

UK DIVERSITY PAY REPORT

2024



Foreword

Our vision is to be known as an inclusive and diverse firm, where all our people feel they can be themselves and thrive at work. We want Stephenson Harwood to be a place where colleagues can excel in a team that values the unique contributions that they bring. This is how we unlock our entrepreneurial spirit and service our clients with diverse, high performing teams. We remain committed to this vision, and to making real progress in diversity and inclusion at Stephenson Harwood.

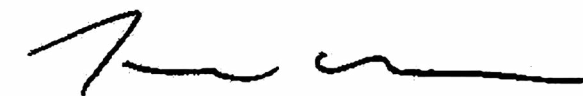
Understanding our data, including representation and trends, is a fundamental part of our people strategy. In recent years we have set diversity targets to support us to focus and progress our diversity and inclusion actions. We publish our progress annually and you can read our latest report [here](#). Pay gap reporting is one of the many tools we use to drive transparency and accountability.

Our pay gap report covers gender, ethnicity, and, for the first time this year, we are reporting on our socio-economic pay gap. This report also goes beyond the statutory requirements for gender pay gap reporting, expanding the remit to include data from partners as well as employees. Both ethnicity and socio-economic pay gap reporting is voluntary.

We have also analysed data on our LGBT+ and disabled colleagues, but due to the population size of each of those minority groups, these data sets are not statistically robust and do not provide meaningful insights. Therefore, we have decided not to include pay gap reporting for these populations this year. We will continue to keep this under review for future pay gap reporting.



Rebecca Carter
London Office Managing Partner



Katherine Wenbourne
Chief People and Talent Officer



Our action plan targets the things that we believe will have the greatest impact in the long term:



Monitoring pay and progression in our talent pipeline

We monitor pay and promotion decisions by gender and ethnicity so we can identify trends, check progress, and take appropriate action.



Resource allocation

We know that equality of opportunity is key to progression and reward. We continue to apply careful scrutiny to how we allocate resource, and to increase the reach of our structured work allocation programme, now in six of our practice groups, which supports us to ensure that the distribution of work is equitable.



Development and sponsorship opportunities

As part of MyCareer, every associate benefits from a dedicated career manager to help develop and sponsor their career at the firm. We also run a number of targeted programmes for underrepresented groups and their career managers.



Flexible working

The last few years have transformed the way we work, prompting more open conversations about our professional and personal commitments, and our people's wellbeing needs. We are committed to maintaining this principle of flexibility, supporting colleagues to manage their work and personal lives.



Recruitment

We want to make sure that our recruitment processes are open and attractive to all. We are committed to attracting and recruiting diverse candidates at all levels.



Processes and policies

We continue to review our processes and policies, removing practices that can disadvantage particular groups, and ensuring that they reflect the inclusive and progressive firm that we aspire to be.

Highlights since our last report

- We are pleased that we have met our ethnic minority partner target ahead of schedule, which is to have 10% ethnic minority partners as at 1 May 2025. As at May 2024, we have 11% ethnic minority partners. We have also met our trainee ethnicity targets this year and have done so every year since announcing these targets, which are to have 30% ethnic minority trainees of whom 10% are Black. This year we have also achieved proportional retention of our ethnic minority lawyers. However, our data shows lower retention of ethnic minority business services colleagues which we are continuing to monitor.
- We have targets for gender representation in our partnership. As at 1 May 2025, our target is to have 35% women partners. As at May 2024, we had 31% women partners in our global partnership. In May 2024, we promoted eight new partners, five of whom were women.
- As part of our Ethnicity Action Plan, we are running a programme to support ethnic minority and working class trainees to navigate the first six months of their training contract. The programme, titled Articles Plus, is run in partnership with diversity experts Rare and is designed to equip trainees to have productive conversations with their supervisors, understand how to develop networks and to build on constructive feedback.
- In 2023, we launched our Women's Partner Pipeline Programme to support women who are a few years out from partnership and their partner sponsors. The aim is to support a high proportion of these women through a successful transition to partnership.
- This year we established our Muslim and Jewish networks, which aims to bring together people from the same faith to provide a community within our office. We have also established a parents and carers network which helps our colleagues to navigate parental responsibilities whilst working.
- This year we have been ranked 28th out of the top 75 employers in the Social Mobility Employer Index 2024. The index, an initiative by the Social Mobility Foundation, evaluates organisations on their efforts to improve social mobility in the short, medium and long term.
- Colleagues have started to use our public holiday exchange policy which enables team members to exchange up to three public bank holidays for an alternative date of their choice. While this policy is for everyone, one of the key aims is to offer additional flexibility to colleagues from diverse cultural and religious backgrounds.

