

Report

FREETHS

# Gender and Ethnicity Pay Gap Report

5th April 2024



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# Our commitment

Building a gender-balanced diverse workforce at all levels, ensuring our workplace is inclusive and that our people can succeed are key priorities for us.



Our pay gap reports help us better understand our firm profile, the challenges we face, and track progress. Our Board, Senior Management Teams and Employee Networks are fully committed to driving the change required to reduce and, over time, eliminate our pay gaps.

Pay gap reporting is complex and is based on salary averages taken from across the entire workforce rather than considering equal pay. We know there isn't a short-term fix. Eradicating our pay gaps will take time because they are primarily attributable to the diversity profile of

our people and the demographics of the wider legal sector, which continues to attract more women entering the profession. Where we can impact change though, we are determined to.

We still don't have as many women or as much ethnic diversity as we would like in senior roles, but we are seeing progress. This year, we are proud to say that our mean gender and bonus pay gap for our partnership, and our Freeths ethnicity pay gap have reduced. And, whilst we have seen an increase in our gender pay gap overall, we understand the reasons for this and

this report highlights some of our actions we are taking to address this.

We're actively building diverse talent pipelines, challenging our recruitment processes to ensure inclusivity, focusing on our ethnicity and gender targets for promotion, helping our people to develop their cultural awareness and, most importantly, making sure we are supporting our talented people as they grow their long-term careers with Freeths. We also recognise the importance of career choice for our people; we all want fulfilling careers, but this doesn't always mean partnership or senior management

and, whilst this may impact our pay gap reporting, we understand and support this choice.

All these actions are helping to drive change and we remain determined to positively impact our pay gaps and, in the longer term, eliminate them.

A handwritten signature in black ink that reads "Philippa Dempster".

**Philippa Dempster,  
Senior Partner**

# Understanding the data

## The context

### Gender Identity

The current legal requirement for gender pay gap reporting reports gender in a binary way, recognising only male and female gender identities. Whilst we have reported our gender pay gap in line with legal requirements and based on HMRC data, we understand that gender identity is broader than this. When carrying out internal reviews of our policy and processes, such as our promotion data, we use gender data that is more reflective of gender identity as we believe that this provides a truer understanding of our people and diversity profile.

### Our legal requirement

This year, due to changes in our corporate structure and payroll, our Freeths LLP data includes colleagues from our business support teams (not previously included in our data), as well as our legally qualified colleagues from legal assistants through to directors (directors were also previously excluded from the data).

We continue to voluntarily publish our ethnicity pay gap data for Freeths LLP alongside our gender pay gap for members of our LLP (partners). We believe this provides a truer picture of our workforce, the challenges we face and enables us to robustly track our progress, which is key to our long-term success.

### Diversity Pay Gap v Equal pay

It's a common misconception that gender pay gap reports on whether men and women are paid the same for work which is comparable and of equal value. That, however, is equal pay and is not the focus of gender pay gap reporting. At Freeths, we are very conscious of ensuring equal pay and we are confident that men and women are paid equally for similar roles and levels of performance and experience.

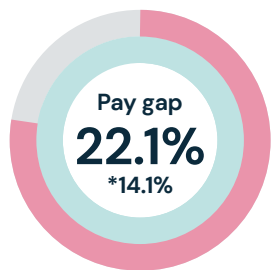
Instead, gender pay gap reporting is based on government methodology and is a measure of the difference between the average earnings of men compared to women within an organisation, regardless of their job role. For Freeths LLP data, this means that our pay gap data includes our junior administrators, apprentices and secretarial support, through to lawyers who have been qualified for more than 10 years. For our partner data, the group ranges from newly appointed partners to members of our Board and Senior Management Team.





# Data at a glance

## Freeths LLP Pay Gap



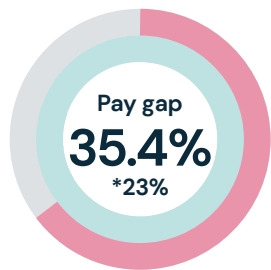
Mean hourly  
rate of pay



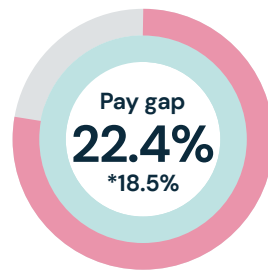
## Partner Pay Gap



Mean hourly  
rate of pay



Median hourly  
rate of pay



Median hourly  
rate of pay

Mean and medium percentages with comparison to  
2022\* for full pay relevant colleagues

