

UK PAY REPORTING 2021



GOWLING WLG

HOURLY PAY GAPS AT A GLANCE

STATUTORY GENDER PAY GAP

MEDIAN	22%	↔ no change from 2020
MEAN	20%	↓ 2% from 2020

COMBINED EMPLOYEE & PARTNER GENDER PAY GAP

MEDIAN	45%	↑ 3% from 2020
MEAN	61%	↑ 3% from 2020

EMPLOYEE BAME PAY GAP

MEDIAN	17%	↓ 7% from 2020
MEAN	28%	↔ no change from 2020

COMBINED EMPLOYEE & PARTNER BAME PAY GAP

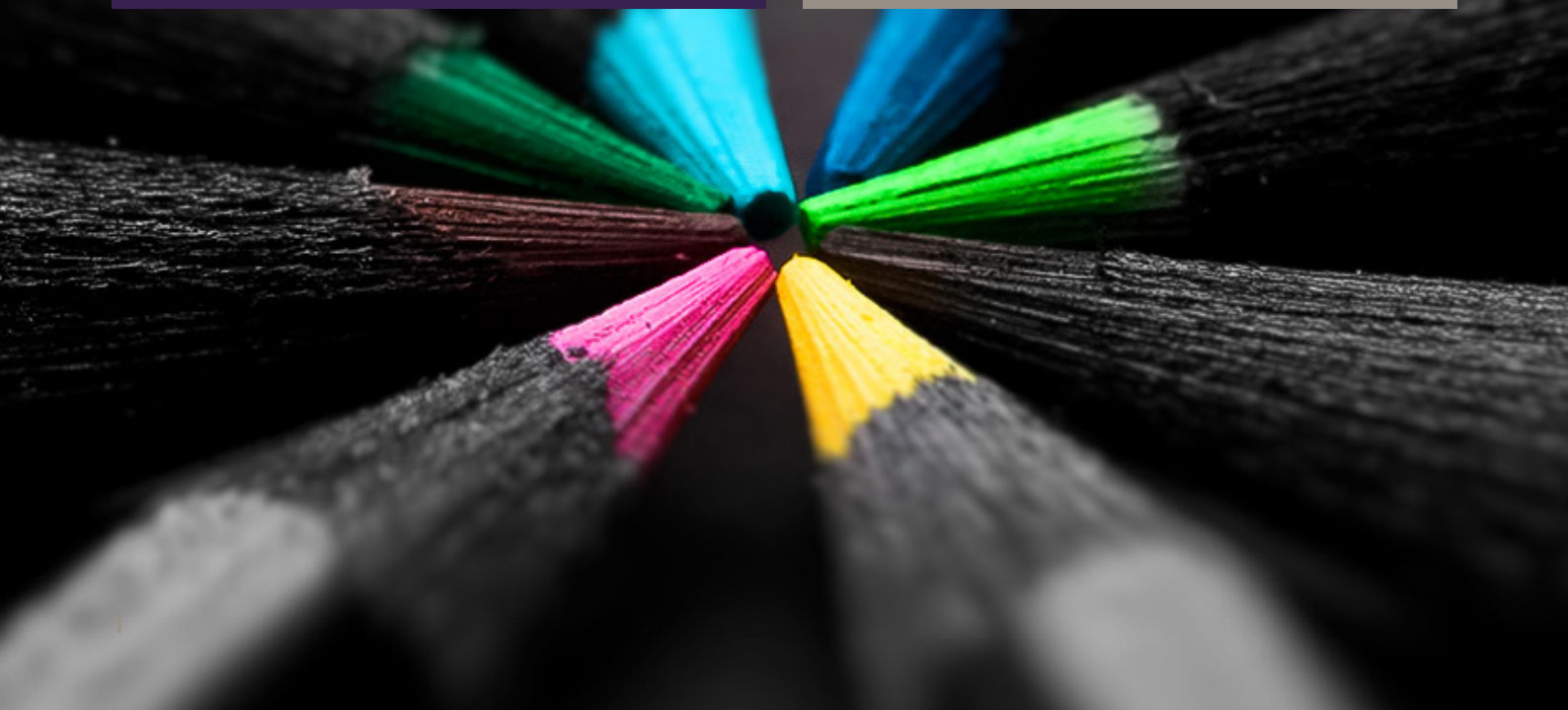
MEDIAN	29%	↓ 7% from 2020
MEAN	54%	↑ 4% from 2020

EMPLOYEE SEXUAL ORIENTATION PAY GAP

MEDIAN	0%	↓ 7% from 2020
MEAN	-2%	↓ 11% from 2020

COMBINED EMPLOYEE & PARTNER SEXUAL ORIENTATION PAY GAP

MEDIAN	-15%	↓ 24% from 2020
MEAN	30%	↓ 2% from 2020



INTRODUCTION

Welcome to our UK Pay Report for 2021. At Gowling WLG we firmly believe that diversity and inclusion makes us a stronger business – more relevant and valuable to our clients, more empowering for our people, and more engaged with our wider communities.