Ethnicity pay 2024

Following gender pay reporting principles, this report compares average earnings of Black, Asian and Minority Ethnic (BAME) and White colleagues at the firm as at 5 April 2024, and bonuses paid in the preceding 12 months.

We recognise that the representation and experiences of minority ethnic colleagues differs and that using the binary categories of Black, Asian and Minority Ethnic (BAME) and White in this reporting is imperfect. Due to the size of the individual populations, we cannot report on specific ethnic groups.

This data is based on 79% of our total UK population; those who have not disclosed their ethnicity data are not included. Based on this data, 21% of our UK colleagues are from ethnic minority backgrounds.

The key cause of our ethnicity pay gap is that we have fewer ethnic minority colleagues in our most senior roles. These gaps are different from equal pay; we are committed to ensuring our people are paid equally for doing equivalent jobs across our business.

Snapshot of our ethnicity pay gap



The mean and median hourly pay gaps for the firm including partners, and for employees only, have decreased.



The mean and median bonus gap for employees has increased; however there is a smaller gap between the percentage of BAME and White colleagues receiving a bonus.

This section shows the pay gap for our combined partner and employee population. These figures include total annual earnings (salary and bonus).

Pay (including partners)

2024

39.3%

Mean

23.6%

Median

2023

43.7%

Mean

25.0%

Median

2022

39.1%

Mean

21.8%

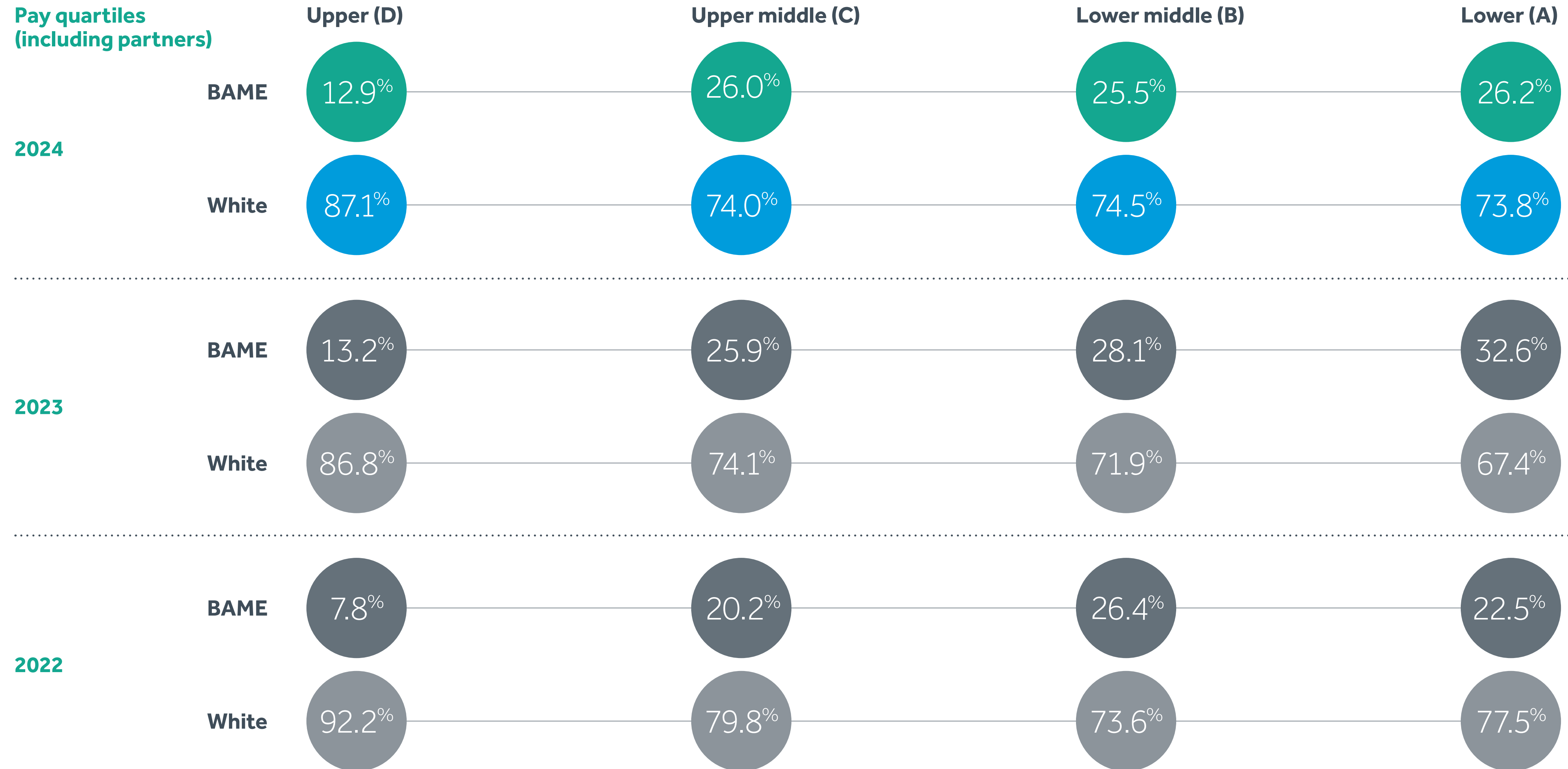
Median

Definitions

Mean: The difference between the mean (average) hourly pay for all BAME and all White employees.

Median: The difference between the 'middle' rate of pay and bonus for all BAME employees and all White employees, when pay and bonus are ranked in numerical order.

Ethnicity pay 2024



Ethnicity pay 2024

Hourly pay (excluding partners)

2024

10.9% Mean
21.5% Median

2023

15.1% Mean
27.6% Median

2022

10.7% Mean
20.1% Median

Bonus (excluding partners)

2024

39.0% Mean
28.9% Median

2023

27.1% Mean
22.7% Median

2022

-2.6% Mean
9.7% Median

Percentage receiving a bonus (excluding partners)

