

IM, irwinmitchell

Gender Pay Gap Report 2018

Our commitment

At Irwin Mitchell we are committed to creating an inclusive and supportive working environment where everyone can flourish as individuals and effectively support our clients as a result. We are proud of our culture and values, and recognise that our people are at the heart of everything we do.

Why we report

We regularly review our Gender Pay Gap, including during our annual pay review, so that we're able to make positive changes through improved understanding of data and insight.

In addition, the Government introduced Gender Pay Gap Reporting in 2017, where all companies with over 250 employees are now required to report on their Gender Pay Gap annually.

Proud of our development opportunities

Across Irwin Mitchell LLP, 73% of colleagues are women. With our long history of commitment to diversity and inclusion, we are proud that the number of women in senior positions is increasing. For example, 44% of our partners and 30% of our Executive Board are women. Whilst, it's great to see increased representation of women in these roles, we're committed to ensuring this improvement continues and across the Group.



We are again sharing our Gender Pay Gap for partners, although partners are not covered by the reporting requirements. We were delighted that in 2018, 77% of our partner promotions were women, demonstrating the great opportunities women have to develop and progress in Irwin Mitchell.

Irwin Mitchell – Narrowing our Gender Pay Gap

Once again we are publishing data for employees and partners in the interest of transparency.

Within the legal sector Irwin Mitchell has a lower Gender Pay Gap than many of our competitors with typical pay gaps being over 20%. However, we will not be resting on our laurels and will continue to take actions to narrow our pay gap.

In the last 12 months we have taken the following actions to address long term improvements to narrow our Gender Pay Gap

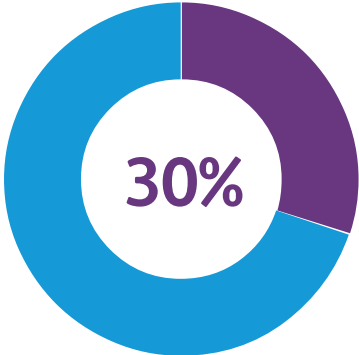
Pay and Bonus

- We introduced formal moderation of pay and bonus. To ensure fairness and consistency our HR team facilitated review meetings with our people across every division and with our Executive Board
- We added a gender pay calculation to pay review information in July 2018 so that leaders could see the impact of their recommendations on the Gender Pay Gap

Promotions

30% of the Executive Board is now female

- We simplified the promotions process for Associate, Senior Associates and Partners in February 2018. We promoted 64 colleagues to Associate, and 54 to Senior Associate (67% being female in both groups). In our partner promotions, 13 colleagues were promoted to partner, 77% of which were female
- We are introducing guidelines for this year’s promotions to ensure that we set minimum salaries / drawings for promotees so that long serving female colleagues do not fall behind the market.



Learning and Development

- We have implemented training on unconscious bias and added this training into our performance review workshops
- 44% of our partners are women but we recognise that this is not consistent across all divisions in Irwin Mitchell so we are creating a leadership programme for under-represented leaders. This programme will aim to develop leaders who are currently under-represented in parts of our business and will help to develop not only more female leaders but also black, Asian and minority ethnic leaders (BAME), LGBT+ leaders and leaders with disabilities
- We have implemented a Senior Associate Development Programme and New Partner Development programme to ensure that our talent is supported in their development
- We have implemented mentoring and reverse mentoring to build more supportive networks across IM
- We are committed to a zero tolerance approach to bullying and harassment and will continue to reinforce our expectations of appropriate behaviour across the group. Where we have leaders who do not demonstrate acceptable standards of behaviour we will treat this seriously and where necessary take action to exit leaders.

Recruitment

- We will require recruitment agencies to produce diverse shortlists for leadership roles and will pay an agency premium of an additional 2.5% for successful senior female and BAME hires on any retained search
- We are redesigning our graduate and apprentice programmes to be more attractive to male candidates
- We have published our family friendly policies on the Irwin Mitchell Group website so that they are available to candidates during the recruitment process
- We have implemented blind screening for our graduate and apprentice recruitment.