## Legal Teams Gender Profile (compared to 2022)

Category	Male	Male	Female	Female	Total	Percentage change in number of women compared to 2022
Apprentice	2	33%	4	67%	6	7%
Executive	4	8%	44	92%	48	4%
Legal Assistant	22	32%	46	68%	68	-6%
Trainee Solicitor	18	19%	78	81%	96	-1%
Associate	42	34%	81	66%	123	1%
Senior Associate	28	30%	66	70%	94	1%
Managing Associate	36	37%	61	63%	97	-3%
Consultant	13	81%	3	19%	16	-6%
Director	35	47%	39	53%	74	-7%
Partner	113	69%	50	31%	163	3%
<b>Grand Total</b>	<b>313</b>	<b>37%</b>	<b>472</b>	<b>63%</b>	<b>784</b>	

**69%**

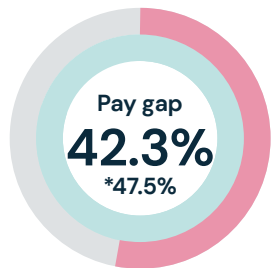
% of workforce that is female

(decrease from 73%  
the previous year)



# Data at a glance

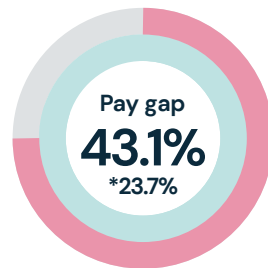
## Partner Bonus Gap



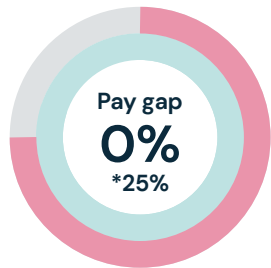
Mean bonus  
pay gap



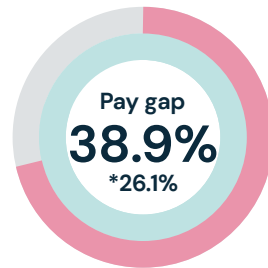
## Freeths LLP Bonus Pay Gap



Mean bonus  
pay gap



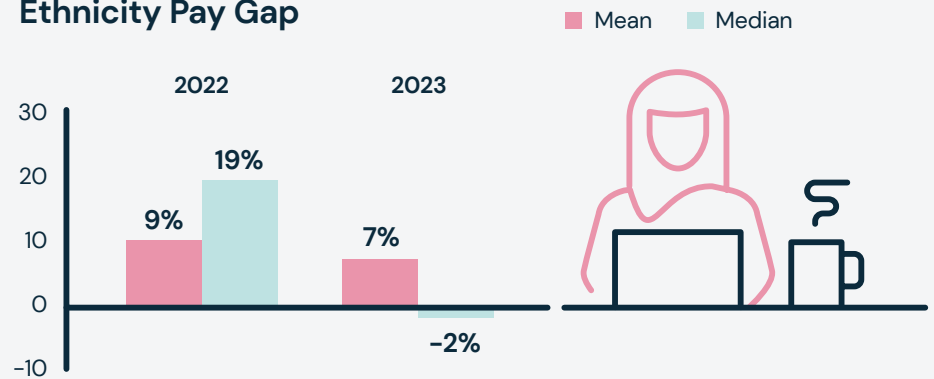
Medium Bonus  
Pay Gap



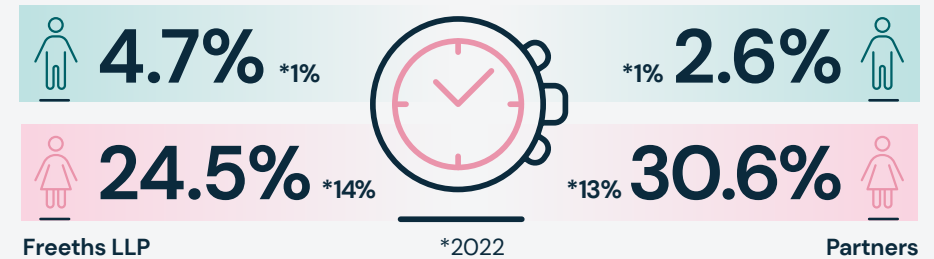
Medium Bonus  
Pay Gap

Mean and medium percentages with comparison to  
2022\* for full pay relevant colleagues

## Ethnicity Pay Gap



## Part time colleagues by gender



## % of men and women receiving a bonus for all pay groups



# Firm Profile

Our gender pay gap is primarily attributable to the gender profile of our firm commensurate with the roles carried out. Within our firm, and indeed across the UK legal sector, more women are employed in junior legal and administrative roles and more men are employed in senior and partnership roles. This imbalance creates a gender pay gap.

At the date of reporting, our Freeths LLP workforce was 69% female (a slight decrease from 73% the previous year), but when we drill into the data, 81% of our trainees and 75% of our administration and legal support teams are female compared to 31% of our partners (an increase from 28% in the previous year).