2024

40.5% BAME
44.4% White

2023

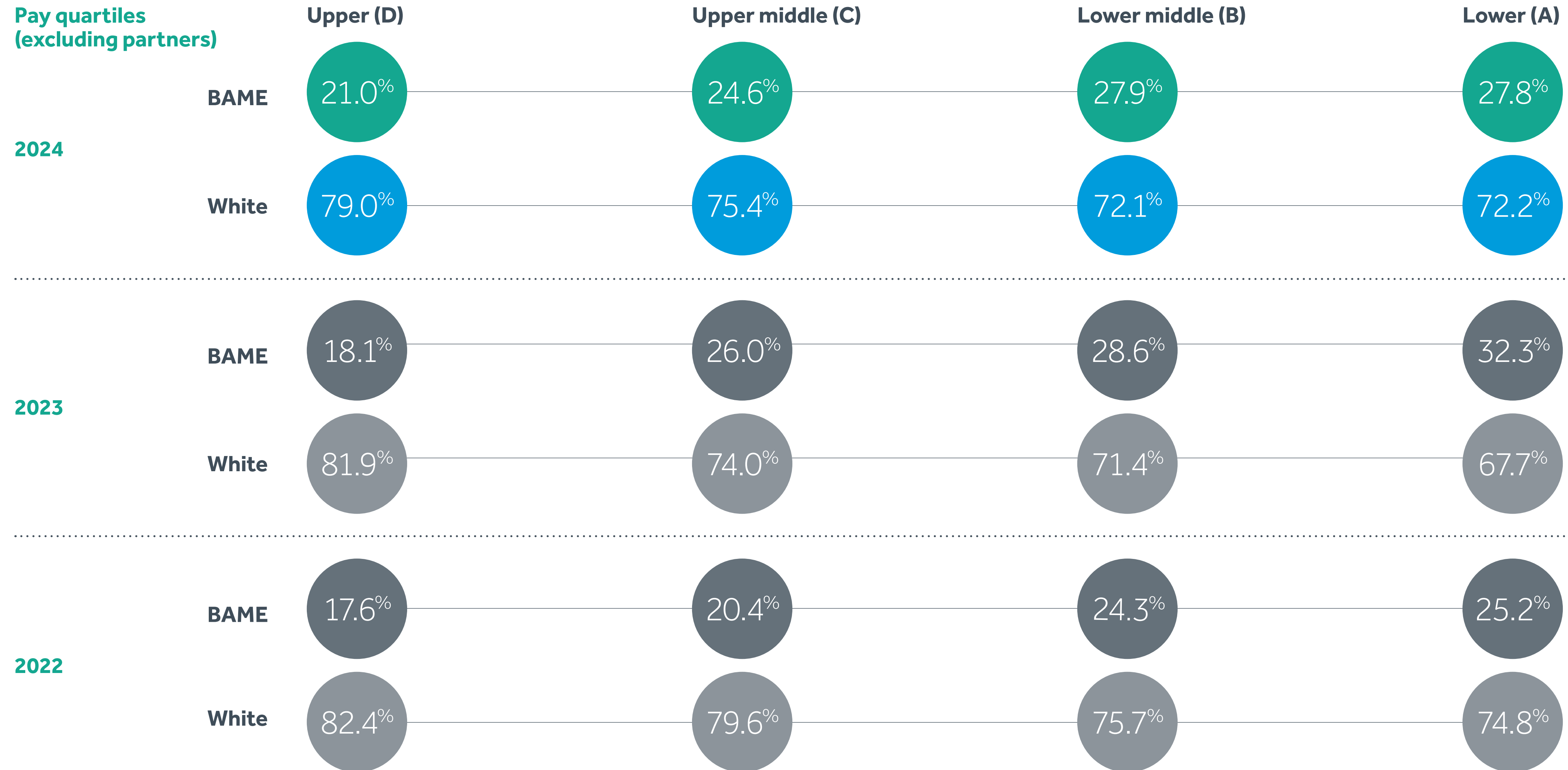
39.1% BAME
48.7% White

2022

54.3% BAME
59.2% White

*The minus on this figure indicates that the average bonus that ethnic minority colleagues received was 2.6% higher than that of White colleagues.

Ethnicity pay 2024



Gender pay 2024

This report compares average earnings of female and male colleagues at the firm as at 5 April 2024, and bonuses paid in the preceding 12 months. Once again, this year we are voluntarily including data on gender pay gaps for our London-based partners and also for our combined London-based partner and employee population.

Government regulations require us to report on the gap between men and women. However, we appreciate that not everyone will identify in these binary categories.

The most significant cause of our gender pay gap continues to be the composition of our workforce. We have a higher proportion of men in our most senior roles and more women in our more junior business services and administrative roles, which predominantly fall into the lowest pay quartile. These gaps are different from equal pay; we remain committed to ensuring our people are paid equally for doing equivalent jobs across our business.

Snapshot of our gender pay gap



The mean hourly pay gap for employees is relatively unchanged whilst the median has increased.



For the whole firm, there is a marginal decrease in the mean pay gap including partners and a small increase in the median.



The mean and median bonus gap for employees has decreased; the percentage of female employees receiving a bonus remains relatively unchanged, whilst the percentage of male employees receiving a bonus has decreased.

This section shows the pay gap for our combined partner and employee population. These figures include total annual earnings (salary and bonus).

Pay (including partners)