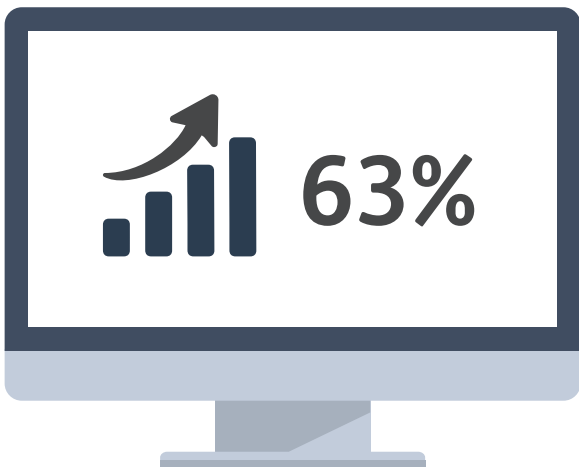
Senior IT Recruits

We have been successful in attracting senior female talent: for example **3 of our 4** new senior recruits in IT are female

Diversity and Inclusion

- IMPowered (IM's internal gender group) has continued to raise the profile of women in leadership with a number of very successful campaigns and events
- Diversity was the highest rated question in our engagement survey
- We promoted case studies celebrating flexible working and have encouraged both informal and formal flexible working requests.

In the last 6 months over 500 colleagues have changed their work pattern to work more flexibly (including over 130 men)

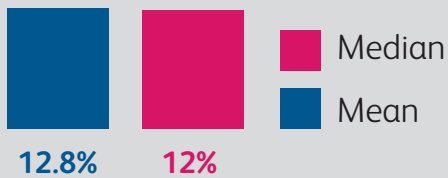


- We launched a menopause webinar and case study which have helped highlight the importance of supporting, engaging and retaining female colleagues in the workplace
- Our colleagues are increasingly sharing their personal data with us with...

63% of colleagues have provided diversity data via our HR system. In a 12 month period this is an increase of over 40%

Due to the retrospective nature of gender pay reporting many of these actions have not yet impacted our gender pay gap, but we are confident that these are positive steps that will benefit Irwin Mitchell and narrow the Gender Pay Gap.

Gender Pay Gap

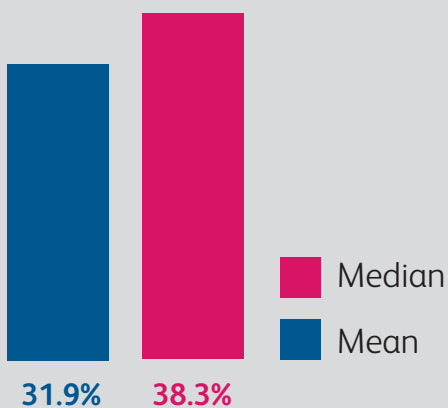


Difference between gross hourly earnings for all men and women (pay gap)

- **Our mean Gender Pay Gap is 12.8%**
 - This is consistent with our 2017 figure
 - This is lower than last year's average gender pay gap across the Top 50 UK Law Firms (*Legal Week, July 2018), which stood at 20.5%
- **Our median Gender Pay Gap is 12%**
 - This is 3.9% lower than our 2017 figure
 - This is lower than last year's average across the Top 50 UK Law Firms (*Legal Week, July 2018), which stood at 29%

It is important to note that 90% of our part time colleagues are female, and three times as many women choose to sacrifice salary for child care vouchers which further reduces the salary data used in the gender pay calculation. Our graduate and apprentice intake in 2017/18 was almost entirely female. This has been typical for the last few years and will take a number of years to change and is reflective of trends in the legal sector.

