **Path to Partnership** sessions which enables junior lawyers to hear openly from male and female partners, providing transparency and visibility about the reality of partnership, dispelling myths and increasing understanding of the role.

Ethnicity Pay Gap (EPG) Analysis

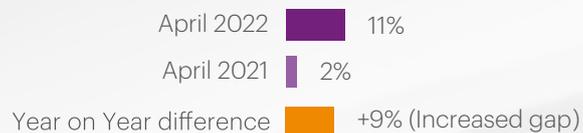
As mentioned, EPG shows the difference in mean and median hourly rate of pay between ethnic minority and non-ethnic minority employees in an organisation, expressed as a percentage of non-ethnic minority earnings. We have retrospectively calculated EPG for 2021 to provide a baseline to monitor progress from.

Calculations are based on 75% of employees who voluntarily declared their ethnicity upon joining our Firm. This does mean the calculations are not 100% reflective of our entire population. We hope more colleagues feel encouraged to contribute to this important report in the future, helping to build an accurate illustration of our Firm's demographic makeup and ensure our actions are data driven.

Mean ethnic minority pay gap



Median ethnic minority pay gap



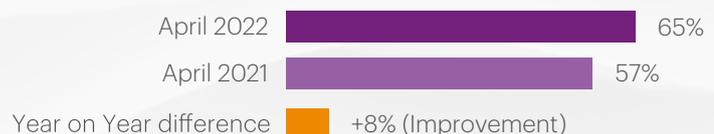
Mean bonus ethnic minority pay gap



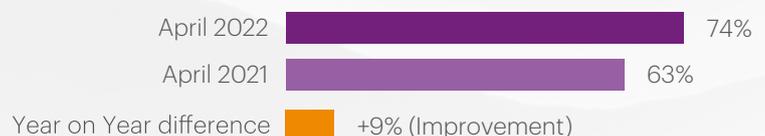
Median bonus ethnic minority pay gap



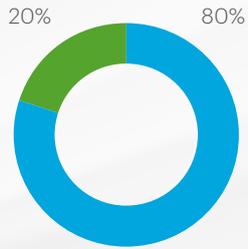
Proportion of ethnic minority receiving a bonus



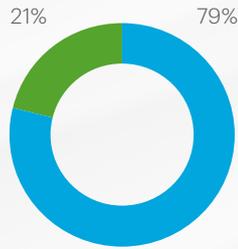
Proportion of non-ethnic minority receiving a bonus



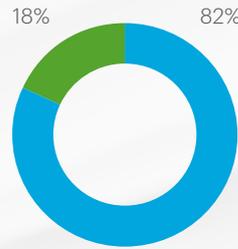
Lower Quartile



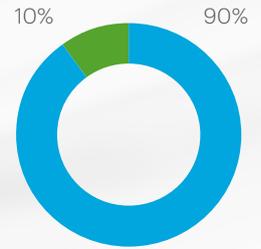
Lower Middle Quartile



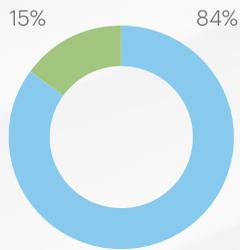
Upper Middle Quartile



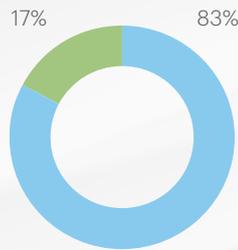
Upper Quartile



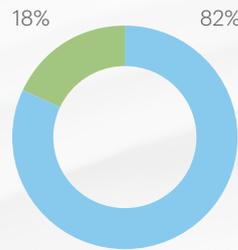
Previous year



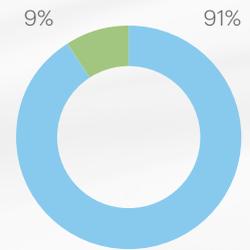
Previous year



Previous year



Previous year



Ethnic Minority 

Non-Ethnic Minority 

Initiatives to close our ethnicity pay gap

We know it will take a concerted effort, over several years, to see a stronger representation of ethnic minority talent in our leadership, but progress is being made now. For the last three years we have consistently seen over 30% of our trainee solicitors being from ethnic minority backgrounds doubling from 15% in 2018.

While it will naturally take time for these professionals to reach positions of leadership, we are determined to continue making progress by having an ethnic diversity leadership goal we hold our selves accountable to. In addition to the breadth of people processes that help ensure equity and equality of opportunity, we have more actions to help close the gap:

Ensuring the retention and progression of ethnic minority colleagues

Knowing it will take time to see the representation of our early careers cohort progress into leadership roles, we will remain committed to the retention and progression of current mid-level ethnic minority talent.

Increasing ethnic diversity hiring

2023 will see our region explore what more can be done to diversify experienced hires and business services professionals. We will partner with ethnic minority specialist jobs boards that support us in maximising ethnic minority talent attracted to roles working with us. We will also implement refreshed fair recruitment training for hiring managers with an emphasis on unconscious bias, this will ensure we mitigate against biases playing any part in our recruitment decision making.

Students of Black Heritage Mentoring Programme

In 2022 we set out to recruit 25 mentors from within our region to mentor university aged students of Black heritage interested in pursuing a career in the legal profession. Pleasingly, we were overwhelmed with interest and have now established 50 relationships in partnership with GROW, a not-for-profit founded by young people who want to see the diversity of the legal profession change. The six-month programme will increase representation of Black talent in the profession into the future.

Creating a racially inclusive culture

Our **Black Professionals Network** and **Fusion (Asian Professionals Network)** both play a pivotal role in promoting and encouraging an inclusive working environment for all our ethnic minority colleagues. Marking key dates such as Black History Month, Ramadan and Lunar New Year provide a perfect opportunity to help to work towards this aim.

2023 will see our region introduce training sessions to foster racially inclusive teams, helping everyone to better understand the role colleagues can play through their actions and behaviours, creating inclusive workplaces for ethnic minority colleagues. Exploring topics such as microaggressions, racial prejudice and white privilege.



Black Professionals Network



Dentons Fusion



ABOUT DENTONS

Dentons is designed to be different. As the world's largest global law firm with 21,000 professionals in over 200 locations in more than 80 countries, we can help you grow, protect, operate and finance your business. Our polycentric and purpose-driven approach, together with our commitment to inclusion, diversity, equity and ESG, ensures we challenge the status quo to stay focused on what matters most to you.

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