We celebrate different cultures, backgrounds, perspectives and experiences and we support the UK government's focus on pay gap transparency to highlight areas of potential unfairness. As last year, our reporting goes beyond the statutory requirements and, in addition to gender data, also sets out our ethnicity pay gap and sexual orientation pay gap position.

The pay gaps identified in this report are a direct result of the structure of our workforce across a broad range of roles and two distinct pay markets in the UK (London and Birmingham) – and we recognise that progress to reduce the gaps will take time and our continued commitment as our workforce structure adjusts.

Importantly, we remain confident that we offer equal pay for equal roles and performance and have robust annual assurance processes in place to monitor this.

We also remain fully committed to a workplace in which everyone is supported to develop and progress to the best of their abilities, not only in the UK but across all of our offices globally, and to achieve their full career (and pay) potential.

We are pleased to share in this report a snapshot of our recent activities and investments to bring this to life - and promote fairness, inclusion and equality across all parts of our organisation.

I confirm that the data reported is accurate.



David Fennell

Chief Executive, Gowling WLG (UK) LLP

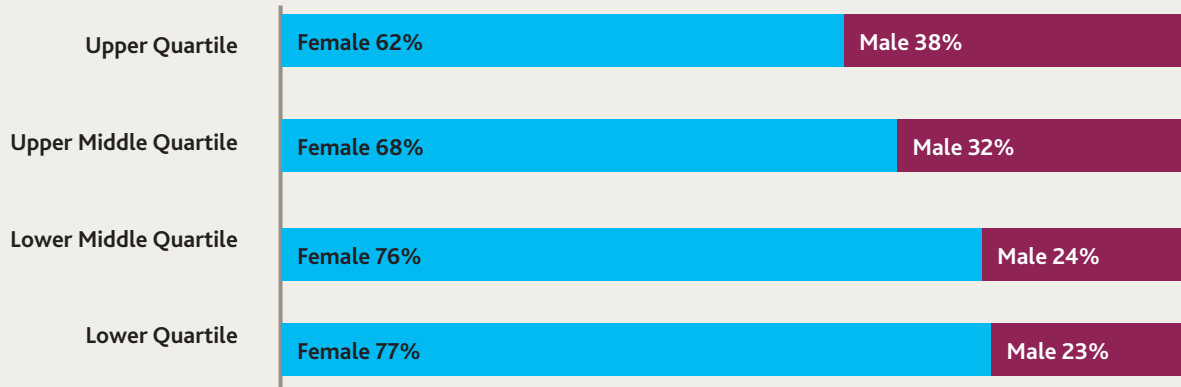
February 2022

GENDER PAY GAP

DIFFERENCE IN HOURLY PAY BY GENDER

	2018	2019	2020	2021
MEAN GENDER PAY GAP	23%	20%	22%	20.1%
MEDIAN GENDER PAY GAP	25%	23%	22%	22.4%

SPLIT BY HOURLY PAY QUARTILE



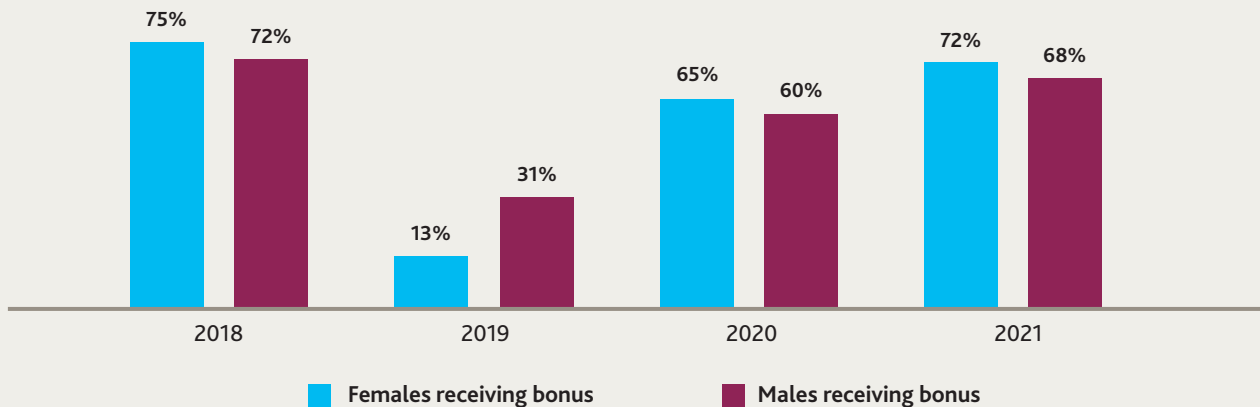
Our statutory gender pay gap is driven by the structure of our UK workforce; We have strong female employee representation at c70% across the UK firm. However, we have proportionately more females in our Secretarial (99%) and Legal Support (76%) roles. These have lower average hourly rates than in our Lawyer population where the split is 67% female; 33% male.