Our promotion pathway supports all our people in progressing their career in a way that is right for them. Whether that's progression through to partnership, lateral moves or developing as an expert in their chosen field, we understand that there is no 'one size fits all' and that career progression and success look different for every individual.

As this female talent progresses through the firm in line with their career choices, we anticipate that they will have a long-term, positive impact on our gender pay gap. It will take time for the promotion of female talent to significantly impact our gender pay gap, but we are encouraged that we are starting to see this play out in our partnership gender pay gap, which reduced this year. To support us achieving gender

## Gender profile (Whole Firm – including Partners) by role

2023	Business Support			Legal			Grand Total
	Male	Female	Total	Male	Female	Total	
Administration	41%	59%	97	0%	100%	1	98
Apprentice	0%	100%	1	33%	67%	6	7
Associate/Senior Executive	37%	63%	27	34%	66%	123	150
Consultant	0%	0%	0	81%	19%	16	16
Director	75%	25%	8	47%	53%	74	82
Executive	0%	0%	0	8%	92%	48	48
Legal Assistant	0%	0%	0	32%	68%	68	68
Legal Support	10%	90%	21	4%	96%	68	89
Managing Associate/Principal Manager	29%	71%	28	37%	63%	97	125
Partner	0%	0%	0	69%	31%	163	163
Senior Associate/Senior Manager	10%	90%	10	30%	70%	94	104
Trainee Solicitor	0%	0%	0	19%	81%	96	96
<b>Grand Total</b>	<b>35%</b>	<b>65%</b>	<b>192</b>	<b>37%</b>	<b>63%</b>	<b>854</b>	<b>1046</b>

equity, two years ago we introduced ethnicity and gender targets for all promotions. As a result, we have seen an increased number of female partners (from 27% in 2021 to 31% in

April 2023) and, as this talent has progressed within the partnership, we have seen a slight reduction in our partner gender pay gap (reduced from 30.9% last year to 29.1%).

# Key findings

This year we saw a widening in our mean gender pay gap for Freeths LLP from 14% to 22%.

The two key factors in this increase are the increase in the number of females in the lower pay quartile and the change in employees who are included in the data due to our corporate structure and payroll change.

## Understanding the profile of our data

When we drill into the Freeths LLP data, it's clear our gender pay gap is caused by a higher proportion of females in the lower pay quartiles (76% female) compared to the upper pay quartiles (55% female). Our quartiles are calculated using the government methodology which involves ordering all our people from the highest to lowest hourly rate and then dividing into four equally sized

groups by number of people. Each group or 'quartile' is then analysed from a gender balance percentage.

This gender imbalance in our pay quartiles correlates with the profile of our workforce and the legal sector more broadly. We have more female trainees (81%), legal assistants (69%), associates (66%) and in legal support and administration roles (75%) compared to our cohort of female directors (53%) and partners (31%).

Importantly, each year, we slowly narrow the gap as we see women promoted across the firm or recruited into senior roles.

The increase from 14% to 22% is primarily attributable to a decreased proportion of females in the upper quartile – 68% in 2022 compared to 55% in 2023. Due to changes in our corporate payroll structure,

2023	Male	Female	Total	Quartile %		Female variance compared to the firm average of 69%
				Male	Female	
Upper quartile	97	118	215	45.1%	54.9%	-14.2%
Upper middle quartile	72	143	215	33.5%	66.5%	-2.6%
Lower middle quartile	46	169	215	21.4%	78.6%	9.5%
Lower quartile	51	165	216	23.6%	76.4%	7.3%
<b>Total</b>	<b>266</b>	<b>595</b>	<b>861</b>	<b>30.9%</b>	<b>69.1%</b>	

2023	Male	Female	Total	Quartile %		Female variance to the firm average of 73%
				Male	Female	
Upper quartile	39	84	123	31.7%	68.3%	-5.0%
Upper middle quartile	50	73	123	40.7%	59.3%	-14.0%
Lower middle quartile	19	104	123	15.4%	84.6%	11.2%
Lower quartile	23	99	122	18.9%	81.1%	7.8%
<b>Total</b>	<b>131</b>	<b>360</b>	<b>491</b>	<b>26.7%</b>	<b>73.3%</b>	

employees who were previously excluded from the data (namely all business support teams and directors) are now included, which causes a shift in the data. For example, the addition of directors and the heads of our support teams to the calculations constitutes 80 employees in the upper quartile who were not previously included, and

due to the gender profile of these employees (50/50 male/female) this decreases the proportion of women in the upper quartile compared to last year. Including our business support teams also increases the number of women in the lower and middle quartiles. This change in the reporting data is a peculiarity for this year.



