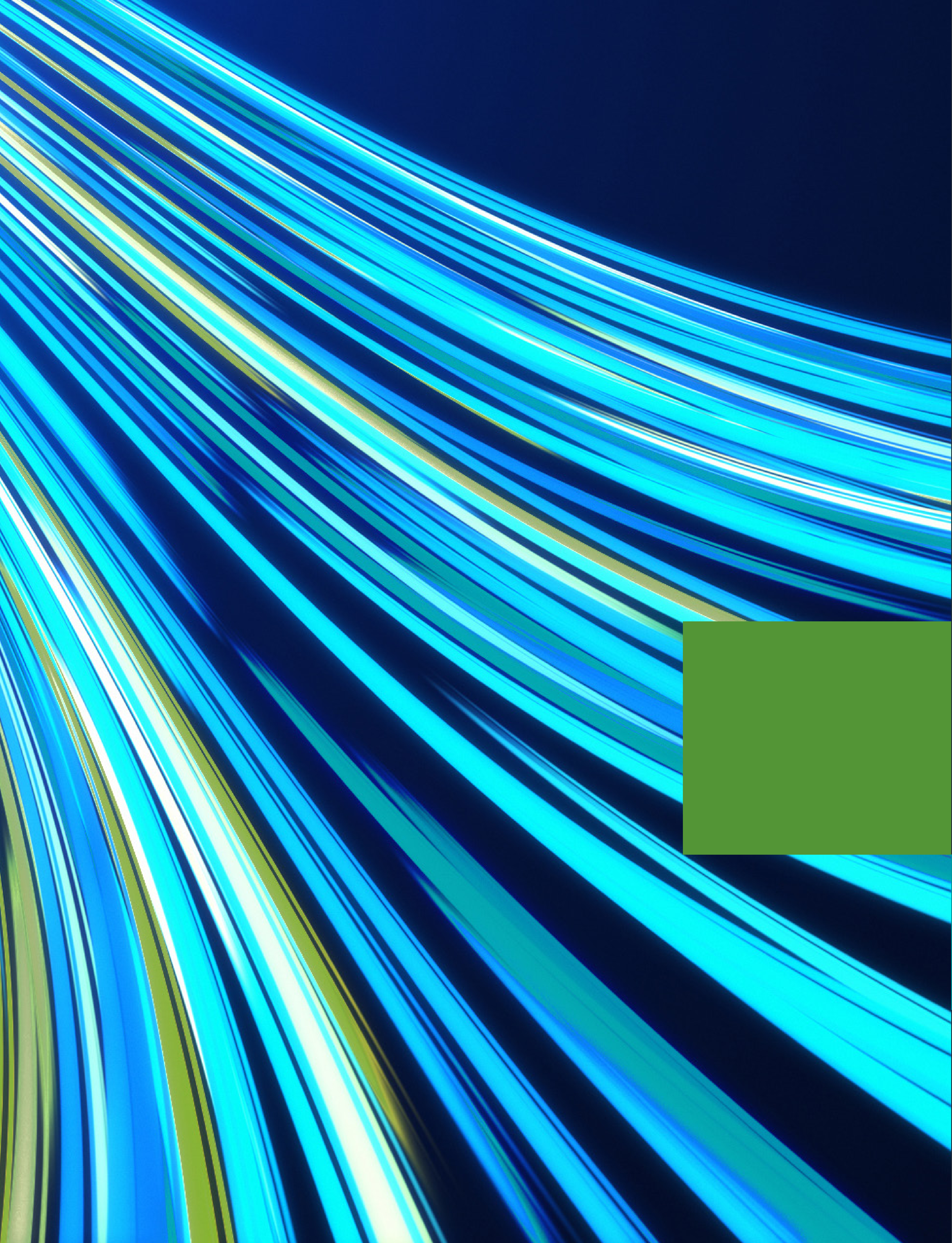


ashurst

Pay gap report

2022

DEFINITIONS

Equal pay is the right for men and women to be paid the same for the same, or equivalent work, or work of equal value.