When we group equivalent roles together, our average salaries are comparable for females and males based on comparable roles and performance.

DIFFERENCE IN BONUSES PAID BY GENDER

	2018	2019	2020	2021
MEAN GENDER BONUS GAP	56%	33%	45%	45.1%
MEDIAN GENDER BONUS GAP	43%	24%	26%	30.0%

PROPORTIONS RECEIVING BONUS



The reporting year to 5 April 2021 covers bonuses paid for our financial year ending 30 April 2020, for which all our bonus schemes paid out.

Our bonus schemes include elements related to the firm's profitability. The April 2019 bonus gap data includes bonuses paid relating to the firm's financial year ending 30 April 2018.

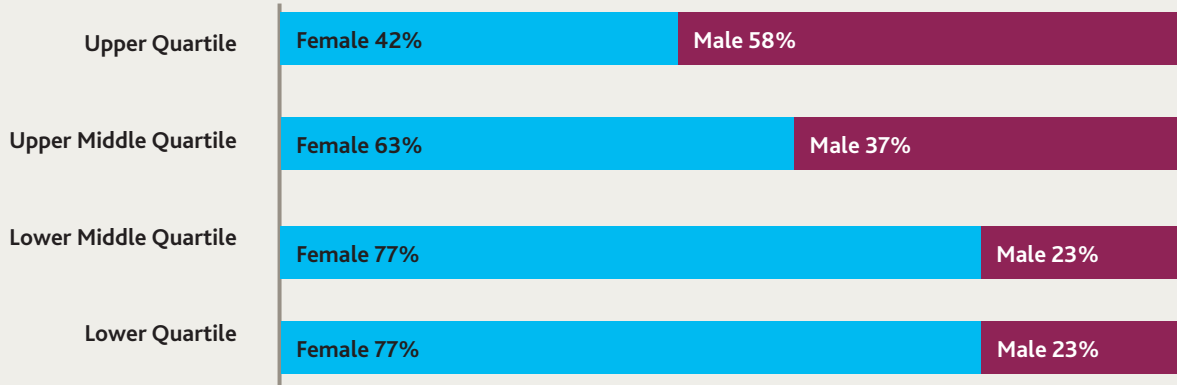
In that year, payout triggers were not met for our bonus scheme covering our more junior employee population. This resulted in (i) fewer employees receiving a bonus in that reporting period, and (ii) a narrower bonus gap.

GENDER PAY GAP - INCLUDING PARTNERS

TOTAL FIRM (EMPLOYEES AND PARTNERS COMBINED)

	2018	2019	2020	2021
MEAN GENDER PAY GAP	61%	58%	58%	60.9%
MEDIAN GENDER PAY GAP	46%	41%	42%	44.6%

SPLIT BY HOURLY PAY QUARTILE



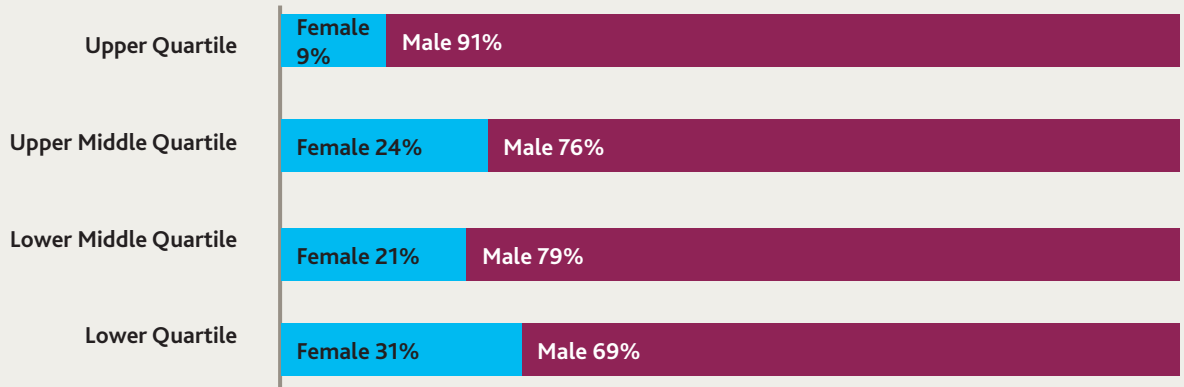
Since 2018 we have included analysis of our partner and combined populations in our pay gap reports, over and above our statutory obligations.