2024

49.7%

Mean

39.9%

Median

2023

50.6%

Mean

35.6%

Median

2022

50.5%

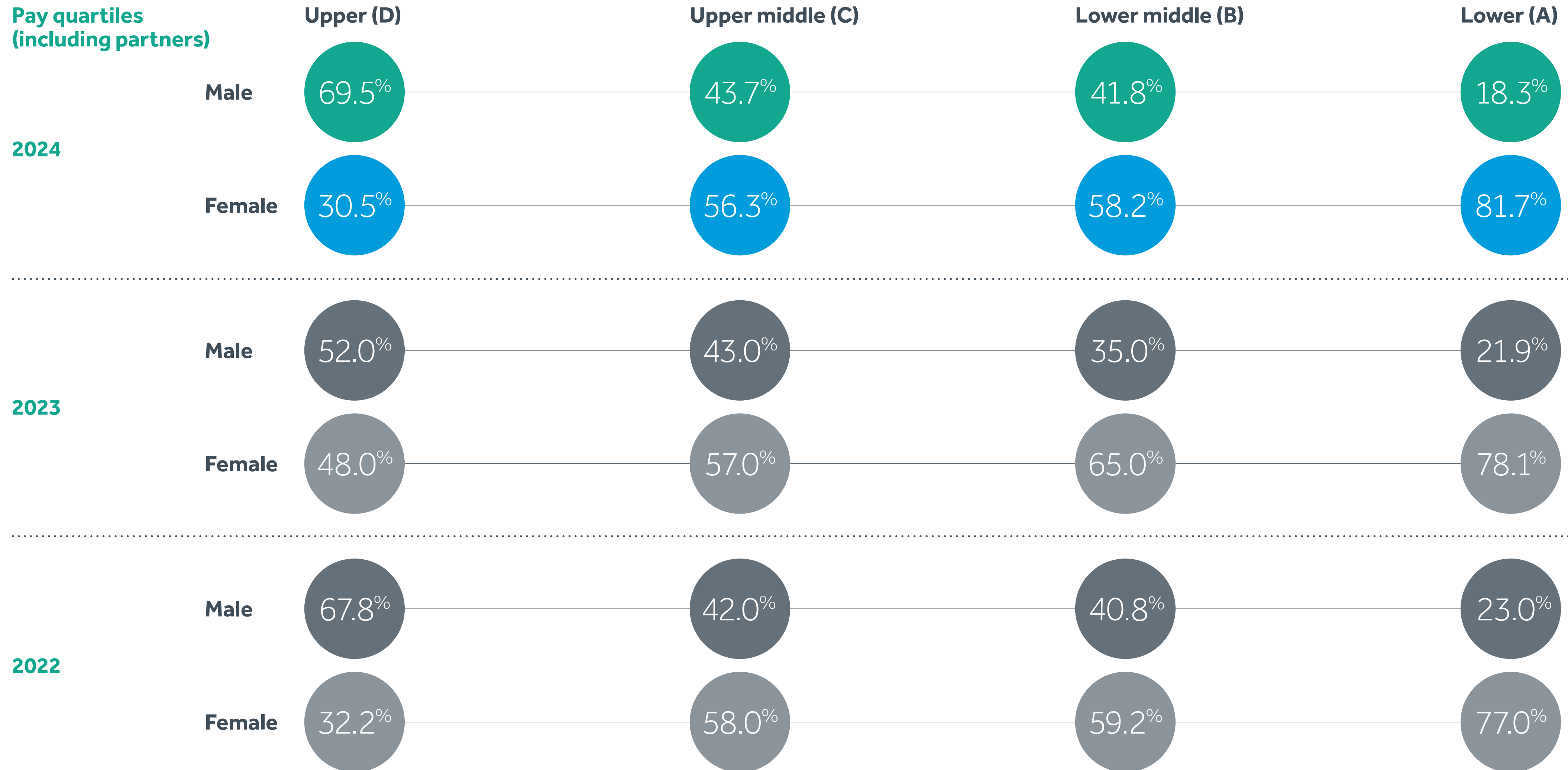
Mean

42.0%

Median

Gender pay 2024

Pay quartiles (including partners)



Statutory reporting: Our employee gender pay data

Hourly pay (excluding partners)

2024

19.8% 38.2%

Mean Median

2023

19.7% 32.3%

Mean Median

2022

24.6% 44.3%

Mean Median

Bonus (excluding partners)

2024

31.9% 28.4%

Mean Median

2023

40.3% 45.4%

Mean Median

2022

33.1% 39.8%

Mean Median

Percentage receiving a bonus (excluding partners)