Basic (or fixed) pay is guaranteed cash wage or salary paid to employees for doing their work for a contracted period of time.

Ordinary pay includes basic pay, paid leave, un-reduced maternity pay, un-reduced sick pay, area allowances, shift premiums, bonus and other pay (including car allowances paid via payroll), on call /standby allowances, clothing, first aid or fire warden allowances). Ordinary pay does not include overtime, expenses, salary sacrifice deductions, benefits, redundancy pay, arrears of pay, reduced leave pay and tax credits.

Bonus pay includes payments related to profit-sharing, productivity, performance and other incentive pay, piecework and commission, long term incentive plans; and the cash equivalent value of shares on the date of payment.

Gender pay gap the difference in ordinary pay between male and female employees, expressed as a percentage of male ordinary pay as at 5 April.

Gender bonus gap the difference in bonus pay received during the 12 months preceding the relevant date, by male and female employees, expressed as a percentage of the bonus pay received by male employees.

Mean the sum of all the values in a list divided by the number of values.

Median the middle value in a list where the values are listed in numerical order, from lowest to highest.

Quartiles splits the distribution of employees into four equal groups, where each group contains a quarter of the data.

At Ashurst, we're putting Inclusion, Diversity and Belonging at the heart of everything we do. We know that diverse teams drive inclusivity, collaboration and enhance our business performance. We recognise also that equality of opportunity for all our people is a foundation of attracting and retaining talent that drives our vision to outpace change and be the most progressive global law firm.

Sharing our gender pay gap figures, for the 6th consecutive year, is one way in which we can be transparent about our progress against these principles, and continue to address the underlying reasons for disparities.

Beyond our obligations we are pleased to also present, for the second time, our ethnicity pay gap figures. While we continue to encourage a greater level of ethnicity data disclosure, the data provided in this report is based on voluntary disclosures made by our people and is therefore not complete. Our ethnicity data results are presented for discussion, and we believe they add further proof of our intent, transparency, and drive for progress.

Increasing representation across our business at every level remains one of our top priorities. In addition to the gender targets that we adopted in 2013 and last revised in 2021, the Board set ambitious targets in 2021 for LGBTI+ representation across our global leadership and ethnicity representation in the UK across our leadership, legal and business services staff and Early Careers.

We are pleased that many of our initiatives we have implemented are already showing positive improvements. We are delighted that our mean gender pay and bonus gaps have decreased since our last report, however, we acknowledge that there is more we need to do to eliminate the gender and ethnicity pay gaps that remain.

We recognise that the reasons behind pay gaps are complex and see this as just one indicator of the need for continued focus on our diverse and inclusive environment. We won't shy away from further interrogating our pay and other data on our people's experiences to understand the root causes and to intervene to make positive and impactful changes. We know there is more to be done—and we are taking the steps to get there.

We remain committed to finding new ways to ensure our culture creates a sense of real inclusion and belonging for all our people.

Andrea Bell
Chief People Officer

Gender pay gap reporting summary

PAY GAP 2022

	LONDON		GLASGOW		UK		UK + PARTNERS	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
2022	20.1%	20.0%	7.1%	9.3%	17.2%	23.9%	55.9%	43.7%
Change	▼ 3.8% on 2021	▼ 8.0% on 2021	▼ 2.2% on 2021	▼ 0.2% on 2021	▼ 3.5% on 2021	▼ 0.4% on 2021	▼ 0.6% on 2021	▲ 3.2% on 2021

BONUS PAY GAP 2022

	LONDON		GLASGOW		UK	
	Mean	Median	Mean	Median	Mean	Median
2022	29.2%	30.6%	1.1%	-23.5%	24.1%	26.1%
Change	▼ 8.1% on 2021	▼ 2.7% on 2021	▼ 7.9% on 2021	▼ 35.4% on 2021	▼ 10.9% on 2021	▲ 5.1% on 2021