Partners are remunerated differently to employees and the fluctuating nature of partner profit share payments makes year on year comparisons difficult.

We committed to improving gender balance in our partnership through our “Thriving in Partnership” programme.

PARTNERS ONLY

	2018	2019	2020	2021
MEAN GENDER PAY GAP	16%	14%	19%	19.0%
MEDIAN GENDER PAY GAP	10%	10%	20%	19.8%

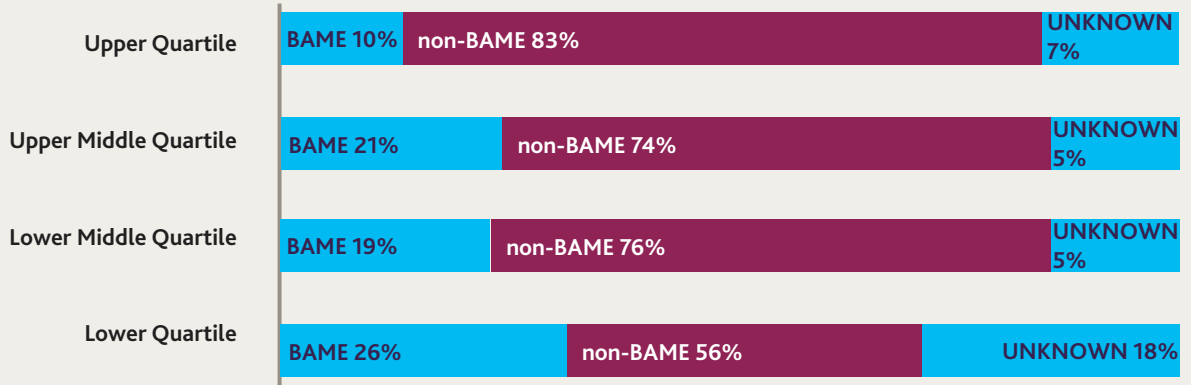


ETHNICITY PAY GAP

DIFFERENCE IN HOURLY PAY BY ETHNICITY

	2018	2019	2020	2021
MEAN ETHNICITY PAY GAP	23%	24%	28%	27.9%
MEDIAN ETHNICITY PAY GAP	17%	15%	24%	17.3%

SPLIT BY HOURLY PAY QUARTILE



We are committed to transparency and pay fairness, and continue to voluntarily publish our ethnicity pay gap based on data for our Black, Asian and Minority Ethnic (BAME) workforce.

At the snapshot date, our BAME population accounted for c19% of our employees, with 72% non-BAME, and the remainder (c9%) preferring not to disclose or unknown.

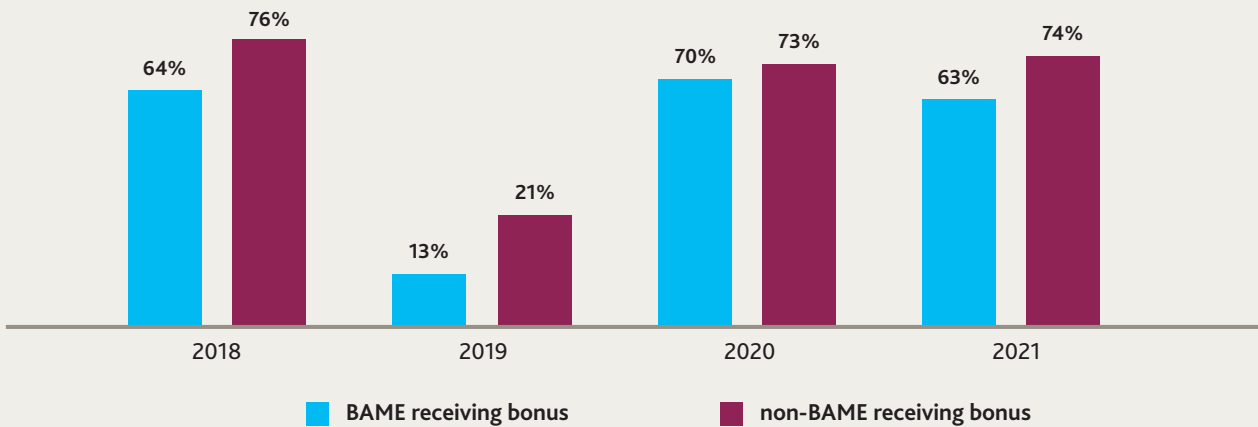
Our analysis shows that the principal cause of our ethnicity pay gap is due to having fewer BAME people in more senior roles. We continue to work with the Board and our EmBRACE network to improve representation at all levels.

