

DENTONS

UK Gender and Ethnicity Pay Gap Report 2023

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Summary

Our gender and ethnicity pay and bonus gaps based on data from May 2022 to April 2023

Definitions

- **Pay gaps** are based on average hourly pay on a snapshot date of 05 April 2023.
- **Bonus gaps** are based on bonus payments made between April 2022 and April 2023.

Gender

- We have more women than men in most levels in our firm (excluding partnership) but more so in roles with relatively lower pay. We also have proportionally more women based outside London than men where the average salary is lower. These two factors are the underlying cause of our gender pay and bonus gaps.
- Changes to the composition of our workforce occur naturally each year, from the number and types of roles to who occupies them. As a result, our mean employee gender pay has ranged between 16-24% since our first report in 2017.
- In 2022 we outsourced our facilities department and transferred a predominantly male team to an external service provider. This resulted in an increase in our mean employee gender pay gap from 16% to 21% in 2023. It also was a key reason why our mean gender bonus gap grew from 37% to 57%.

Ethnicity

- It is pleasing to see ethnic diversity continues to be strong amongst our recent trainees, paralegals, junior associates and seventh-year of apprentices which demonstrates our firm's long-term commitment to increasing ethnic diversity through its array of pathways to both legal and business professions.
- This is positive for our firm in the long term but in the short term increases ethnic diversity in junior roles and lowers the average pay for ethnic minority colleagues compared to white colleagues. Consequently our mean employee ethnicity pay gap has increased from 15% to 20%.
- It also meant a significant proportion of our ethnic minority colleagues in this data set were new to our firm and were not eligible for a bonus in this reporting period. Coupled with larger than usual bonus awards after a successful financial year, this saw our ethnicity bonus gaps grow from 10% to 14%.

Making sustainable, long-term change

Over the last 12 months we have re-affirmed our commitment to inclusion and diversity, introducing a new regional strategy and inclusion and diversity action plan

Successfully delivering on our five-year regional strategy for the UK, Ireland and the Middle East requires inclusive practices at the heart of a high-performance culture.

We want to be a workplace in which everyone can thrive so our people, regardless of their background, can best service our clients and the communities in which we operate – now and in the future.

Commitment to change: new inclusion and diversity action plan

The pay gaps in this report related to a period of time before our new inclusion and diversity action plan. They stem from having an imbalance of colleagues with different characteristics at various levels within our firm which we are confident we will improve over the coming years through our six focus areas.

Leadership accountability

Data and insight

Awareness & education

Inclusive leadership

People processes

Inclusion networks

Measuring and demonstrating change

Using data and insight to guide where we need to focus and to hold ourselves to account for progress is key. Recognising the need to improve the balance of diversity at all levels we have introduced new diversity goals to achieve by 2028 which include:

- **35%** women and **10%** ethnic diversity in our partnership;
- **12%** ethnic diversity at Senior Associate and Counsel.

As of March 2024 women make up 61% of our employee base and 27% of partners. 16% of our employees are from an ethnic minority background as are 7% of our partners. Whilst these are all positive increases on the 12 months prior, we recognise there is still much more to do.

Solving for shared challenges together

We are working hand-in-hand with our clients to support each other's inclusion and diversity ambitions, as well as with our networks and other law firms to address historic barriers to access and opportunities within our sector. We are confident, together, we can make the progress we need to see over the coming years.



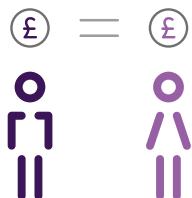
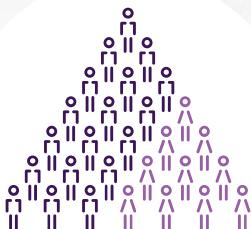
Paul Jarvis
CEO for Dentons UK, Ireland and Middle East

Understanding the data (1)

The difference between pay gaps, bonus gaps and equal pay

A look back in time

The data in this report relates to the period April 2022 to April 2023 and therefore reflects our firm at this point in the past and before our new inclusion and diversity action plan. Much has changed positively in the period since, the impact of which will be felt in future reports.



What are pay gaps?