BONUS ACHIEVEMENT - UK 2022

FEMALE	59.5%
MALE	64.2%

Our mean UK gender pay gap in 2022 is 17.2%, and our median is 23.9%. While we continue to strive for greater progress, we are encouraged that these gaps continue to fall. This tells us that we remain committed to making meaningful progress. We continue to be proud of our efforts to build gender diverse teams at senior levels in our UK business – at the time of writing, half our Board and our Executive Team are women. We recognise that female representation at senior levels both within the partnership and our business services teams is a principal driver of achieving the meaningful progress we are striving to deliver. We have highlighted below some key initiatives which are helping to shape our focus:

Truly equal parental leave

Ashurst is a pioneer in offering truly equal progressive parental leave available irrespective of gender, anywhere in the world. Treating everyone equally is an important step to making everyone feel equal, and we hope that as more follow our example we will see greater gender equality both at home and in the workplace. Read some of our great FamilyCare stories from around the word here.

Reverse mentoring

The course to gender equality is a marathon, and as well as looking for progress we need to ensure that milestones aren't forgotten, and slippage against progress doesn't occur. Our Reverse Mentoring programme creates regular experiences within which senior managers develop and reflect on our inclusive and equitable values and behaviours, for example when allocating new work and opportunities for development and progression. In combination with our mandatory unconscious bias training and Mindful Business Charter, we seek to keep our values and behaviours front of mind for all.

Sponsoring new female partners

While both mentoring and reverse mentoring are vital, the informal sponsorship of senior people has historically helped to get many over the biggest career hurdles. Rather than relying on chance, Ashurst is implementing a cross-practice sponsorship programme to ensure that women who are promoted into the partnership are primed for success.

UK GENDER RATIOS BY PAY QUARTILE 2022

	FEMALE	MALE
Upper	51%	49%
Upper middle	54%	46%
Lower middle	67%	33%
Lower	63%	37%

↑ Highest Paid

UK + PARTNERS GENDER RATIOS BY PAY QUARTILE 2022

	FEMALE	MALE
Upper	39%	61%
Upper middle	54%	46%
Lower middle	63%	37%
Lower	64%	36%

↑ Highest Paid

Ethnicity pay gap reporting summary*

PAY GAP 2022

	LONDON Mean	LONDON Median	GLASGOW Mean	GLASGOW Median	UK Mean	UK Median	UK + PARTNERS Mean	UK + PARTNERS Median
Pay gap	19.0%	5.6%	-1.2%	-3.5%	-0.3%	-48.2%	31.9%	22.1%
Change	7.1% on 2021	1.4% on 2021	0.2% on 2021	0.2% on 2021	7.7% on 2021	8.9% on 2021	3.9% on 2021	1.6% on 2021

BONUS PAY GAP 2022

	LONDON Mean	LONDON Median	GLASGOW Mean	GLASGOW Median	UK Mean	UK Median
Bonus pay gap	33.6%	21.1%	11.2%	10.5%	9.8%	0.0%
Change	4.6% on 2021	10.7% on 2021	22.5% on 2021	27.0% on 2021	2.7% on 2021	27.9% on 2021

BONUS ACHIEVEMENT - UK 2022

ETHNIC MINORITY	71.7%
WHITE	72.7%

UK ETHNICITY RATIOS BY PAY QUARTILE 2022

	ETHNIC MINORITY	WHITE
Upper	18%	82%
Upper middle	29%	71%
Lower middle	20%	80%
Lower	12%	88%

Highest Paid

* In the absence of formal ethnicity reporting guidelines, this report provides ethnicity pay gap statistics in line with the gender pay gap regulatory requirements for the snapshot dates of 5th April 2021 and 5th April 2022. Care should be taken when interpreting these statistics. There is ongoing debate with the UK government on the minimum number of employees required overall and within each reporting category to be considered statistically reliable for reporting purposes. In 2022, 72% of employees disclosed their ethnicity, we are continuing to encourage employees and partners to disclose their ethnicity as this will provide more reliable and meaningful data for future reporting.