When we group equivalent roles together, we continue to be confident that our average salaries are comparable for BAME and non-BAME based on the role content and performance.

DIFFERENCE IN BONUSES PAID BY ETHNICITY

	2018	2019	2020	2021
MEAN ETHNICITY BONUS GAP	47%	47%	45%	53.9%
MEDIAN ETHNICITY BONUS GAP	15%	26%	26%	18.9%

PROPORTIONS RECEIVING BONUS

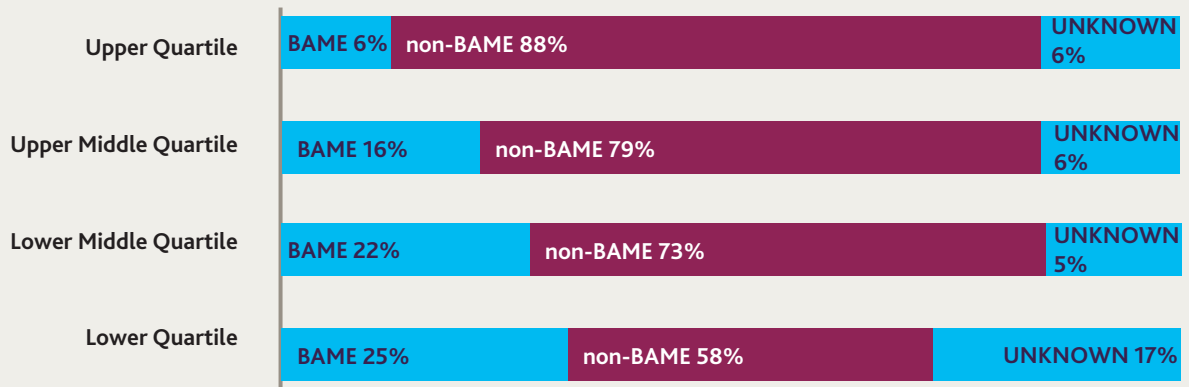


ETHNICITY PAY GAP - INCLUDING PARTNERS

TOTAL FIRM (EMPLOYEES AND PARTNERS COMBINED)

	2018	2019	2020	2021
MEAN ETHNICITY PAY GAP	44%	48%	50%	53.9%
MEDIAN ETHNICITY PAY GAP	24%	23%	36%	29.5%

SPLIT BY HOURLY PAY QUARTILE



Since 2018 we have included analysis of our partner and combined populations in our pay gap reports, over and above our statutory obligations.

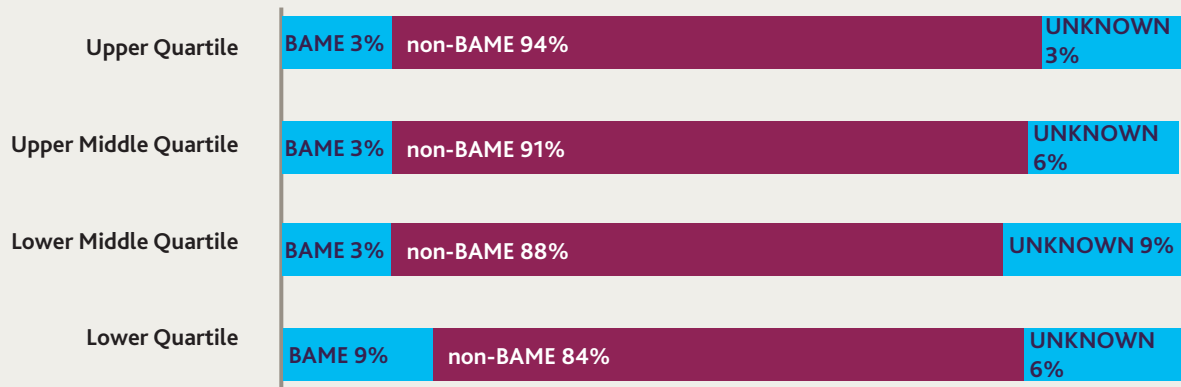
Partners are remunerated differently to employees and the fluctuating nature of partner profit share payments makes year on year comparisons difficult.

We are committed to improving representation of underrepresented groups throughout our workforce through our "Inclusion for all" programme.

