

Gender Pay Gap Report

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Freshfields Bruckhaus Deringer

Inclusion and diversity are important to our clients, our people and our communities.

At Freshfields Bruckhaus Deringer, we support a culture of inclusion, where everyone has the opportunity to excel and reach their potential. We consider it vital to attract and retain diverse talent and through this deliver excellence and innovation in client service. We welcome the opportunity to share our Gender Pay Gap Report.



Edward Braham

Senior Partner



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Chief Human Resources Officer



Freshfields Bruckhaus Deringer

Understanding the gender pay gap

What is gender pay reporting and how is it different to equal pay?

The gender pay gap shows the difference in the average pay between all male and female employees in a workforce, regardless of job role or seniority.

Equal pay is different – it deals with the pay differences between men and women who carry out equal work. It is unlawful to pay women less than men in those circumstances, unless there is a material reason that is not related to gender.



Our results

The numbers below reflect all UK employees of Freshfields Services Company, a subsidiary of Freshfields Bruckhaus Deringer LLP, which includes both our London and Manchester offices and is the main employing entity for UK-based employees.*

Pay gap

Difference between men and women†

	Mean	Median
Hourly pay	13.9%	13.3%

Bonus gap

Difference between men and women

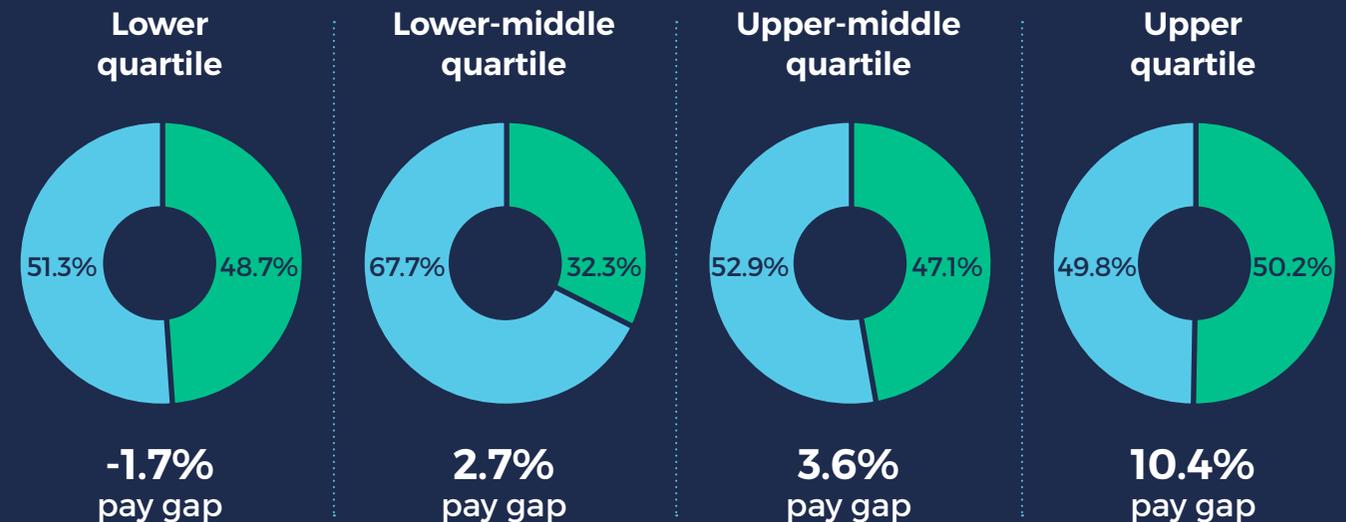
	Mean	Median
Bonus pay	41.0%	33.3%

Proportion of men and women receiving bonus pay‡

Men receiving a bonus	58.9%
Women receiving a bonus	64.5%

Pay quartiles

Proportion of male and female employees according to quartile pay bands and the corresponding mean pay gap within each quartile.



Women Men

*The firm's partners are members of the LLP, which is not within the scope of the Regulations

†Calculated on the hourly rate to show the difference in pay between men and women

‡Based on payments received during the 12-month period 6 April 2016 to 5 April 2017

Understanding the numbers

As these figures are required to be based on the employee population as a whole without differentiating between job role or seniority, we have undertaken more detailed analysis to help us better understand what factors may be driving these figures and what we can do to address them.

While our pay gap figures are below the UK legal sector average (based on the figures published by the Office for National Statistics last year), we recognise there is still a significant amount of work to be done in relation to gender balance.

To help understand what is driving the pay gap, we have calculated the mean hourly rate across each of the four quartiles. At the lower quartile the gap is -1.7 per cent (ie a small gap in favour of women) and also smaller within the lower-middle and upper-middle quartiles at 2.7 per cent and 3.6 per cent, respectively. The gap is 10.4 per cent at the upper quartile and this reflects a larger number of men currently in more senior roles.

As with many organisations, across a variety of sectors, our gender pay gap is predominantly driven by the distribution of women and men across different types of role.