- Pay gaps show the difference in **average hourly pay** between two groups of people within a workforce. It is based on a snapshot of 05 April each year which is 05 April 2023 in this report.
- It does not take into account their job type or level so if you have more of one group in senior roles (which are often better paid) than in junior roles this causes a pay gap. It does also not factor in geographical differences in pay.

How is this different to equal pay?

- Equal pay compares the pay of employees doing the **same or similar work**, rather than the average across different roles and levels like the pay gaps.
- This report does not cover equal pay.
- We have real-time processes throughout the year to ensure decisions on rewards are fair and guided by evidence and data.

What are bonus gaps?

- Bonus gaps show the difference in **bonus payments** related to profit-sharing, productivity, performance and other rewards between two groups.
- This data is based on any bonus payments made between the start of May and the end of April the following year. In this report the bonus gap is based on additional payments related to reward between 01 May 2022 and 30 April 2023.
- Those who join during the reporting period or work part-time have a lower 'bonus salary' which is different to their actual salary and influences the overall bonus they receive. Those who take family leave receive pro-rated bonus payments.

Understanding the data (2)

Who is included in this report and how they are grouped

Groupings

- **UK Employees:** All UK based employees of Dentons UK and Middle East LLP.
- **UK Employees and partners combined:** All UK based employees and partners.
- **Partners only:** All partners from across our UK, Ireland and Middle East region combined.

Gender calculations

- Our **UK employee** data is mandatory to report.
- We voluntarily include additional data on our **partners** for transparency.
- We are required to report the data in a binary way ('women' and 'men') by the UK's Government Equalities Office which does not take into account other gender identities (e.g. non-binary). Throughout the pages we use the terms 'gender', 'women' and 'men' but recognise this refers to the biological sex rather than gender identity for some.

Ethnicity calculations

- Ethnicity pay gap reporting is **entirely voluntary** and we choose to publish this with the same granularity of data each year.
- It is calculated using the **same methodology** as the gender pay gap reporting to help us compare progress, year-on-year.
- This means everyone from an ethnic minority background (e.g. Black, South Asian) is **grouped** and compared to anyone who identifies as white. We recognise there are differences across ethnic groups and limitations of this grouping.
- Our ethnicity data is based on **voluntary self-identification**. The more complete this is, the more accurate our calculations. As of 5 April 2022, 17% of our employees self-identified as being an ethnic minority, 66% white, with a further 17% unknown.

Statutory vs. voluntary reporting

Since 2017 all UK companies with over 250 employees have been required to publish their **gender** pay and bonus gaps. We have also voluntarily reported on our **ethnicity** pay and bonus gaps using the same method since 2022.

1. Gender

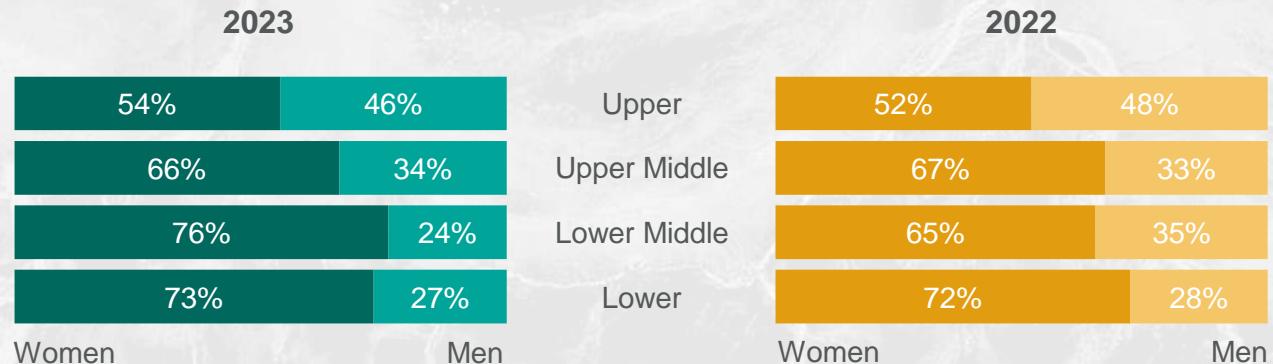
1.1. UK employees

This section shows the gender pay gaps for UK based employees of Dentons UK and Middle East LLP by gender which includes employees based in London, Milton Keynes, Edinburgh, Glasgow and virtually.

