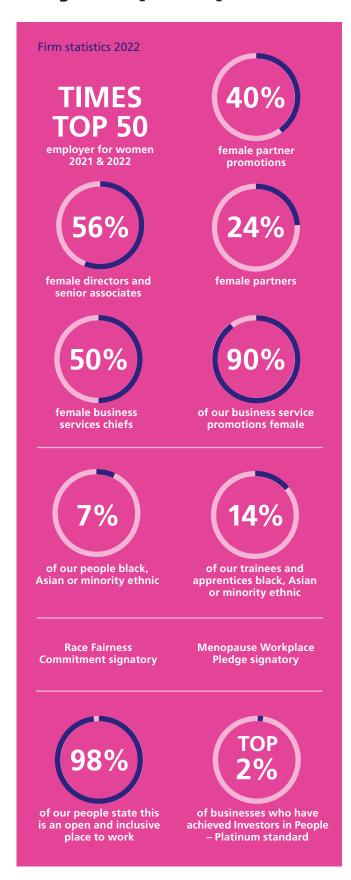
Burges Salmon

Gender and Ethnicity Pay Gap Report 2022



Fostering diversity and an authentically inclusive culture is fundamental to our purpose as a firm.

In 2022 we were recognised as a Times Top 50 Employer for Women for the second year running, reflecting the structural work we have been delivering through our Gender Task Force and Gender Action Plan to ensure equal opportunities for careers and progression at the firm. In terms of tackling key diversity issues at a community level we have worked with other businesses to establish the Bristol Future Talent Partnership, delivering dedicated work experience and career guidance for black and minority ethnic students and we continue to heavily support the Stepping Up diversity leadership programme. We are pleased that 98% of our people believe we have an open and inclusive culture and we will continue to prioritise diversity inclusion as a strategic objective for the firm.

Within this context we are publishing our 2022 gender and ethnicity pay gap report. Our mean gender pay gap is 15% and our mean ethnicity pay gap is 4%. We ensure everyone at the firm gets equal pay for performing the same roles, regardless of gender, ethnicity or any other characteristic. We have these gaps because structurally there is a larger proportion of women and ethnic minorities that work in our administrative and client support roles. We are tackling our pay gaps by providing development opportunities for those in lower paid roles. Of the 43 people promoted across business professional and administrative roles in 2022 90% were women.

Whilst we are happy with our progress in working to close our pay gaps we recognise there is more work to be done. Our strategic purpose as a firm is to be an inclusive and sustainable place to work and the drive behind this from our leadership and our people will ensure we continue to improve. Reporting progress through our **D&I data report**, **responsible business report**, Investors in People benchmarking and this pay report gives us important mechanisms through which we can provide transparency and accountability against our purpose.

Charpes Seasi-

Chris SeatonSenior Partner and Chair of the Gender Taskforce Group

Robert Halton
Chief People
Officer

Pay gaps explained

Gender pay gap:

The gender pay gap measures the difference in the average hourly wage between all men and women within an organisation. If women do more of the lower paid jobs within an organisation than men, the gender pay gap tends to be bigger. The gender pay gap is not the same as equal pay, which focuses on women and men being paid the same for doing equal work. Unequal pay is unlawful and we are committed to equal pay for men and women in the same roles.

Ethnicity pay gap:

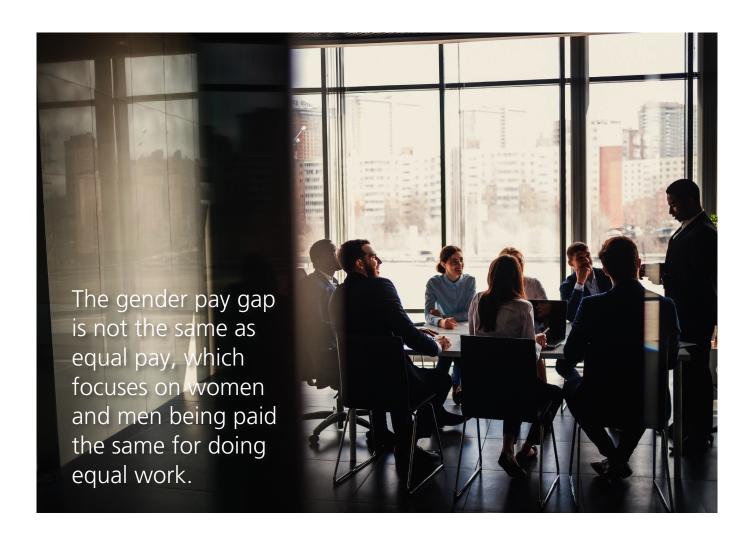
The ethnicity pay gap measures the difference in the average hourly wage between black, Asian and minority ethic (BAME) employees compared to white employees within an organisation. If BAME employees do more of the lower paid jobs within an organisation than white employees, the ethnicity pay gap tends to be bigger. The ethnicity pay gap is not the same as equal pay, which focuses on all ethnicities being paid the same for doing equal work. Unequal pay is unlawful and we ensure equal pay for all ethnicities in the same roles.