# Key findings

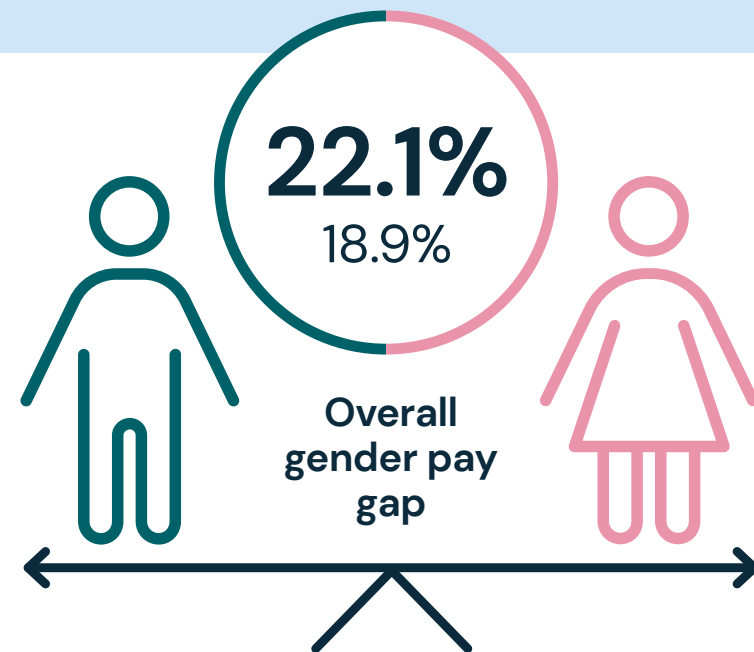
## Direct comparison with 2022 data

For consistency and transparency, we have analysed last year's published data (which included all legal employees from legal assistant through to managing associate) with comparable data for this year. When comparing this data, we would have seen an increase in our overall gender pay gap from 18.9% to 22.1%.

When drilling into the data and splitting it into three comparable groups i.e. our legally qualified employees, non-legally qualified employees and business support teams, we can see that there are year-on-year pay gap changes for all groups. These increases are predominantly due having proportionately more males in senior associate, managing associate and

director roles, and more women in legal assistant and business support roles. To address this, we are actively monitoring our promotion and recruitment processes and have recently introduced inclusive recruitment practices, such as our inclusive recruitment guide. We do understand that our recruitment trends reflect the wider legal market and candidates available for roles.

This deep-dive analysis of the data does highlight a 29% gender pay gap for our business support teams (an increase from 26% in 2022). This group includes employees in our Legal Administration, Business Development, Finance, HR, Risk and Compliance, and IT teams, our Chief Operating Officer and the



heads of our support teams. Proportionately in these teams more employees in management roles are male.

The 29% pay gap for business support teams and the inclusion of

this data in our overall gender pay gap report (previously these teams were excluded) is another major contributor to the increase in our Freeths gender pay gap in 2023.

# Key findings

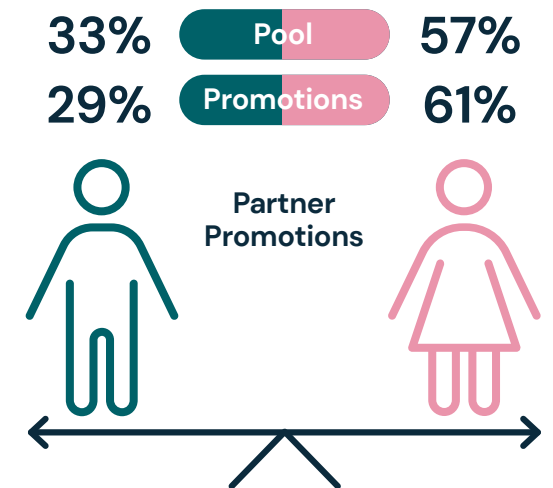
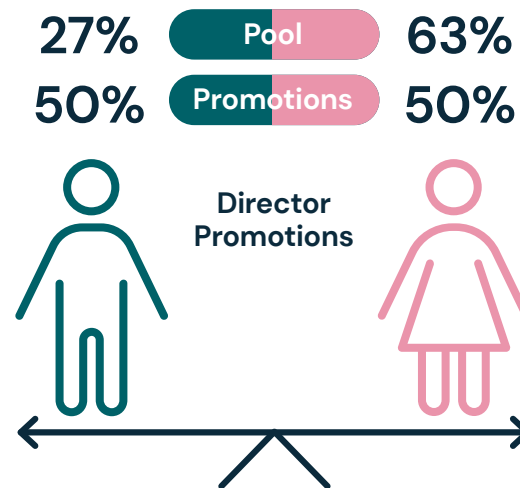
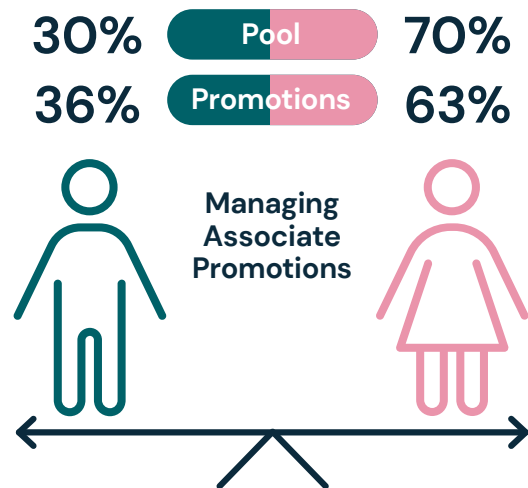
## Promotion