We believe that gender pay gap reporting is only part of the inclusion picture and, as well as setting targets to improve ethnic diversity at Ashurst, we have now been voluntarily publishing our ethnicity pay gap for two years. Our mean UK ethnicity pay gap is -0.3%, our median -48.2%. These figures, while positive, only tell part of the story of the opportunities and challenges for ethnicity equity. Underneath these headline figures we recognise the different compositions of our offices has a part to play, as London has more ethnic diversity, and more higher-paying legal roles. We also recognise the continued work we need to do to reduce our ethnicity pay and bonus gaps in our London office and strive to do this. Our work continues to bring more ethnically diverse people into our business in the UK and to retain them, especially at key levels and in key roles. Here are some of the things we're doing to make sure we keep moving in the right direction:

Data, data, data

As we become better at attracting and retaining more people from diverse backgrounds, we learn more about the best ways of doing these things. It is a learning journey, and we cannot say that we get everything right the first time. What's certain, is that decisions founded in evidence about what works and what doesn't beat hunches and gut feel every time. To give us the right foundation, we are collecting more data than ever before. We know more about who our people are, and more about what is working and what isn't to support us learning and adapting faster than ever on our journey towards greater representation.

Meaningful data is crucial to making progress on pay gaps, and diversity and inclusion more widely. Continuing to improve the availability and depth of data and measurement is a priority for the year ahead to allow us to voluntarily publish socio economic background data next year.

Ethnically diverse and black talent strategy

Recognising that increasing ethnic diversity within our UK offices is a priority and our commitment to being ambitious in this area, in 2021 we broadened our representation targets to include UK ethnicity targets. To support progress towards our ethnicity targets, we have developed a UK ethnically diverse and black talent strategy setting out focused initiatives aimed at supporting the attraction, recruitment, retention and advancement of ethnically diverse and black legal and business services staff and partners.

Recruitment

We're focusing more on skills and attributes, not just exam grades, so that we can have more confidence that the people we're bringing into Ashurst will thrive in our culture and share our values. We're making recruiters work harder too, incentivising them to focus on the groups we most want to attract and promote.

Work Allocation

For several years we have understood the importance of ensuring a fair system for allocating work opportunities within our teams to improving workplace inclusion. Legal work is therefore allocated by independent managers rather than partners which improves perceptions of fairness and removes biases. We have recently introduced an enhanced automated work allocation system to allow greater real-time assessment of individual work capacity and align individual career and learning aspirations with deal and client opportunities.

UK + PARTNERS ETHNICITY RATIOS BY PAY QUARTILE 2022

	ETHNIC MINORITY	WHITE
Upper	12%	88%
Upper middle	30%	70%
Lower middle	19%	81%
Lower	13%	87%

Highest Paid

Actions

Inclusion, Diversity and Belonging (IDB) are firmly anchored in our business strategy. Gender and multiculturalism (encompassing race and ethnicity, faith and cultural diversity) are two of our six IDB strands and we have already put in place a number of initiatives to address our pay gap. These are starting to make a difference. We have:

Developed an ethnically diverse and black talent strategy

Aimed at supporting the attraction, recruitment, retention and advancement of ethnically diverse and black legal and business services staff and partners at the firm through focused initiatives enhancing the recruitment and induction process, management training, equitable support initiatives and targeted departmental action planning.

Improved parental policies

We provide a more inclusive, and generous parental leave package for all. Our policy is now gender neutral and our people have access to 26 weeks of parental leave, irrespective of their gender or carer status. Our policy also includes provision for adoption, surrogacy and foster care, as well as miscarriage and infertility treatment. Those returning from parental leave also have access to coaching to assist with their return to work and all fee-earners returning to work receive a reduction in their chargeable hours goals. Since the refresh of our global parental leave offering in July 2021, we have seen an increase in non-birth parents, largely men, taking parental leave. This is takes us toward our goal of improved gender equity, and actively demonstrates that men do want to play an active role in the home.

Made our leadership development more inclusive

Business services staff can now take part alongside legal employees in our Leadership Development programmes which are open to all employees.

Enhanced automated work allocation system

Work is allocated by independent managers rather than partners which improves perceptions of fairness. We have recently updated this system to allow greater real-time assessment of individual work capacity, align individual career and learning aspirations with work and client opportunities and increase flexibility to allocate and share work across jurisdictions.