PARTNERS

	2018	2019	2020	2021
MEAN ETHNICITY PAY GAP	-1%	17%	22%	24.2%
MEDIAN ETHNICITY PAY GAP	-5%	20%	25%	34.9%

SPLIT BY HOURLY PAY QUARTILE

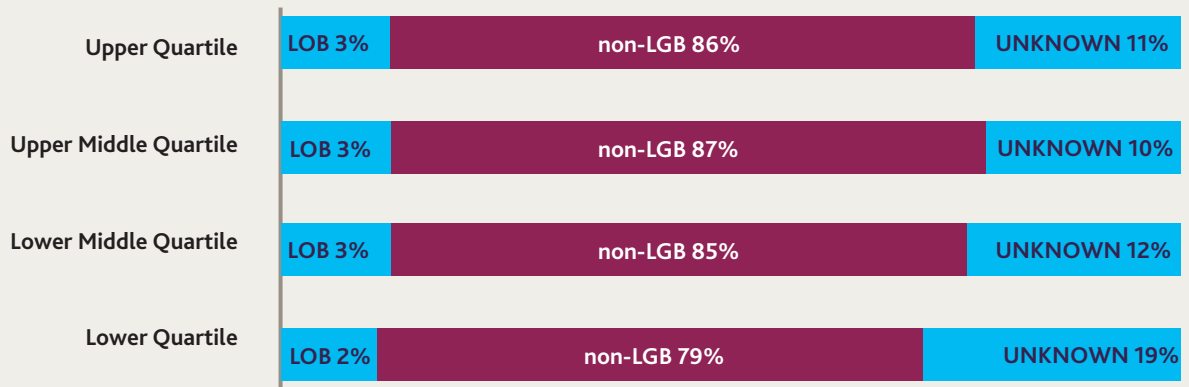


SEXUAL ORIENTATION PAY GAP

DIFFERENCE IN HOURLY PAY BY SEXUAL ORIENTATION

	2019	2020	2021
MEAN SEXUAL ORIENTATION PAY GAP	7%	9%	-2.1%
MEDIAN SEXUAL ORIENTATION PAY GAP	8%	7%	0.0%

SPLIT BY HOURLY PAY QUARTILE



We are committed to transparency and pay fairness, and continue to voluntarily publish our sexual orientation pay gap.

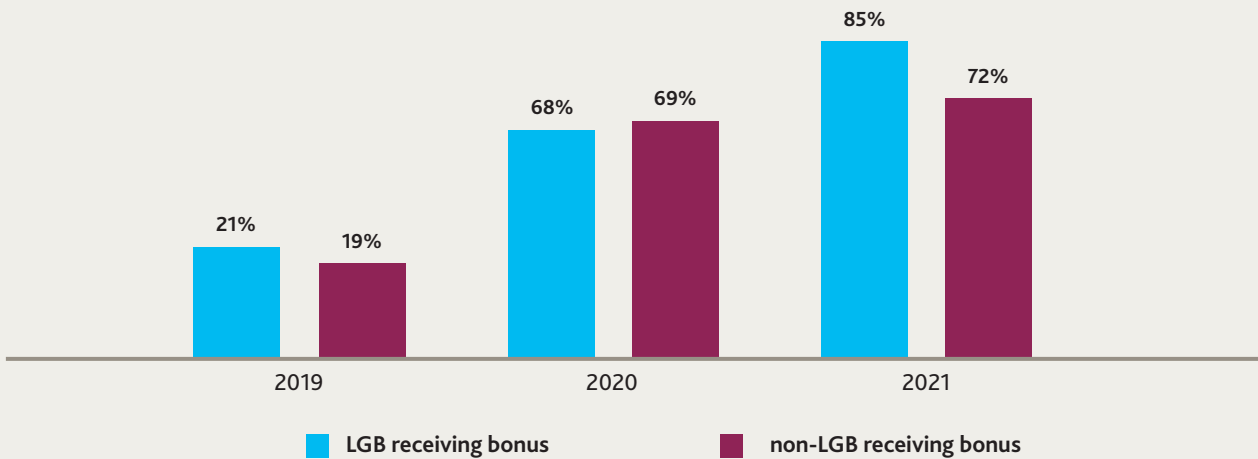
While the people who disclose as LGB is relatively small, they are represented at most levels across the firm

At the snapshot date, our LGB population accounted for c3% of our employees, with 84% heterosexual and the remaining 13% preferring not to disclose or unknown.