In relation to our internal promotions, and our target that all shortlists should be representative of the total applicant pool, in the year 2022/2023 it was encouraging that all partner promotions had a gender

balance that reflected the available talent pool. In relation to our managing associate and director promotions, we were very slightly below our target (by one or two female promotions) and whilst, on

the one hand this might be disappointing, it is important that our promotion pathway reflects the career choices of our people. It is reported back through our Check-in conversations and promotion review

process that this slight imbalance is linked to career choices of the available pool, rather than a lack of opportunity, but we will continue to monitor this.



# Key findings

## Recruitment

Recruitment has contributed to the increase in our gender pay gap. In the financial year 2022/23, we recruited 151 colleagues with 62% being female. However, 70% of the new hires recruited into the lower quartiles (legal assistants, administration roles and executives) were female, compared to 42% of the upper quartile (management roles, directors, managing associates and senior associates). We are monitoring our recruitment practices and have reviewed our processes to ensure inclusive recruitment practices; our recruitment trends reflect the candidate market. We are encouraged that we have seen a slight improvement in the gender balance in new recruits into the lower quartile (predominantly our

legal assistant recruitment, which reduced from 74% female in 2022 to 70% in 2023) and an increase in the number of women in our middle quartile from 52% to 66%, but we know we have work to do to achieve gender parity across all

recruitment. Our recently established Gender Balance Network plans to focus on how we can actively improve our gender balance in recruitment, which will be a priority for the next 12 months.

New recruits 2021/22	Total	Female	Male	Female %	Male %
Lower quartile	86	67	19	78%	22%
Lower middle quartile	18	14	4	78%	22%
Upper middle quartile	31	16	15	52%	48%
upper quartile	22	10	12	45%	55%
<b>Total</b>	<b>157</b>	<b>107</b>	<b>50</b>	<b>68%</b>	<b>32%</b>

New recruits 2022/23	Total	Female	Male	Female %	Male %
Upper quartile	33	14	19	42%	58%
Upper middle quartile	35	23	12	66%	34%
Lower middle quartile	19	11	8	58%	42%
Lower quartile	64	45	19	70%	30%
<b>Total</b>	<b>151</b>	<b>93</b>	<b>58</b>	<b>62%</b>	<b>38%</b>

## Equal pay

To ensure equal pay across our roles, we have an annual structured salary review process. This involves reviewing all salaries against market pay, individual experience, individual performance, geographical pay trends, inflation, promotion and sector comparisons. This information is used to set individual salaries, salary structures and ensure equal pay across the firm.

We also closely monitor our internal promotions against gender and ethnicity targets to ensure all talent is progressing within the firm, in line with individual career aspirations. Those who are promoted have their salary reviewed and approved as part of the annual salary review process. In the reporting year, all promotions to partner were reflective of the available pool, but we were slightly under-represented in the gender balance of our shortlists compared to the total pool for managing associate and director promotions. We continue to review the processes which support our promotion pathway such as Check-in conversations, drop-in promotion information sessions, mentoring programmes and promotion boards to ensure these processes provide the structure and governance to support everyone in our firm to drive their career in their chosen direction.

# Key findings

## Median pay

Having a higher proportion of females in junior legal and administrative roles also impacts our median pay gap, which increased from 23% to 35%. Our median female salary is at the experienced legal support/administration/executive level, whereas our median male pay is at associate/senior executive level. Given the difference in experience levels, we would expect to see a difference in pay. This difference in median pay is due to the higher proportion of females in entry level legal, administration roles, trainee and

executive roles and the lower proportion of females in more senior positions. Whilst this is reflective of the legal sector more broadly, we are focusing on changing this, but understand that it will take time.



## Maternity Leave

The increase in our gender pay gap can also be linked to the increased number of women on maternity leave (those on maternity leave are excluded from the pay gap calculations). In 2021 we had 10 women on maternity leave, increasing to 18 in 2021 and 20 in 2022. Of the 20 people, 15 would have been in the upper pay quartiles. This year, their exclusion increases the mean pay gap by 0.8% and the median pay gap by 4.2%.