Bonus Gap



Gender Bonus Gap based on bonuses paid

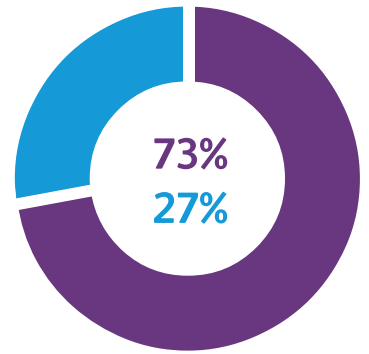
- Our mean Gender Bonus Gap is 31.9%
- Our median Gender Bonus Gap is 38.3%
- The % of men and women receiving a bonus is favourable to women, with 56% of all female colleagues receiving a bonus in 2018 compared to 52% of male colleagues.

303 colleagues received small bonus and thank you payments of less than £200 (264 women and 39 men). This has technically worsened our bonus gap as the bonus calculations compares actual bonus amounts rather than pro rata bonus. We feel that these small recognition gestures are important to our colleagues and will continue this approach to reward as Irwin Mitchell is committed to doing the right thing for our colleagues and will not change our behaviour simply to impact statistics.

The bonus gap calculation differs from the pay gap calculation, as it is based on the number of colleagues who receive a bonus and the differing amounts paid. The bonus gap doesn't take into account part time hours / pro rata calculations and so as 90% of part-time colleagues are women, this has an impact on the % figure.

Gender Distribution

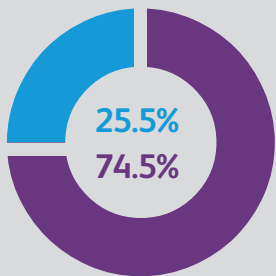
Our overall gender distribution is **27% male** and **73% female**.



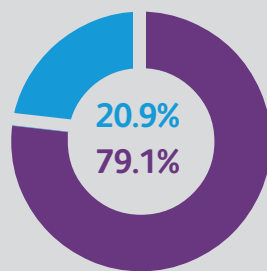
We are pleased to report that Quartile 1 (lowest paid) and Quartile 3 are within a couple of percentages of the overall gender distribution and we do not expect this to change significantly within the next couple of years.

Quartile 2 has the highest concentration of female colleagues in roles such as 1st year trainees and paralegals. Although we will aim to attract more male colleagues into these roles we do not expect the distribution to change significantly in the next couple of years due to the time lag in recruitment of trainees.

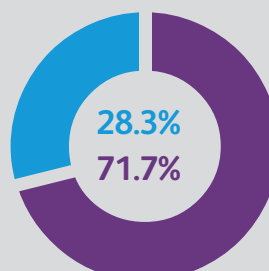
Quartile 4 (highest paid employees) – we are pleased to report that we have increased the proportion of women in this quartile by 3% and so we now have a 6% difference to the overall gender distribution. This largely relates to the success of both promotions and external hiring.



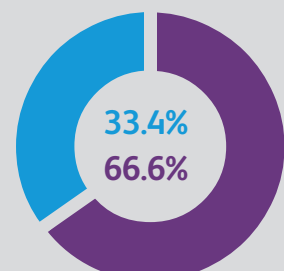
QUARTILE 1 (Lowest)



QUARTILE 2



QUARTILE 3

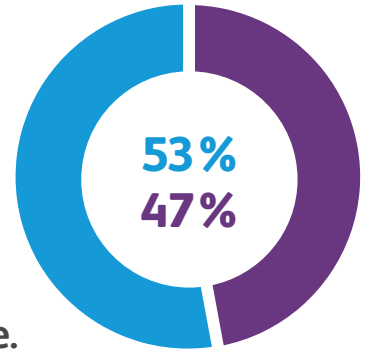


QUARTILE 4 (Highest)

This shows the gender distribution at Irwin Mitchell when colleagues are placed in four equally sized quartiles based on pay.

Gender Pay Comparisons – Partners

Irwin Mitchell was one of the first law firms to publish data for partners and we have continued to provide transparency again this year.