Developed Hybrid Working Guidelines

We've provided more flexibility and have rolled out technology to support agile working for all employees globally. The vast majority of our workforce now take advantage of this increased flexibility to enhance their work/life balance.

Promoted Diversity demographic data collection

We encourage employees to disclose their ethnicity, faith, sexual orientation, gender identity, carer status and socio-economic background. Data is used to track trends in the retention, attrition promotion and allocation of work and client opportunities across the various demographics to assess whether interventions are required, identify any negative trends and monitor and track the success of policies aimed at encouraging greater equality and equity.

Implemented Coaching and mentoring

We provide our ethnically diverse trainees and apprentices an opportunity to undertake coaching; our small group women's mentoring scheme teams junior women with counsel and partners to discuss topics such as career progression; our Ashurst Black Network provides its network members with routine access to senior black leaders within the firm and our global reverse mentoring programme matches leaders (the mentees) with a mentor with a different perspective, whether it is gender, ethnicity, socioeconomic background, etc.

Established the Collaborative Growth Sponsorship Programme

A cross-practice sponsorship program aimed at supporting women promoted into the Partnership to thrive and succeed from the outset.

Assigned dedicated career managers

Fee earners have an allocated partner with 1-2-1 sessions fortnightly to check on wellbeing; staff are encouraged to speak to managers about personal matters any time.

Implemented contextual recruitment

Our offices in the UK and Australia have partnered with RARE Recruitment and use their contextual recruitment programme during our graduate, trainee, vacation and clerkship recruitment process. RARE enables greater social inclusion and more workforce diversity. RARE's opt-in system allows us to view candidate applications in context by offering a more complete picture of their background: including socio-economic and family background, educational experience, and performance and culture, as well as the challenges they may have faced.

Implemented the Diversity and Inclusion Recruitment Agency Commitment

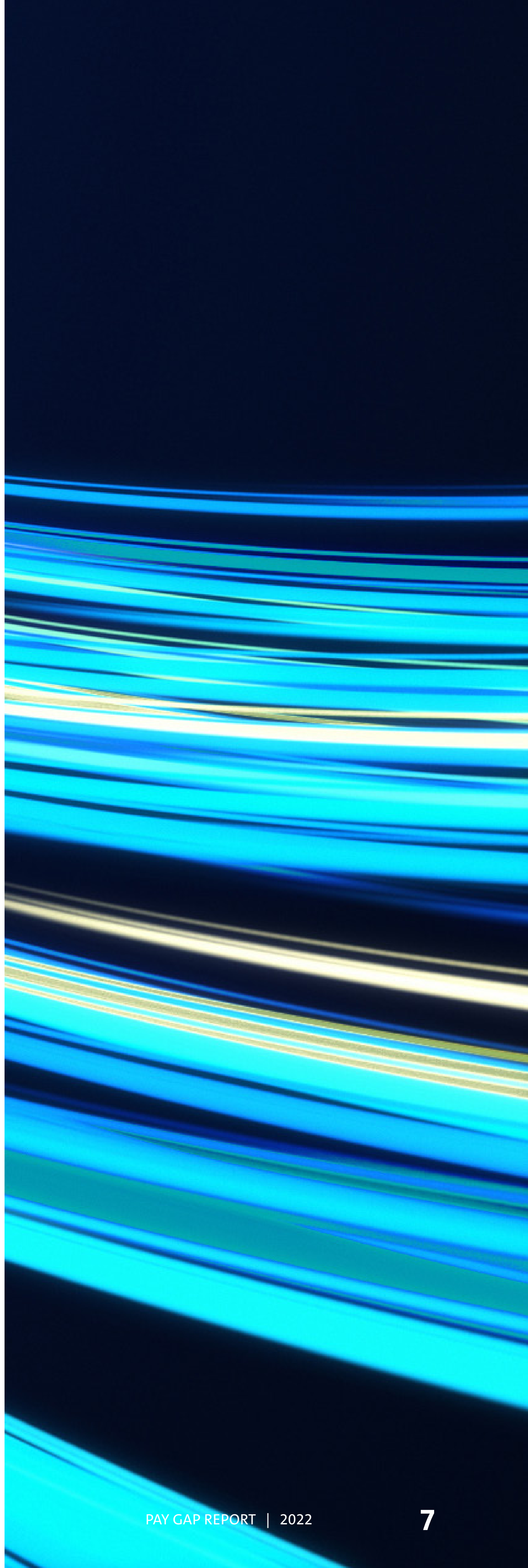
We launched this commitment in partnership with eight recruitment agencies to address obstacles in recruiting experienced legal talent. The firm has released its first report from participating agencies tracking candidate data. Our partner recruitment agencies have worked with us to take proactive steps to ensure that candidates are representative of the widest talent pools, including but not limited to gender, ethnicity, social mobility, disability and LGBTIQ+.