We also encourage our people to take paternity leave and/or shared parental leave (SPL) and, at the snapshot date, we had one male employee on paternity leave, although this would have minimal impact on the data. During the year April 2022 to March 2023, eight men took either paternity or SPL.



# Partner pay gap

We are encouraged to see that our mean partner pay gap has reduced slightly from 30.9% in 2022 to 29.1% in 2023. We believe this is linked to the increased experience level of our female talent within the partnership. For example, in 2021/22, 33% of newly promoted partners were female, which increased the proportion of newly promoted female partners and resulted in an increase in our partner pay gap last year. However, as their experience and pay increases, this has started to reduce our gender pay gap. We anticipate that as this newly promoted female talent progresses through the partnership and as our female partnership numbers continue to grow, this will continue to positively impact our gender pay gap at partner level and eliminate this pay gap in the longer term.

Mean partner pay gap

30.9%

2022

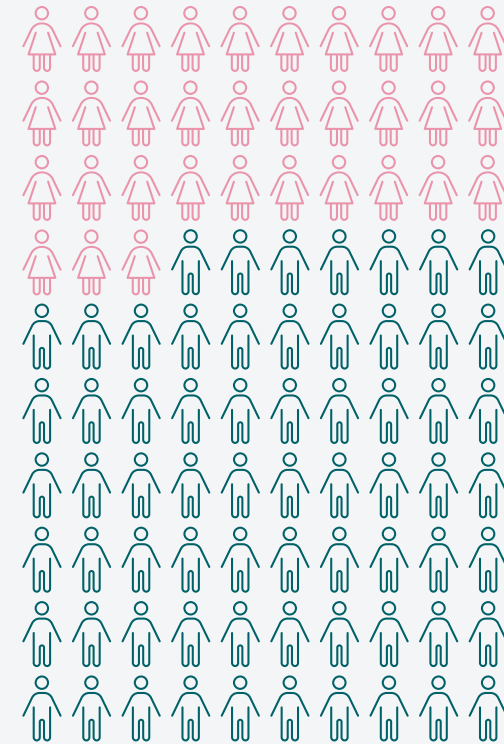
29.1%

2023



Percentage of newly promoted partners who were female 2021/22

33%





# Ethnicity Pay Gap

Our employees voluntarily provide us with their ethnicity data and this report is based on the data provided by 96% of our workforce. Those who have not provided the data are excluded from the data. At the reporting date, 13.6% of our employees were from a Black, Asian or Minority Ethnic background (a decrease from 18.3% last year).

We have broad representation across all four quartiles, although we do have a smaller representation in senior roles (9.7% in the upper pay quartile) and higher representation in our legal assistant and trainee roles (14.9% in the lower pay quartile), which creates our ethnicity pay gap. Given the relatively small number of ethnically diverse employees, any changes can have a significant effect on our pay gap.

We are pleased to see that our mean ethnicity pay gap has reduced again this year, from 11.8% in 2021 to 8.8% in 2022 and 7% in 2023. Our median ethnicity pay gap also decreased from 19% in 2022 to -2% in 2023. This decrease is most likely linked to ethnically diverse talent progressing through the firm. Our legal assistant and trainee cohorts have higher representation of ethnically diverse talent and so, as they progress, this will continue to reduce the disparity between the lower and upper quartiles and positively impact our ethnicity pay gap.

## 2023

	White	Ethnically diverse	Total	Quartile %		Variance to average of 13.6%
				White	Ethnically diverse	
Upper quartile	186	20	206	90.3%	9.7%	-3.9%
Upper middle quartile	170	36	206	82.5%	17.5%	3.9%
Lower middle quartile	183	24	207	88.4%	11.6%	2.0%
Lower quartile	174	32	206	84.4%	15.6%	2.0%
<b>Total</b>	<b>713</b>	<b>112</b>	<b>825</b>	<b>86.4%</b>	<b>13.6%</b>	

## 2022

	White	Ethnically diverse	Total	Quartile %		Variance to average of 18.3%
				White	Ethnically diverse	
Upper quartile	100	16	116	86.2%	13.8%	-4.5%
Upper middle quartile	94	22	116	81.0%	19.0%	0.7%
Lower middle quartile	94	22	116	81.0%	19.0%	0.7%
Lower quartile	91	25	116	78.4%	21.6%	3.3%
<b>Total</b>	<b>379</b>	<b>85</b>	<b>464</b>	<b>81.7%</b>	<b>18.3%</b>	

# Bonus pay gap Freeths LLP

The bonus pay gap for Freeths LLP is 43.1%.

To be eligible for our firm-wide bonus, employees must be employed on a set date. It is not performance related. This year, the number of people within the business receiving a bonus increased from 73% to 82.4%, mainly due to slightly lower recruitment levels in the first half of the year.