For example, our personal assistant/executive assistant population is predominately women (98.7 per cent). This affects our lower-middle pay quartile balance when looking at the workforce as a whole, including our legal practice groups. At present, we have a greater proportion of men in senior leadership roles within business services (for example in our IT department), which also affects the figures.

Our more detailed analysis shows that we have a median gap in hourly pay (sometimes regarded as a more representative average) in favour of women in business services.

Trainees and associates pay

Our male and female trainees are paid equally.

Associate salaries are set by the firm according to progression through our internal career framework, with salary and bonus potential increasing with seniority. Although the population is split evenly between men and women across the whole associate group (50:50),

the distribution of men and women changes when looking at each of the levels within our career framework with more men at the senior levels at present. We have a number of initiatives (explained in more detail on page 8) aimed at enabling a greater number of female associates to progress to more senior roles within our framework and to retain top talent.



Business services pay

Our business services structure differs from trainees and associates, not only in the large variety of roles but also how pay is structured. We have pay ranges rather than fixed rates, which differ by function, job level and seniority.

Within business services we have a predominantly female population. However, there is variation in the proportion of men and

women according to function and role type as mentioned above with our personal assistant/executive assistant population. Typically there are also fewer senior roles in business services, more of which are held by men at present.

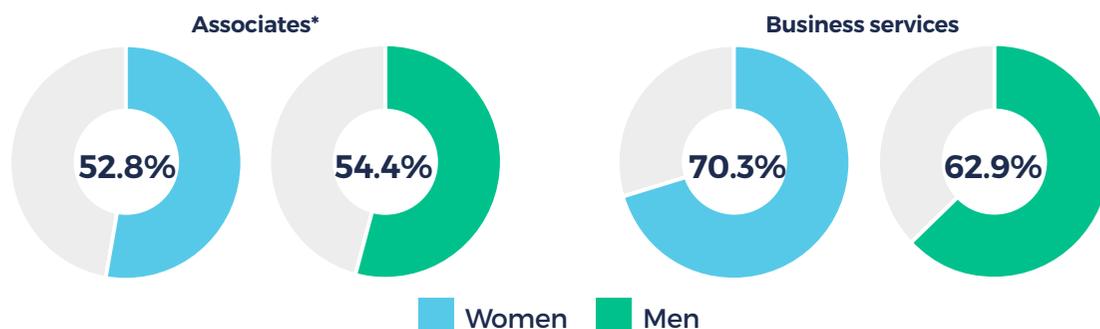
We are committed to looking at how we can enable progression across the firm irrespective of gender, including within business services.



Bonus arrangements

Although the firm awarded bonuses to more women than men during the 12-month reporting period, we have carried out further analysis in order to get a better understanding of the overall bonus gap. In particular, we've looked at bonuses awarded to male and female associates and business services separately as set out below.

Proportion receiving bonus



For business services in particular, the potential to earn a higher bonus amount links to seniority. As we currently have a greater proportion of men at senior levels in business services, this impacts our overall bonus gap.

It's also worth noting that the bonus figures are required to be calculated on the basis of actual pay, which does not account for part-time working. A number of our professionals work part-time hours. At present, this is the case for significantly more women than men (7 per cent men and 93 per cent women). The table based on FTE figures shows the picture more accurately.

Gender bonus gap

Associates*	
Mean	Median
17.1%	18.0%
Business services	
48.9%	0%

FTE bonus gap as a % of FTE salary

Associates*	
Mean	Median
10.8%	9.3%
Business services	
22.2%	11.8%

*Note that trainees do not participate in a bonus scheme

Although the wider context explains to some extent the gaps identified in the figures, we will continue to work on the initiatives outlined on the next page with a view to reducing the gap where possible.

Inclusion, diversity and gender balance at Freshfields

We remain committed to enhancing the diversity of our firm globally and to building a work environment that is fully inclusive and provides opportunities for all. We recognise that there is still more to be done. It is a priority for us to continue our efforts on improving gender balance, which include:

Supporting women's development and progression through opportunities such as our Global Sponsorship Programme (GSP). This provides sponsorship, coaching and tailored training opportunities for mid-level/senior women associates aimed at retaining and developing our top talent, and supporting them to progress to more senior roles at the firm/partnership. As an example, our 2018 counsel promotions were 45 per cent female and, of those women promoted, 67 per cent had been part of our GSP.

Our Women's Networks in London and Manchester (for all our female employees, both legal and business services) engage in a wide variety of activities, including cross-departmental mentoring and professional development skills training. We also partner with external organisations including the 30% Club on its cross-company mentoring scheme.

Senior sponsorship of gender diversity, for example with pipeline partners who help us to track and monitor the career progression of our female talent pipeline. We have also designed and launched inclusive leadership training that is being rolled out across all practice groups for senior directors, partners and counsel globally, which includes tailored content around understanding bias and inclusive behaviours.

Enhancing flexible and agile working practices for the benefit of all at the firm; we are committed to supporting both formal and informal opportunities to work flexibly.

We confirm the data in this report is accurate.



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