Increased our bonus scheme eligibility

We have continued to ensure that all employees regardless of role or seniority remain eligible to be considered for a bonus award, based on performance

Tracked our progress towards our targets

We introduced representation targets in 2021 that cover gender representation across the firm at partnership and senior leader level: 40% women, 40% men and 20% flexible (women, men or non-binary persons) and ethnicity across our UK offices: 15% of partners and senior business services leaders to be ethnically diverse, of whom 6% will be Black; 30% of legal and business services staff to be ethnically diverse, of whom 13% will be Black; 35% of trainees each year to be ethnically diverse, of whom 13% will be Black trainees. As a firm we are tracking positively towards our gender targets but recognise that there is still work that is needed to be done in terms of the attraction and retention of ethnically diverse and black employees.



Detailed disclosures

Gender pay gap summary (includes partners only)

	REGULATORY REPORTING						VOLUNTARY REPORTING		
	LONDON			GLASGOW			UK		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Mean pay gap	27.9%	23.9%	20.1%	6.4%	9.3%	7.1%	21.7%	20.7%	17.2%
Median pay gap	21.5%	12.0%	20.0%	12.0%	9.1%	9.3%	21.6%	24.3%	23.9%
Mean bonus pay gap	49.7%	37.3%	29.2%	13.7%	9.0%	1.1%	45.3%	35.0%	24.1%
Median bonus pay gap	59.5%	33.3%	30.6%	-148.3%	11.9%	-23.5%	39.4%	21.0%	26.1%
Bonus achievement - female	62.9%	51.7%	57.8%	58.0%	43.4%	62.7%	61.2%	48.8%	59.5%
Bonus achievement - male	67.1%	56.2%	61.0%	54.7%	42.4%	69.7%	62.4%	51.0%	64.2%
Employee and partners – mean total cash gap	-	-	-	-	-	-	55.8%	56.5%	55.9%
Employee and partners – median total cash gap	-	-	-	-	-	-	41.2%	40.5%	43.7%
Partners only – mean total cash gap	-	-	-	-	-	-	14.8%	16.5%	19.6%
Partners only – median total cash gap	-	-	-	-	-	-	11.0%	15.3%	16.5%

LONDON GENDER RATIOS BY PAY QUARTILE 2022

GLASGOW GENDER RATIOS BY PAY QUARTILE 2022

Ethnicity pay gap summary (includes partners only)

	REGULATORY REPORTING						VOLUNTARY REPORTING		
	LONDON			GLASGOW			UK		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Mean pay gap	9.1%	11.9%	19.0%	-1.6%	-1.0%	-1.2%	-10.3%	-8.0%	-0.3%
Median pay gap	0.0%	4.2%	5.6%	3.4%	-3.7%	-3.5%	-42.6%	-39.3%	-48.2%
Mean bonus pay gap	27.9%	29.0%	33.6%	33.7%	33.7%	-11.2%	12.5%	12.5%	9.8%
Median bonus pay gap	25.5%	10.4%	21.1%	60.0%	37.5%	10.5%	7.2%	-27.9%	0.0%
Bonus achievement – ethnic minority	62.2%	48.8%	71.8%	56.3%	40.6%	70.4%	61.0%	47.4%	71.5%
Bonus achievement - white	67.4%	58.0%	70.9%	60.4%	45.6%	75.2%	64.3%	52.9%	72.7%
Employee and partners – mean total cash gap	-	-	-	-	-	-	-	35.8%	31.9%
Employee and partners – median total cash gap	-	-	-	-	-	-	-	-20.5%	-22.1%
Partners only – mean total cash gap	-	-	-	-	-	-	-	19.9%	13.0%
Partners only – median total cash gap	-	-	-	-	-	-	-	19.2%	3.5%