Our firm-wide bonus payment is calculated based on firm performance, with all eligible employees receiving an equal percentage share based on their actual salary rather than their full-time equivalent (FTE). Given that 25% of our female employees work part-time, compared to 4% of male employees, coupled with more

women employed in administrative and junior legal roles, creates a bonus pay gap of about 22%. The additional bonus pay gap is attributed to payment of discretionary bonuses.

Discretionary bonuses are paid to individuals achieving performance that is significantly above expected levels. These payments are in addition to the firm-wide bonus payment. Bonuses are approved in principle by the Board and reviewed by our HR team and allocated on a performance basis. At the snapshot date, 59% of those receiving a discretionary bonus were female and they shared 49% by value of the total amount paid in discretionary bonuses. This creates the bonus pay gap for Freeths LLP.

## Ethnicity

Our mean ethnicity bonus pay gap for Freeths LLP increased from 13% to 16% this year. Like the gender bonus gap, the ethnicity bonus pay gap is attributed to the payment of discretionary bonuses.

At the snapshot date, 13% of those receiving a discretionary bonus were ethnically diverse (which is proportionate to our ethnically diverse talent) and they shared 10% by value of the total amount paid in discretionary bonuses. This is a major contributor to our ethnicity bonus pay gap for Freeths LLP.



# Bonus pay gap

## Partners

Our mean bonus partner gender pay gap in 2023 was 43.3%.

All partners benefit where the firm exceeds performance targets, as this is relevant to their partnership share. Therefore, we do not pay a firm-wide partner bonus payment.

However, like employees, discretionary bonuses are awarded to partners for exceptional performance. These payments are reviewed by our remuneration committee and, of the 70 partner bonuses paid this year, 31% were paid to female partners (proportionate to the percentage of female talent) and this equated to

21% by value. This difference between number and value is what gives rise to the mean bonus pay gap.

This is an improvement on last year where bonuses to female partners was 28% by number and 17% by value, which has resulted in a decrease in our partner bonus pay gap from 47.5% to 42.3% and the median has reduced from 25% to 0% compared to last year.



Mean and medium percentages with comparison to 2021\* for full pay relevant employees



**31%**

Percentage of the 70 partner bonuses paid this year to female partners

# How will we close the diversity pay gap?

The last few years have been challenging but have presented opportunities to drive change.

Closing the pay gaps means creating a culture where everyone can succeed in line with their career choices. In relation to our culture, we have invested in our D&I capability and expanded our D&I team, embedded a network of D&I champions in all offices, relaunched our Employee Networks, established a Gender Balance Network and Social Mobility Network, and introduced gender and ethnicity targets for all promotions – all to provide better governance, ownership and ability to drive change.

We have launched a new series of compulsory conscious inclusion training, which is delivered quarterly and in bite-size chunks (at the date of publishing this report, 85% of our employees and partners had completed this training). We are also seeking to engage our people in D&I activities through our firm-wide D&I pledge. Almost half of our people have signed the D&I pledge. Over 1,200 hours have been recorded by colleagues who are actively trying to improve their understanding of D&I through our extensive training hub, or supporting specific projects aimed at diversification within our firm or the wider legal profession, such as mentoring, mock interviews, panel discussions or assisting with work experience.

In consultation with our Staff Networks, D&I team and network of D&I Pledge Reps, we constantly seek feedback about our policies and processes and act as a result. Examples of the actions we have taken in the period to close our pay gaps include:

**1** Continue to monitor and challenge our promotion targets to ensure gender and diversity equality remains a strategic priority. Our aim is that all managing associate, partner, and director promotion shortlists should reflect the eligible application pool. We have seen the impact of this on our partnership profile and we anticipate seeing an increased impact on our pay gaps as talent progresses through the firm.

**2** We have introduced succession planning conversations (which include discussion about D&I) as part of the promotion process with all of Heads of Department and Office Managing Partners. This process is underpinned by individual Check-in conversations between employees and their line managers that cover promotion and career planning.

**3** We have continued our sponsorship and active involvement with the national Women of the Year Awards and sponsor the 'Woman of Edge' award.

# How will we close the diversity pay gap?

**4** Following our inclusive careers pathway survey, we introduced informal drop-in sessions to provide opportunity for employees to talk about the promotion process and get peer lead advice and guidance about our promotion pathway. These run annually and have proved extremely popular and valuable. To build on the success of the drop-in sessions we have launched a careers hub to provide more information about our promotion pathway.

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**5** We relaunched and extended the scope of our mentoring programme to support inclusive career progression, with a focus on encouraging women and ethnically diverse talent to engage with the programmes. In the most recent cohort, we had 32 mentees with 81%

women and 12% being ethnically diverse; 50% asked to be matched with a mentor on grounds of diversity.

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**6** We launched our Leadership Development Programme with Compassionate Cultures to develop future talent; 14 delegates signed up with 57% women and 14% ethnically diverse, which is broadly representative of the talent eligible for the programme.