Gender pay gaps



Hourly pay by quartile



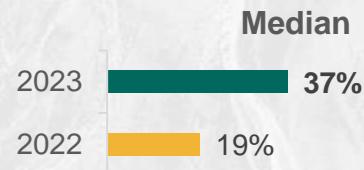
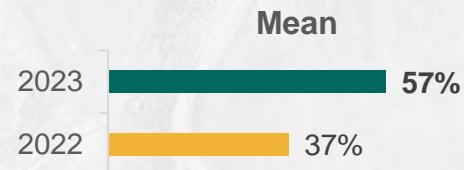
Calculations

The pay gap and pay quartile data on this page is based on a snapshot date of 05 April 2023.

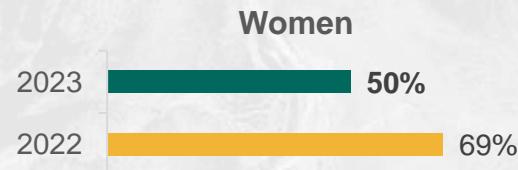
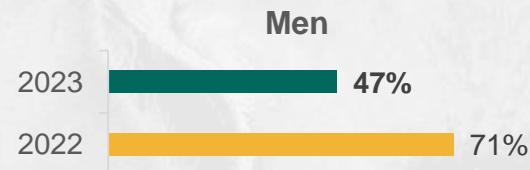
Definitions

- **Mean pay gap:** The difference between the mean (average) hourly earnings between all women and all men who are employees.
- **Median pay gap:** The difference between the mid-point of hourly pay for all women and all men who are employees.
- **Pay quartiles:** If all employees were ordered by their hourly rate of pay, then split into four equal groups, the quartile figures show the proportion of women and men in each group.

Gender bonus gaps



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



Calculation

This data shows any bonus payments made to employees between 1 May 2022 and 30 April 2023. This can include payments related to profit-sharing, productivity, performance as well as other rewards.

Definitions

- **Mean:** The difference between the mean (average) bonus payments made to all women compared to all men who are employees.
- **Median:** The difference between the mid-point of bonus payments made to all women compared to the mid-point for all men who are employees.
- **Proportion of the group receiving a bonus:** The proportion of women and men who were paid bonus a bonus in the reporting period.

1.2. UK employees and partners combined

The gender pay and bonus data below is based on an hourly rate for employees and partners combined. For partners, this reflects total compensation (fixed profit share, value of points and bonus).

Mean gender pay gap



Median gender pay gap



Mean gender bonus gap



Median gender bonus gap



Pay gap calculations

Based on a snapshot date of 05 April 2023.

Bonus gap calculations

Any bonus payments made between 1 May 2022 and 30 April 2023. This can include payments related to profit-sharing, productivity, performance as well as other rewards.

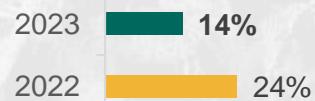
Groupings

- UK Employees and partners combined:** All UK based employees and partners.
- UK, Ireland and Middle East Partners:** All partners from across our UK, Ireland and Middle East region combined without employees included.

1.3. UK, Ireland and Middle East partners

Some partners for Dentons UK and Middle East LLP work outside the UK. The gender pay gap data below reflects our whole partner population spanning the UK, Ireland and Middle East.