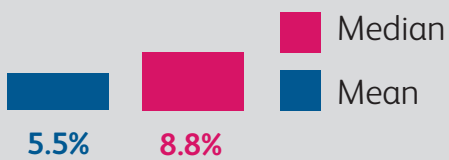


Fixed Share Members

Our overall gender distribution is **53%** male and **47%** female.

The mean pay and bonus gap has continued to narrow and this is very positive compared to other firms

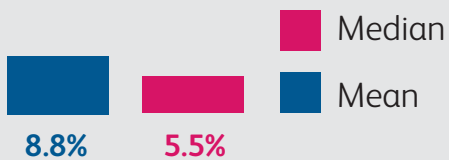
Pay Gap



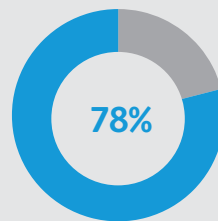
Difference between gross hourly earnings for all men and women (pay gap)

- **Our mean Gender Pay Gap is 5.5%**
- This is 5.9% lower than our 2017 figure
- **Our median Gender Pay Gap is 8.8%**
- This is 6.2% lower than our 2017 figure

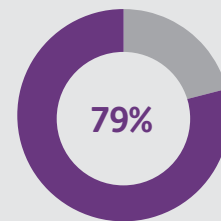
Bonus Gap



Gender Bonus Gap based on bonuses paid



Male

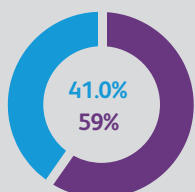


Female

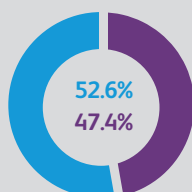
Proportion of men and women receiving a bonus

Quartiles 2 and 4 are close to the overall gender distribution - this is very balanced and we expect this to continue. Quartiles 1 and 3 have larger gaps and we will continue to monitor recruitment, promotions and performance management to ensure fairness and consistency.

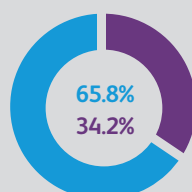
Male | Female



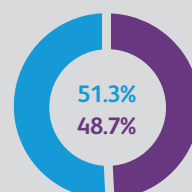
QUARTILE 1 (Lowest)



QUARTILE 2



QUARTILE 3



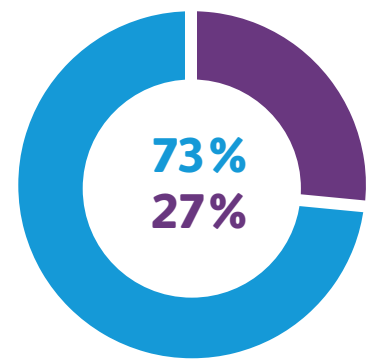
QUARTILE 4 (Highest)

This shows the gender distribution at Irwin Mitchell when colleagues are placed in four equally sized quartiles based on pay.

Gender Pay Comparisons – Partners

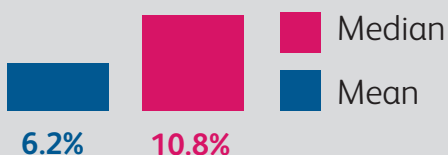
Full Equity Member

Our overall gender distribution is **73% male** and **27% female**.



We have continued to narrow the gap for FEM's in all areas of our pay and bonus gaps – we are extremely proud of the fairness and positive impact of our reward decisions, including our very narrow mean bonus gap. The median bonus gap shows a negative median bonus gap which means that female FEM's received higher bonus payments than male FEM's.