2024

42.7% 39.8%

Male Female

2023

45.1% 39.4%

Male Female

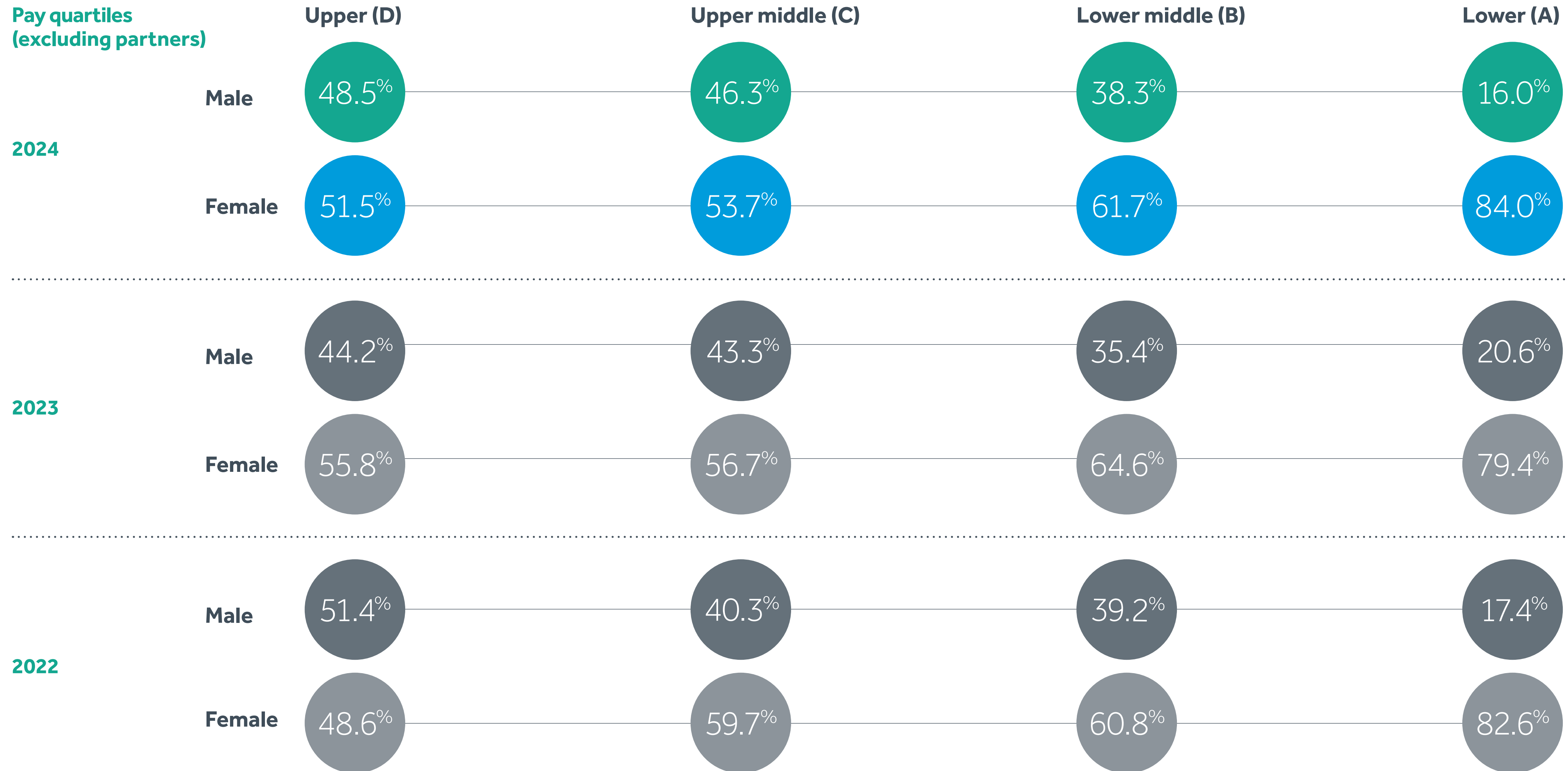
2022

57.5% 49.9%

Male Female

Statutory reporting: Our employee gender pay data

Pay quartiles
(excluding partners)



Socio-economic pay 2024

This year we have published our socio-economic pay gap data for the first time in an effort to identify any barriers to career progression amongst those from lower socio-economic or working class backgrounds.

Following gender pay reporting principles, this report compares average earnings of colleagues from 'working class' and 'professional' backgrounds at the firm as at 5 April 2024, and bonuses paid in the preceding 12 months.

Our method for reporting on socio-economic background is based on guidance from the Social Mobility Commission, which states that the question relating to parental occupation at 14 years old is the most accurate single measure of representation of socio-economic background. The Social Mobility Commission groups this into three categories: 'professional', 'intermediate', and 'working class'. As we have a small number of employees that fall within the 'intermediate' category, our data reports on employees from professional and working class backgrounds.

The Social Mobility Commission categorises jobs into the following groups:

Professional: accountant, engineer, journalist, nurse, police officer, scientist, solicitor, teacher.

Intermediate: call centre agent, nursery nurse, paramedic, restaurant manager, secretary, small business owner.

Working class: caretaker, cleaner, electrician, farm worker, plumber, receptionist, security guard, train driver.