Mean gender pay gap



Median gender pay gap





2. Ethnicity

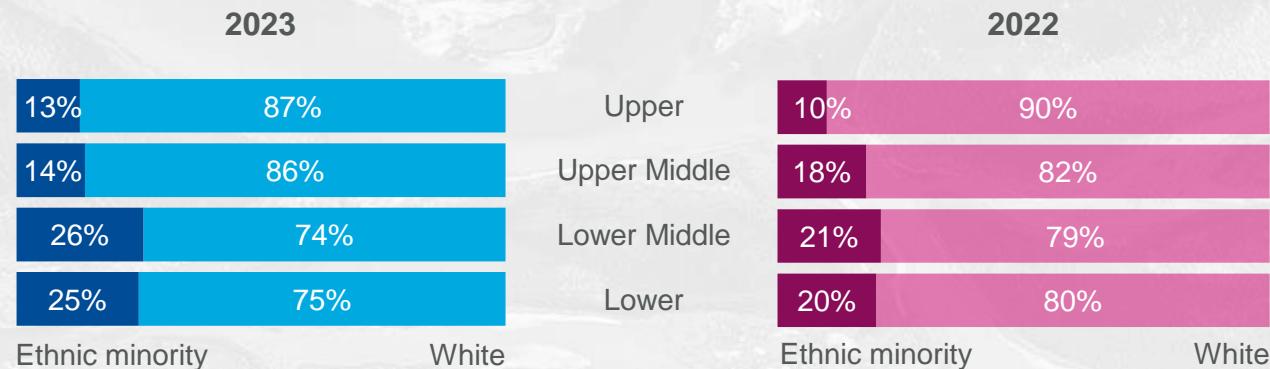
2.1. UK employees

This section shows the gender pay gaps for UK based employees of Dentons UK and Middle East LLP by gender which includes employees based in London, Milton Keynes, Edinburgh, Glasgow and virtually.

Ethnicity pay gaps



Hourly pay by quartile



Calculations

The pay gap and pay quartile data on this page is based on a snapshot date of 05 April 2023. It is based on voluntary self-identification and 17% of our employees identified as an ethnic minority at this point in time.

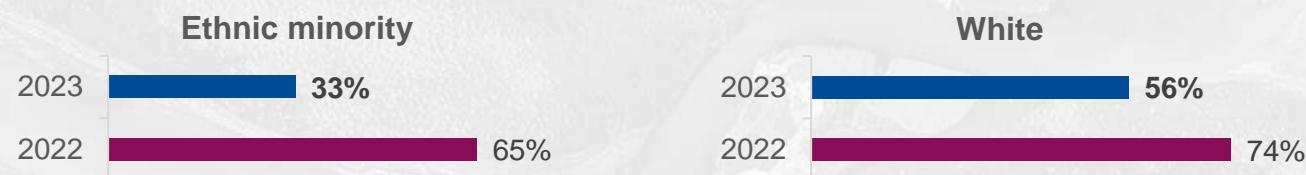
Definitions

- **Mean pay gap:** The difference between the mean (average) hourly earnings between ethnic minority employees and white employees.
- **Median pay gap:** The difference between the mid-point of hourly pay for all ethnic minority employees and all white employees.
- **Pay quartiles:** If all employees were ordered by their hourly rate of pay, then split into four equal groups, the quartile figures show the proportion of ethnic minority and white employees in each group.

Ethnicity bonus gaps



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



Calculation

This data shows any bonus payments made to employees between 01 May 2022 and 30 April 2023. This can include payments related to profit-sharing, productivity, performance as well as other rewards.

Definitions

- **Mean pay gap:** The difference between the mean (average) bonus payments made to all ethnic minority employees compared to all white employees.
- **Median pay gap:** The difference between the mid-point of bonus payments made to all ethnic minority employees compared to the mid-point for all white employees.
- **Proportion of the group receiving a bonus:** The proportion of ethnic minority and white employees who were paid bonus a bonus in the reporting period.

2.2. UK employees and partners combined

The below ethnicity pay data is based on an hourly rate for employees and partners combined.
The partner data reflects total compensation (fixed profit share, value of points and bonus).



2.3. UK, Ireland and Middle East partners

Some partners for Dentons UK and Middle East LLP work outside the UK. The ethnicity pay gap data below reflects our whole partner population spanning the UK, Ireland and Middle East.



Pay gap calculations

We have calculated UK employee and partner combined for the first time this year using the same methodology as for gender pay and bonus gaps. Based on a snapshot date of 05 April 2023.

Bonus gap calculations

Any bonus payments made between 1 May 2022 and 30 April 2023. This can include payments related to profit-sharing, productivity, performance as well as other rewards.

Groupings

- **UK Employees and partners combined:** All UK based employees and partners.
- **UK, Ireland and Middle East Partners:** All partners from across our UK, Ireland and Middle East region combined without employees included.

Definitions

- **Negative pay gap (-%)**: A negative percentage figure indicates a pay gap in favour of ethnic minority employees and/or partners.

ABOUT DENTONS

Across over 80 countries, Dentons helps you grow, protect, operate and finance your organization by providing uniquely global and deeply local legal solutions. Polycentric, purpose-driven and committed to inclusion, diversity, equity and sustainability, we focus on what matters most to you.

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