Organisations are required to report their:

- mean and median gender pay gap
- mean and median bonus gender pay gap
- proportion of men and women receiving a bonus
- distribution of men and women across the organisation divided into four quartiles from lowest to highest pay

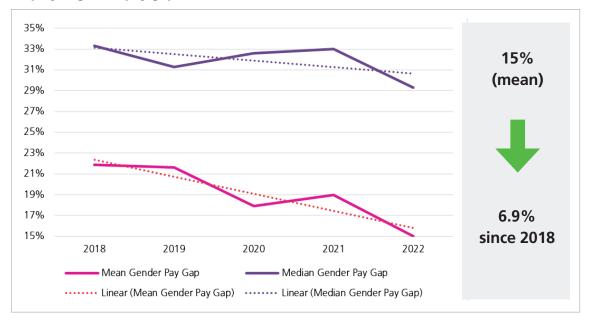
In addition to the above we voluntarily publish the following data, and have done so since 2018, as we feel it is important to be transparent in order to build a more diverse workforce:

- mean and median ethnicity pay gap
- mean and median bonus ethnicity pay gap
- mean and median partner remuneration gap
- mean and median combined partner and employee pay / remuneration gap



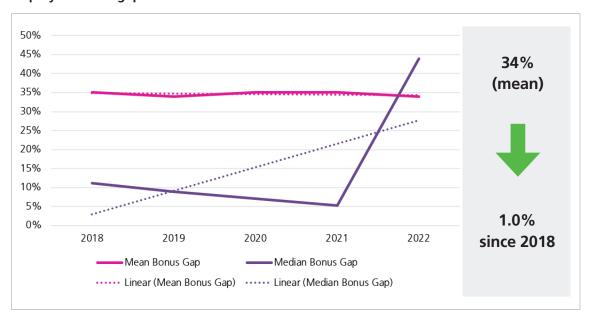
Pay gap reporting

Employee gender pay gap



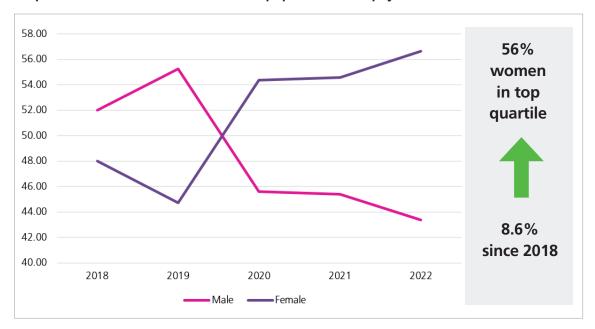
We have a 15% mean gender pay gap. Our gender pay gap exists because of the larger proportion of women in our lower pay quartiles, for example in our client support and administrative roles. These roles are competitively paid compared to the market and we ensure equal pay for men and women in the same roles, however because they are predominantly filled by women this affects the average pay and bonus figures for women at the firm overall and produces the gender pay gap. Business professional roles are advertised internally and we encourage our people to apply for these roles to facilitate upward progression. In 2022 we promoted a total of 43 employees across business professional and administrative roles, 90% of whom were women. We have a comprehensive training curriculum in place for business professional roles to help individuals build their skillsets, develop their careers and earning potential.

Employee bonus gap



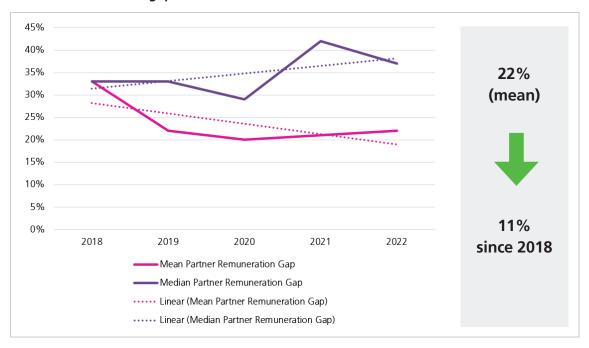
We have adjusted the way our firm wide bonus scheme operates, going from a model where the maximum bonus is capped based on salary to an uncapped model – which has resulted in an increased in the medium bonus gap figure but not the mean. See above for commentary on why our pay gap exists.