DIFFERENCE IN BONUSES PAID BY SEXUAL ORIENTATION

	2019	2020	2021
MEAN SEXUAL ORIENTATION BONUS GAP	7%	7%	-13.4%
MEDIAN SEXUAL ORIENTATION BONUS GAP	-57%	1%	11.5%

PROPORTIONS RECEIVING BONUS

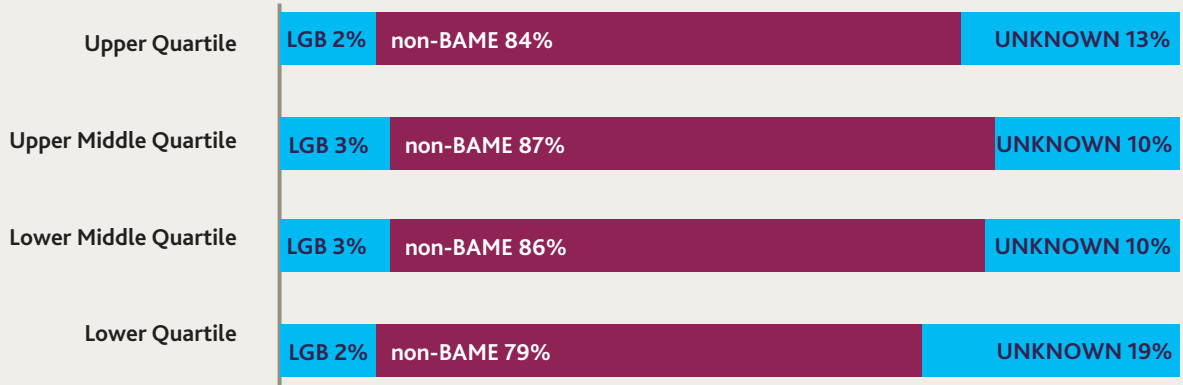


SEXUAL ORIENTATION PAY GAP – INCLUDING PARTNERS

TOTAL FIRM (EMPLOYEES AND PARTNERS COMBINED)

	2019	2020	2021
MEAN SEXUAL ORIENTATION PAY GAP	23%	32%	30.4%
MEDIAN SEXUAL ORIENTATION PAY GAP	7%	9%	-14.9%

SPLIT BY HOURLY PAY QUARTILE



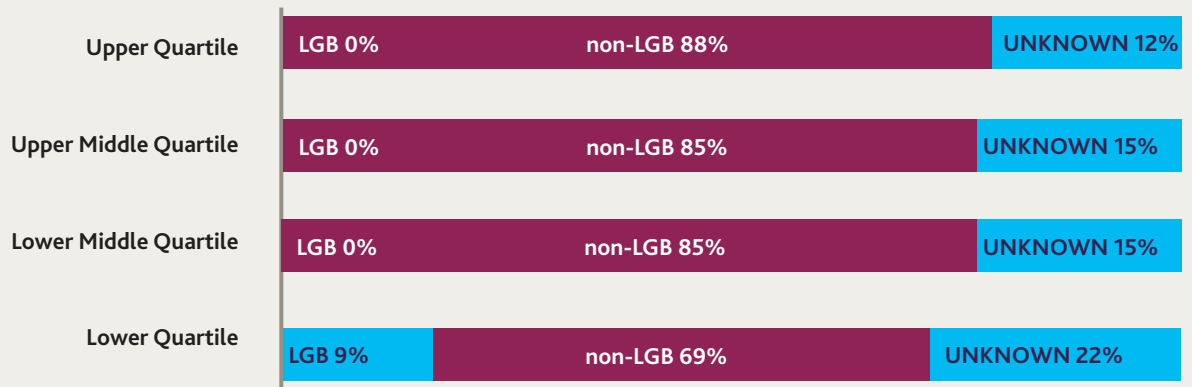
Since 2018 we have included analysis of our partner and combined populations in our pay gap reports, over and above our statutory obligations.

Partners are remunerated differently to employees and the fluctuating nature of partner profit share payments makes year on year comparisons difficult.

PARTNERS ONLY

	2019	2020	2021
MEAN SEXUAL ORIENTATION PAY GAP	7%	42%	58.2%
MEDIAN SEXUAL ORIENTATION PAY GAP	8%	43%	67.2%

SPLIT BY HOURLY PAY QUARTILE



OUR COMMITMENT TO ACTION

At Gowling WLG we firmly believe diversity and inclusion makes us a stronger business – more relevant and valuable to our clients, more empowering for our people, and more engaged with our wider communities.

Understanding our pay gaps is just one part of the journey to make the workplace fairer for all. Since 2018 we've gone above and beyond our statutory requirement and published pay gap analysis covering both our employee and partner groups through gender, ethnicity and sexual orientation lenses.

Since the last report we have been able to improve our ethnicity data quality with over 90% of employees completing their ethnicity data (vs 85% for the previous report).