LONDON ETHNICITY RATIOS BY PAY QUARTILE 2022

GLASGOW ETHNICITY RATIOS BY PAY QUARTILE 2022

Gender pay gap summary by Function – Legal only

	2020			2021			2022		
	LONDON	GLASGOW	UK	LONDON	GLASGOW	UK	LONDON	GLASGOW	UK
Mean pay gap	19.8%	-	-	-	-	14.0%	11.4%	-15.1%	11.2%
Median pay gap	10.6%	-	-	-	-	5.9%	5.5%	-13.1%	4.9%
Mean bonus pay gap	31.4%	-	-	-	-	20.8%	8.0%	-26.1%	7.1%
Median bonus pay gap	46.3%	-	-	-	-	18.2%	6.4%	-18.8%	6.4%
Bonus achievement - female	66.2%	-	-	-	-	60.2%	60.9%	25.0%	59.8%
Bonus achievement - male	67.6%	-	-	-	-	60.0%	64.4%	80.0%	64.8%

	2020						2021						2022					
	LONDON		GLASGOW		UK		LONDON		GLASGOW		UK		LONDON		GLASGOW		UK	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Lower	63%	37%	-	-	-	-	-	-	-	-	58%	42%	59%	41%	33%	67%	61%	39%
Lower middle	58%	42%	-	-	-	-	-	-	-	-	60%	40%	58%	42%	67%	33%	56%	44%
Upper middle	56%	44%	-	-	-	-	-	-	-	-	55%	45%	58%	42%	100%	0%	58%	42%
Upper	45%	55%	-	-	-	-	-	-	-	-	46%	54%	44%	56%	33%	67%	45%	55%

Gender pay gap summary by Function – Business Services only

	2020			2021			2022		
	LONDON	GLASGOW	UK	LONDON	GLASGOW	UK	LONDON	GLASGOW	UK
Mean pay gap	30.3%	10.8%	14.5%	30.3%	12.1%	18.7%	25.6%	8.8%	15.0%
Median pay gap	33.3%	13.2%	6.9%	34.5%	11.5%	15.3%	30.8%	10.5%	6.8%
Mean bonus pay gap	69.7%	26.3%	56.8%	63.7%	12.0%	50.9%	61.3%	-4.4%	37.6%
Median bonus pay gap	87.5%	-145.0%	45.0%	22.4%	16.0%	20.5%	53.7%	-24.4%	14.8%
Bonus achievement - female	59.4%	59.1%	59.3%	43.0%	42.4%	42.7%	54.3%	63.9%	59.4%
Bonus achievement - male	66.3%	53.9%	58.5%	49.5%	41.9%	44.8%	55.3%	69.4%	63.8%

	2020						2021						2022					
	LONDON		GLASGOW		UK		LONDON		GLASGOW		UK		LONDON		GLASGOW		UK	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Lower	80%	20%	67%	33%	66%	34%	84%	16%	70%	30%	71%	29%	78%	22%	70%	30%	67%	33%
Lower middle	89%	11%	57%	43%	63%	37%	81%	19%	57%	43%	61%	39%	78%	22%	55%	45%	60%	40%
Upper middle	57%	43%	59%	41%	67%	33%	49%	51%	58%	42%	66%	34%	54%	46%	55%	45%	66%	34%
Upper	54%	46%	44%	56%	53%	47%	52%	48%	47%	53%	50%	50%	52%	48%	51%	49%	52%	48%