Proportion of men and women in the top quartile of the pay structure



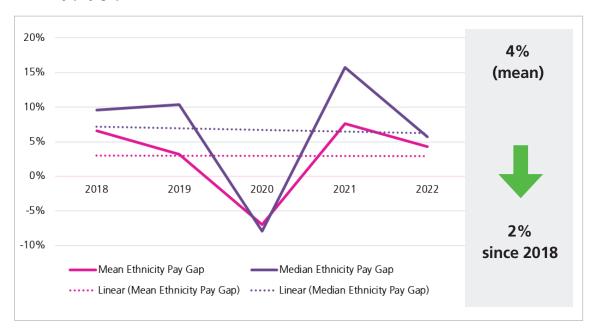
56% of people in our top pay quartile are women. This is reflective of the fact that 58% of our directors and senior associates are women, as are 50% of our business services chiefs. Following direct feedback from our people through our gender balance research we have focused on strengthening the mechanisms that facilitate equal opportunities for career progression. These include the introduction of our new hybrid working model, promoting career development planning plus further support and coaching for those taking and returning from parental leave. The 8% uplift in women in our top pay quartile in 2022 reflects the success of these and other initiatives. We will continue in our efforts to readdress the gender balance within the bottom quartile of our pay structure.

Partner remuneration gap



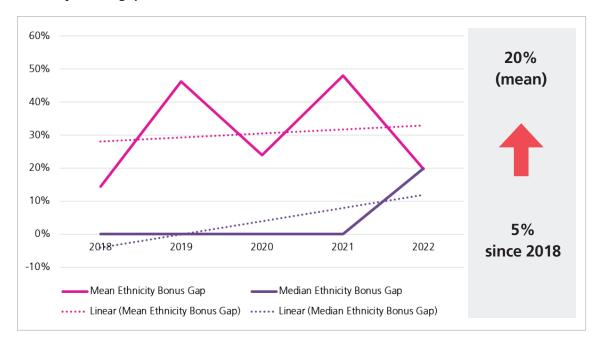
We do not have salaried partners at the firm. All of our partners are owners of our business and we operate a lockstep model which means that partners' remuneration is determined by the profits of the firm, which are distributed equally based on which step of the lockstep model individual partners are on. We have a mean partner remuneration gap of 22%. This exists because our partnership is 24% women (up from 17% in 2018) and so there are currently more men at the later steps of the lockstep model. We are pleased that our mean figure has reduced by 11% since 2018 and this represents the progression of an increasing number of female partners coming through the lockstep. There is no partner bonus gap because partners do not receive a bonus.

Ethnicity pay gap



7% of our people are ethnically diverse. With such small numbers, minor changes in our population result in large fluctuations in our ethnicity pay gap figures year on year. In 2021 we changed the way we recorded diversity data and this gave us more comprehensive picture of our population. This has affected the pay gap statistics due to the increased accuracy of the new data. Our mean ethnicity pay gap is 4%. Our ethnicity pay gap exists because of the larger proportion of ethnically diverse colleagues in our client support and administrative roles. These roles are competitively paid compared to the market and we ensure equal pay in the same roles. Business professional roles are advertised internally and we encourage our people to apply for these roles to facilitate upward progression.

Ethnicity bonus gap



We have a mean ethnicity bonus gap of 20%. 14% of our ethnically diverse population within the firm are trainees or apprentices. Trainees and apprentices do not receive performance bonuses and this has a significant impact on the ethnicity bonus gap when calculated.