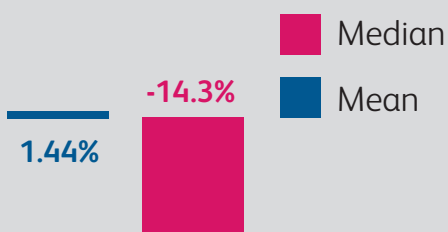
Pay Gap



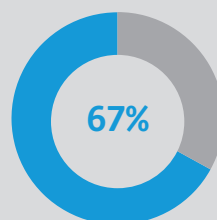
Difference between gross hourly earnings for all men and women (pay gap)

- **Our mean Gender Pay Gap is 6.2%**
- This is 2.3% lower than our 2017 figure
- **Our median Gender Pay Gap is 10.8%**
- This is 6% lower than our 2017 figure

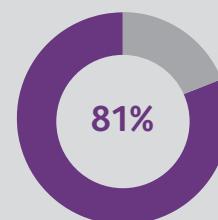
Bonus Gap



Gender Bonus Gap based on bonuses paid



Male

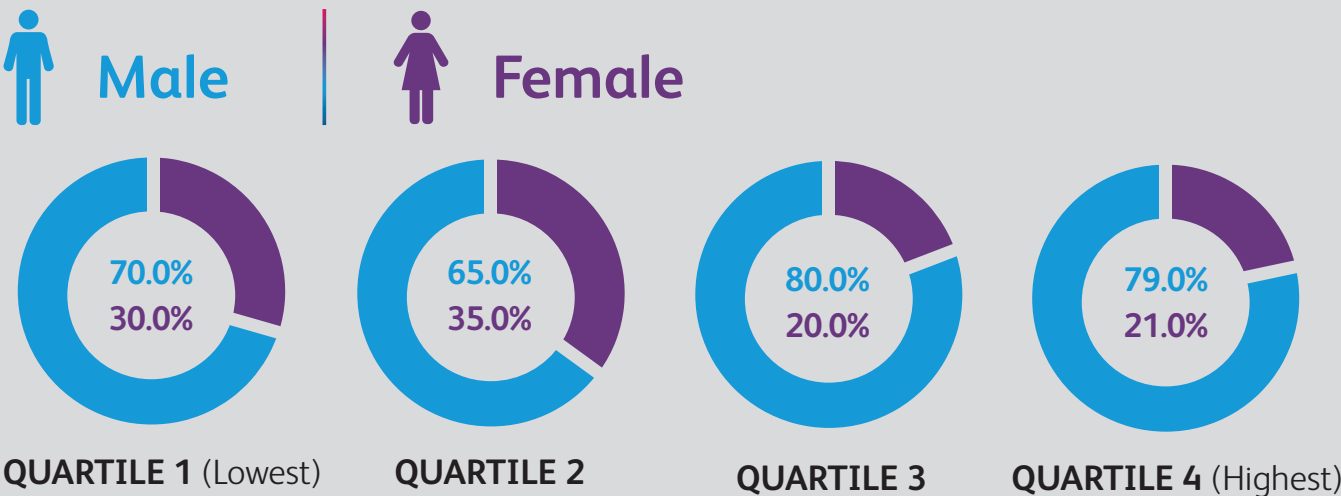


Female

Proportion of men and women receiving a bonus

Like many law firms we still have more males than females in our gender distribution at FEM level. We are pleased to note that quartiles 1 and 3 closely reflect the overall gender distribution. We have increased the number of females FEM partners in Quartile 3 but recognise that small changes in starters and leavers at this level will significantly impact on our gender distribution due to the small overall FEM population.

We will continue to monitor recruitment, promotions and reward processes to ensure that we are taking actions to help Irwin Mitchell attract and retain female partners. Over a longer period of time, we expect that our balanced gender distribution in our FSM population will start to be reflected in the FEM population.



This shows the gender distribution at Irwin Mitchell when colleagues are placed in four equally sized quartiles based on pay.

Statement of Accuracy

We confirm that Irwin Mitchell's gender pay gap calculations are accurate and have been calculated in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Andrew Tucker
Group Chief Executive



expert hand,
human touch

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