We realise that reducing pay gaps will take time as these are driven by structural workforce issues. Through our commitment to diversity and inclusion and collaborative relationships with our people, clients and local communities, we hope to see our firm become a reflection of the diverse make-up of the cities we work in.

We continue to evolve our diversity and inclusion programmes to meet the changing needs of the business and this year are embedding our "inclusion for all" strategy:

INCLUSION FOR ALL

During this reporting period our new Diversity and Inclusion (D&I) strategy Inclusion for All (IFA) was developed. IFA extends our focus to ensure that all of our people have shared accountability for making progress in terms of D&I. We will continue to deliver on firmwide initiatives but under IFA all teams across the firm will be expected to have an annual D&I action plan detailing key things they can do to improve D&I in their teams. These action plans, along with our firmwide work, will accelerate progress.

In late 2021 the strategy was launched across the firm and we have since been briefing all teams on IFA and the role they play. We will be reporting on diversity data for all teams as well as collecting qualitative feedback on what inclusion feels like within teams and presenting this back for further discussion to enable teams to create their actions plans for 2022/23.

THRIVING IN PARTNERSHIP

In 2020 to support our progress towards our target of 30% female representation in our Partnership by 2026 we undertook our largest consultation and research project on gender to date. The output of this research was our Thriving in Partnership report which gave recommendations to accelerate progress in terms of gender at partner level.

In this reporting period a robust governance model was created to ensure that we make tangible and sustained progress against each of the report's recommendations. Four workstreams have worked to validate the recommendations and provide detail on how to implement them.

Since then the project has moved into delivery mode, with HR Leadership taking responsibility for implementing the recommendations. To date a number of these recommendations are complete or in progress and a plan is in place to deliver on the remainder.

BLACK LIVES MATTER

In 2020 with the input of our EmbRACE employee network, our people and leadership we developed a clear action plan to help us increase the representation of ethnic minority and particularly black talent at Gowling WLG.

During this reporting period we have been working to deliver on all actions. To date we have delivered on a number of items including:

- Launch of an Inclusion Allies programme
- Launch of a mentoring toolkit
- Held webinars/discussions on topics related to race
- Clearly communicated our zero tolerance policy to racism
- Implemented a target for the percentage of those from ethnic minorities being offered places on our early talent programmes
- Improved our exit interview process
- Increased charitable giving
- Created the Black Talent in Law Bursary programme with the University of Birmingham
- Signed up to the 10,000 black interns programme

As we move forward into 2022 we will be monitoring the impact these actions have had on increasing the representation of black talent at the firm.

EMPLOYEE NETWORKS

We have five employee networks (each sponsored by at least one Board member) to bring together colleagues with similar characteristics or diversity and inclusion interests internationally. Our networks include family, ethnicity, gender, disabilities and LGBT. These allow our people to share their experiences and promote understanding and support for inclusion across the business. We also include clients and leading market figures in network sessions, making these available to all across the firm.

We are also working with a third party to better understand progress of our BAME employees and inform our future actions through benchmarking against other legal firms.



APPENDIX: NOTES ON METHODOLOGY

Our statutory gender pay gap reporting under the Regulations is based on an overall average across all roles and seniorities (excluding Partners) at the snapshot date 5 April 2021.

Our calculations take into account the average position across all jobs across both of our UK offices (approximately 950 employees and 130 Partners). Around a third of our employees are based in London (with London market aligned salaries). The other two thirds are based in our Birmingham office.

Partners do not receive a guaranteed salary but receive a share of the firm's profits – which can rise and fall from year-to-year. Partners pay for benefits and pension contributions out of their profit share. To calculate hourly pay, we have divided the partners profit share by standard employee contractual hours.

Employee pay is calculated as required by the gender pay gap reporting regulations and is after any salary sacrifice for pension contributions and excludes the value of other benefits provided by the firm.

We base our ethnicity pay gap reporting on data from our Black, Asian and Minority Ethnic (BAME) workforce. At the snapshot date, our BAME population accounted for 17% of our workforce (91% of our population have disclosed their ethnicity).

We base our sexual orientation pay gap reporting on data from our lesbian, gay and bisexual (LGB) workforce. At the snapshot date, our LGB population accounted for just under 3% of our workforce (87% of our population have disclosed their sexual orientation).



In progress	Todo	DONE	PLAN ->
Online platform	Online base 100%	Online portal ↓ Pricing up	• David + [circular arrow] Personalisation SU -> 10
20% Online blog	New placement	Network design	
Todo list and hand over design			

Gowling WLG, Official Legal Advisers -
Birmingham 2022 Commonwealth Games.

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