2022 Data

Employee gender pay gap

	2022	2021	2020	2019	2018	+/- change 2022/21
Mean Gender Pay Gap	15.0%	19.0%	17.9%	21.6%	21.9%	-4%
Median Gender Pay Gap	29.3%	33.0%	32.6%	31.3%	33.3%	-3.7%

Proportion of men and women in each quartile of the pay structure

	Q1 (Lower)		Q2 (Lower middle)		Q3 (Upper middle)		Q4 (Upper)	
	Male	Female	Male	Female	Male	Female	Male	Female
2018	23.40	76.60	26.00	74.00	38.00	62.00	52.00	48.00
2019	26.14	73.86	24.84	75.16	41.18	58.82	55.26	44.74
2020	22.81	77.19	26.74	73.26	40.12	59.88	45.61	54.39
2021	22.71	78.29	28.00	72.00	38.51	61.49	45.40	54.60
2022	26.02	73.98	29.08	70.92	32.65	67.35	43.37	56.63
% change 2022/21	+3.31	-4.31	+1.08	-1.08	-5.86	+5.86	-2.03	+2.03

Employee bonus gap

	2022	2021	2020	2019	2018	+/- change 2022/21
Mean Bonus Gap	34.0%	35.0%	35.0%	34.0%	35.1%	-1.0%
Median Bonus Gap	44.0%	5.3%	7.1%	8.9%	11.2%	+38.7%

Proportion of men and women receiving a bonus

(2021 figures shown in brackets)

Men	Women
74% (86%)	81% (90%)

Partner remuneration gap

	2022	2021	2020	2019	2018	+/- change 2022/21
Mean Partner Remuneration Gap	22.0%	21.4%	20.0%	22.0%	33.0%	+0.6%
Median Partner Remuneration Gap	37.0%	41.9%	29.0%	33.0%	33.0%	-4.9%

Combined partner and employee pay / remuneration gap

	2022	2021	2020	2019	2018	+/- change 2022/21
Mean Combined Pay/Remuneration Gap	59.1%	62.6%	60.0%	61.0%	63.0%	-3.5%
Median Combined Pay/Remuneration Gap	36.8%	39.9%	44.1%	47.0%	47.0%	-3.1%

Ethnicity pay gap

	2022	2021	2020	2019	2018	+/- change 2022/21
Mean Ethnicity Pay Gap	4.3%	7.6%	-7.0%	3.2%	6.6%	-3.3%
Median Ethnicity Pay Gap	5.7%	15.7%	-7.9%	10.4%	9.6%	-10.0%

Ethnicity bonus gap

	2022	2021	2020	2019	2018	+/- change 2022/21
Mean Ethnicity Bonus Gap	19.7%	48.1%	24.0%	46.3%	14.5%	-28.4%
Median Ethnicity Bonus Gap	20.0%	0%	0%	0%	0%	+20.0%

Addressing our pay gaps

Fostering diversity and an authentically inclusive culture is fundamental to our purpose as a firm. We have a comprehensive Diversity and Inclusion Plan 2021-26 which sets out our ambition, objectives and how we will measure our progress against gender and ethnic diversity. Practical steps we took in 2022 to address our gender and ethnicity pay gaps included:

Gender

- This year, we ran our second Inclusive Career survey, where we wanted to get views from across the business about what works well and what could be improved so we can act upon the feedback and deliver industry-leading inclusive careers. The findings from this survey will influence the second iteration of our Gender Action Plan and the key focus areas of our Gender Taskforce. The Gender Taskforce meet regularly to discuss progress at a firm and departmental level and is chaired by our Senior Partner, Chris Seaton.
- In 2021, we launched our **diversity targets** in line with the firm's strategy. At least 50% of new partner promotions will be female over the five year period to 2026, with at least 33% female partners by 2026. This is a stretching target to ensure we continue to make meaningful progress in broadening representation within the partnership.
- In 2022, we released our **hybrid working model** to share how our firm is combining home and office-based working. This is to encourage our people to continue working flexibly to suit their external needs and responsibilities. From our internal hybrid working survey, we found that 94% of our people agreed that the hybrid working principles strike the right balance for them. We continue to monitor our principles to ensure they met the needs of the business and individual's external responsibilities.
- 40% of our partner promotions in 2022 were female and 80% of our director promotions were female. 90% of business service promotions were female too. We are seeing a significant increase in women progressing into senior roles across the organisation with all 6 mid-year promotions in business services being women.
- BBalanced, our gender balanced employeeled network, held a number of Career Focus Groups to allow open conversations across the organisation to discuss career progression and