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**7** Having completed the first phase of our reverse mentoring programme for our Board members (with a focus on ethnicity and gender), we are currently collecting feedback and assessing lessons learned before we complete the final phase.

**8** Increased the visibility of our women's network (NEW), open to both our people and clients. At the reporting date, this network has more than 1,000 members and has plans for further expansion.

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**9** Launched our Gender Balance Network into our Nottingham office and, following its success, this network is transitioning into a national network. This network will provide a safe space to discuss all aspects of gender inclusion and gender parity and help drive change.

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**10** Understanding the importance of role models in the workplace we have linked to events such as International Women's Day and International

Men's Day to educate, inspire and inform our people about some of the challenges faced in the workplace and the role we all have to play in achieving gender parity. We are planning to launch our 'follow my lead' podcast series to showcase the role models within the firm, share their experience and advice and to inspire future generations of leaders within the firm.

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# How will we close the diversity pay gap?

**11** We increased our family friendly benefits to ensure we remain competitive and that we have equity in our benefits. For example, our shared parental pay mirrors our maternity pay to support both parents to take paid time off work when becoming a new parent. With 17% of our workforce identifying that they are the primary carer for children under 18 years of age, we understand the importance of flexibility and agile working for everyone, and our suite of family-friendly policies provides all staff with the flexibility to balance working lives with family and caring commitments.

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**12** Our Menopause Community hosts sessions for all employees to learn more about menopause and how to offer to support for colleagues, friends and family experiencing menopause and peri-menopause symptoms. The network also ran specific sessions for the members about nutrition, food, exercise and wellbeing to support perimenopause and menopause.

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**13** Our Parents and Carers Network, an employee-led network, continues to offer support and advice to our working parents and carers. A key responsibility of the network is to review the support available for working parents and carers and to make recommendations for further activities, support and advice.

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**14** We offered mentoring to those returning from maternity or shared parental leave and we are delighted that 100% of employees due to return from maternity leave in the pay period did return to work.

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**15** We are developing our new HR system to enable us to run real-time D&I data and to track progress robustly.

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**16** We continued our partnership with Birmingham Black Lawyers, 10,000 Black Interns, and the Stephen James Partnership to offer summer internships and mentoring to students from Black heritage backgrounds. These initiatives are directly linked to our talent pipeline and recruitment for

legal assistants/trainees and, over time, they should have a positive impact on our ethnicity pay gap.

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Specifically in relation to recruitment:

**1** Following a review of our recruitment processes with a D&I lens, we have compiled an action plan which includes additional inclusion training for our HR team, introducing inclusive recruitment guidance for all hiring managers, introducing anonymous CVs for all graduate and apprentice recruitment, and engaging our Employee Networks in our graduate outreach.

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# How will we close the diversity pay gap?

**2** Continue using contextualised recruitment data for all graduate recruitment, which hard-wires social mobility metrics into the recruitment process to enable better understanding of a candidate's achievements within their social context. Around 50% of applications to our graduate programmes had more than one social mobility flag compared to an industry average of 35%.

**3** We partnered with Cappfinity to introduce a skills-based and more inclusive graduate recruitment process and offer alternative assessment processes for applicants with disabilities or long-term health conditions.

**4** We continue to offer alternative routes into qualification which combine paid employment with funded exams, such as our school leaver apprenticeship and graduate apprenticeship programmes.

**5** As part of our graduate recruitment strategy, our Graduate Recruitment Manager is focusing on how we can attract more male legal assistants and trainees to help us obtain a better gender balance in these cohorts. In 2023, we saw a slight improvement in this data from 75% female down to 70% female.

**6** We continue our focus on attracting candidates and building a talent pipeline of candidates from diverse backgrounds, including candidates from ethnically diverse backgrounds.

**7** Whilst our recruitment trends in relation to qualified lawyers reflect the external market, this is an area we plan to focus on over the next 12 months, working with recruitment agents on our Preferred Supplier List to actively attract female and ethnically diverse talent to these roles.

We know that it will take time, focus and long-term commitment to eliminate our pay gaps but we are working hard to bring about the change we want to see. We are

encouraged that we are seeing progress in our diversity profile, with an increase in the number of female partners, Board members and a better gender balance in senior roles more broadly. We have also seen an increase in the ethnicity profile of our trainee (25% ethnically diverse) and legal assistant cohorts (17% ethnically diverse). Whilst these changes are a step in the right direction, we know it will take time for these successes to impact our pay gaps and that there is more we need to do. I can confirm that the information reported is accurate.



**Bethan Davies**  
**Risk and Compliance Director**  
**Signing in capacity as the Freeths**  
**Compliance Officer for Legal**  
**Practice (COLP)**

## Awards and accreditations