This data is based on 74% of our total UK population; those who have not disclosed their socio-economic data are not included. Based on this data, 14% of our UK colleagues are from working class backgrounds and 63% are from professional backgrounds.

As this is the first time reporting on our socio-economic pay, we do not have comparisons to draw against, but we will monitor this in future reports.

The key cause of our socio-economic pay gap is that we have higher representation of people from lower socio-economic backgrounds in the lower and lower middle quartiles which are predominantly made up of more junior business services roles. These gaps are different from equal pay; we are committed to ensuring our people are paid equally for doing equivalent jobs across our business.

Snapshot of our socio-economic pay gap



The percentage of colleagues from working class backgrounds is higher in the lower and lower middle quartiles.



The percentage of working class colleagues receiving a bonus is higher than colleagues from professional backgrounds.

This section shows the pay gap for our combined partner and employee population. These figures include total annual earnings (salary and bonus).

Pay (including partners)

2024

18.5%

Mean

28.6%

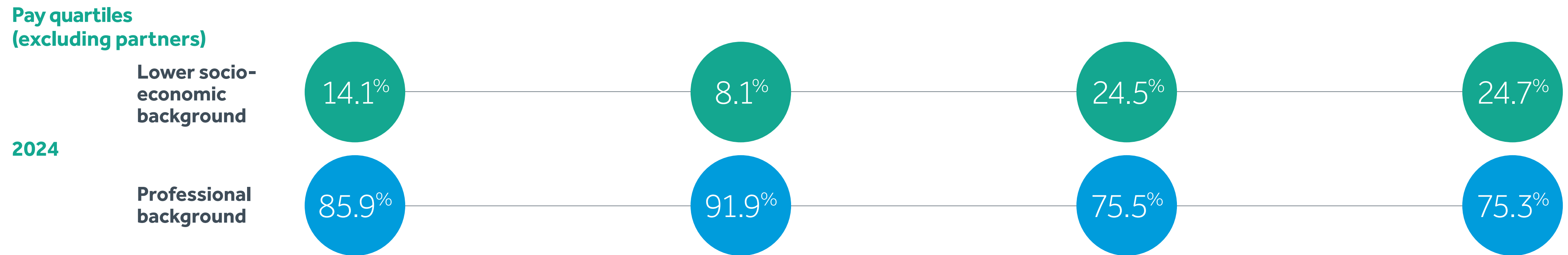
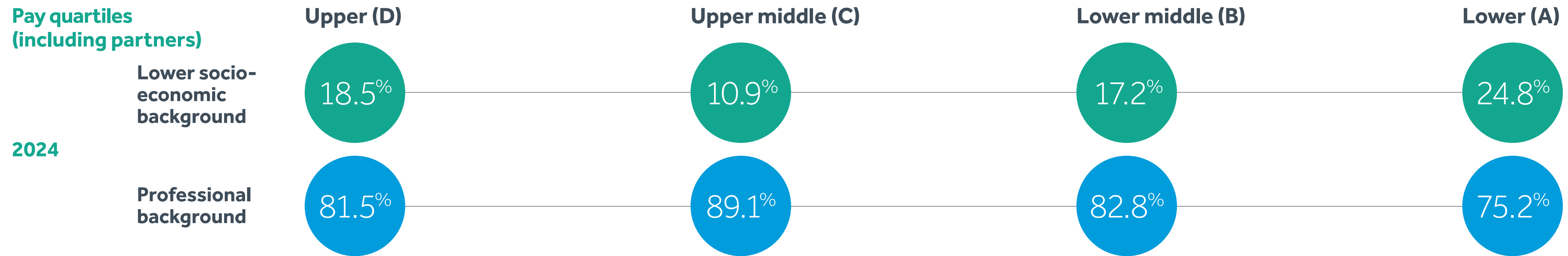
Median

Definitions

Mean: The difference between the mean (average) hourly pay for all working class and all professional employees

Median: The difference between the 'middle' rate of pay and bonus for all working class employees and all professional employees, when pay and bonus are ranked in numerical order.

Socio-economic pay 2024



Socio-economic pay 2024

Hourly pay (excluding partners)

2024

14.2%

Mean

36.3%

Median

Bonus (excluding partners)

2024

1.6%

Mean

30.5%

Median

Percentage receiving a bonus (excluding partners)

2024

54.2%

Lower socio-economic background

43.1%

Professional background