- any perceived barriers. This information has provide fresh actions for both BBalanced and the Gender Taskforce to deliver on.
- We have improved support for our working parents and carers including coaching, establishing a parents and carers network and providing training for Partners on how to support members of their team who are parents. Through the coaching in 2021/22 there was a 44% increase in parents feeling equipped to manage their ongoing career as they balance work and family and a 55% increase in having confidence in how to approach parenting, work and wellbeing. We have implemented a new family leave support framework to ensure our people receive the support they need before, during and after family leave. The framework includes improved communications, manager training, group and individual coaching sessions to help people return to work with confidence.
- We are founder signatories of the Women in Business Charter which calls for businesses to commit to promoting gender equality in the workplace through seven goals, including promoting flexible and part time working and increasing the number of women at senior levels.
 We also have signed the Menopause Workplace Pledge to demonstrate our commitment to positive action in the firm around the menopause and actively supporting our people.
- We partner with the Women's Work Lab, a community organisation that supports unemployed mums, aged 25+ and receiving benefits, to become work ready. The mums face challenges including domestic abuse, lone parenting and children with Special Educational Needs. We provide funding to WWL and have hosted work placements for mums in each year's Bristol cohort since 2020 to prove meaningful work experience.

Ethnicity

- We are signatories of the Race at Work Charter and the Race Fairness Commitment illustrating our commitment to recruiting and developing ethnically diverse talent. These frameworks have supported the development of a Race Action Plan currently being delivered within the firm.
- We successfully launched a reverse mentoring scheme, supported by our people-led ethnic diversity network **BCultured**, to share their ethnic minority experiences with senior management. Reverse mentoring allows us to understand how we can amend processes and policies to ensure everyone feels welcome and comfortable to be themselves at work. We found a 30% increase in leader's confidence to understand the issues and challenges that ethnically diverse colleagues may encounter in the workplace. We are now launching a second cohort of this programme in December 2022.
- We utilise a Rare Contextual Recruitment
 System for all recruitment processes. This allows
 us to consider applicants' achievements in the
 context in which those achievements were gained,
 taking into consideration several socioeconomic
 factors including postcode, quality of education,
 and eligibility for free school meals.
- We joined other local businesses and employers to form the Bristol Future Talent Partnership.
 The Partnership drives equal opportunities for careers in the region, through increased access to work experience and jobs particularly for black and minority ethnic students. As

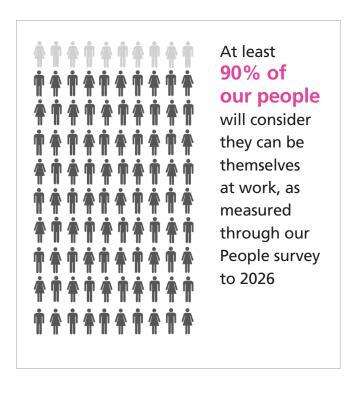
- part of our commitment to the Partnership, we have introduced an additional week's work experience for black and minority ethnic students primarily aged 14-18, to give them a rich experience across the legal and business professional side of the firm. This was successfully delivered for the first time in the 2021 October half-term.
- We were awarded the Outstanding
 Contribution to Diversity award by Bristol's
 Council for our role in supporting the 'Stepping
 Up' diversity leadership programme. We support
 Stepping Up by providing mentors, event spaces
 and resources for the programme as well as our
 Chief People Officer chairing the programmes
 advisory board.
- We have supported a number of black, Asian and minority ethnic student initiatives including, the Black Young Professional Network, the West of England Black Interns Project and 10,000 Black Interns, amongst others.
- Our talent pipeline is increasingly diverse
 with 14% of our apprentice and trainee cohort
 and 16% of our solicitors identifying as Black,
 Asian or Minority Ethnic. Since 2019, we
 have implemented a blind recruitment policy
 supporting our commitment to ensuring that
 our recruitment processes are fair and inclusive.

Our targets and measures

To continue to make meaningful progress in broadening representation of women and ethnically diverse talent within our firm we have set a number of targets to 2026. These have been agreed at the highest level of our business and, as importantly, our people-led groups were consulted to ensure they are appropriate and stretching.

At least 50% of new partner promotions will be female over the five year period to 2026, with at least 33% female partners by 2026

At least 90% of our people will consider we have an open and inclusive culture, as measured through our People survey biennially to 2026





To measure our performance against these targets we utilise our annual D&I data reporting, our biennial people sentiment survey and a key performance indicators published through the diversity and inclusion section of our annual responsible business report.



More information

To find out more about our diversity and inclusion approach please visit:



Inclusive workplace web pages



Burges Salmon diversity blog



Power of Inclusion video



Inclusive Careers



Responsible Business report



D&I data report

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