

OUR 2023 GENDER PAY GAP REPORT

We are pleased to report that the mean gender pay gap at the firm has reduced by 5.4% from 33% (2022 report) to 27.6%, and our median pay gap has reduced by 3.5% from 46.5% to 43%. Our median bonus pay gap increased slightly from 0% to 2.4% while our mean bonus gap has increased to 21.4% from 13.9% (2022 report). The majority of our bonus pay consists of our annual profit share where all our employees receive an equal profit share. However, our figures are also influenced by other bonus pay, such as participation in our recruitment and client referral scheme and our long-service awards.

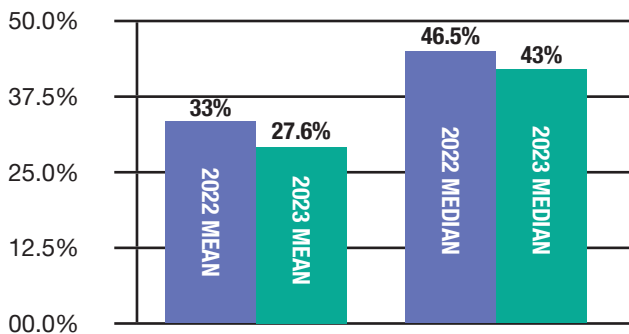
The number of women on our Board remains high at over 50% – this is well above the average female representation on the Boards of FTSE 100 companies which, although improving, is at an average of 42.6% according to data published in the latest report by the government-backed FTSE Women Leaders Review.

Our lawyers are just as likely to be women as men, but the people in our administrative roles are among our lower paid roles. While we are pleased that our gender pay gap is falling, this is the factor that continues to have the biggest impact on our overall pay gap figures.

Our data shows that we are paying men and women equally for doing similar jobs across all levels.

PAY

This table shows our median and mean pay gap based on hourly rates of pay in 2023 compared to 2022. Our gender pay gap figures are calculated in line with Government guidelines, based on hourly pay excluding overtime. This enables us to consider the gender pay gap across our workforce. Hourly pay is the sum of ordinary pay and any bonus pay (including any pro-rated bonus pay) that was paid in the pay period which ends on the snapshot date.



EQUAL PAY

Is being paid the same for the same / similar work

PAY GAP

Is the difference in average pay between two groups in a workforce.

MEAN

The average based on adding up all salaries and dividing it by the number of employees.

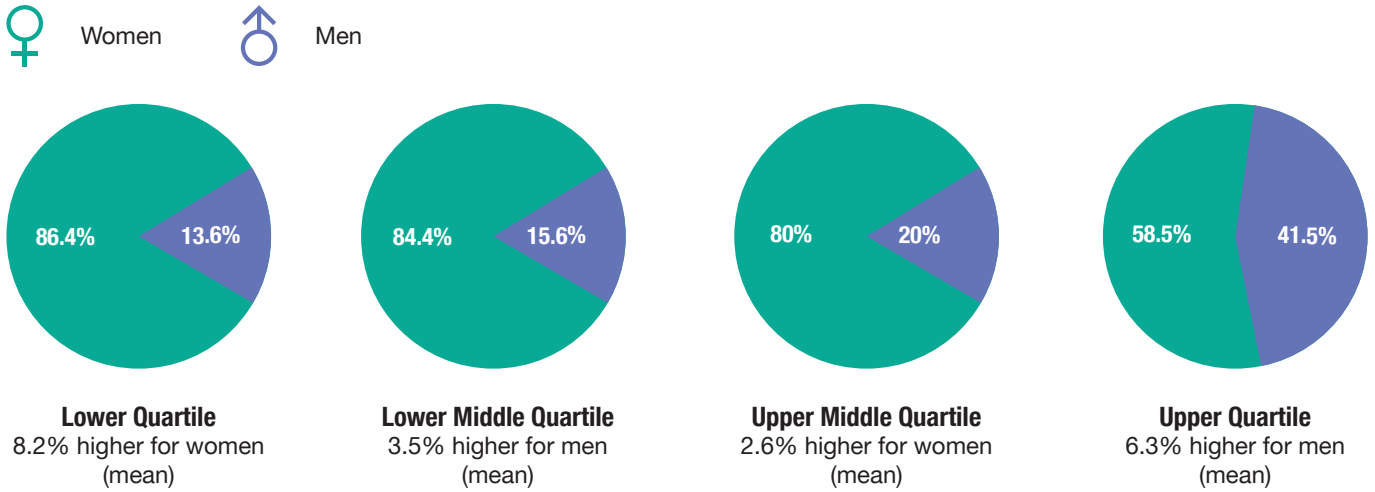
MEDIAN

The average based on the middle salary in the list.



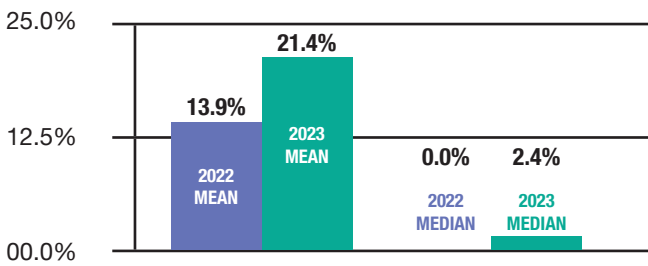
PAY QUANTILES

The charts below illustrate gender distribution across the firm in four equally sized quartiles, and the mean gap between hourly pay for men and women at each quartile.

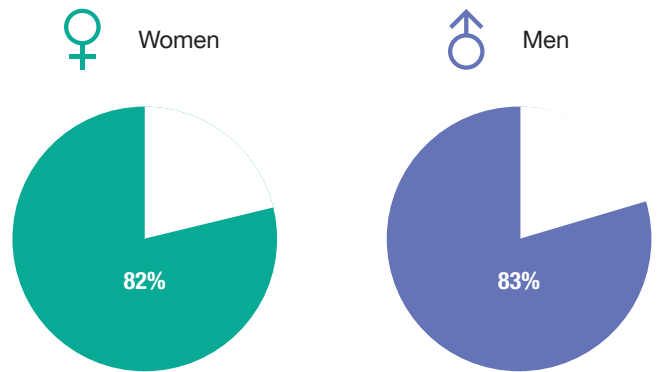


BONUS

The table shows the mean and median difference in the bonuses paid to men and women.



Proportion of men and women awarded a bonus



The above shows an equal number of men and women receiving a bonus in the firm. The eligibility criteria for our profit share are the same both for men and women.

As an employee-owned business, 100% of eligible employees receive an equal profit share (pro rata for part time colleagues). Employees are eligible six months after completing their probation with the firm.



WHAT DOES OUR DATA TELL US?

Our mean and median pay gap has reduced this year.

We have slightly more women than men in our most senior – and highest paid – roles. However, in our other three pay quartiles we have many more women. We have many more junior lawyers who are women than men entering the legal profession through our trainee and apprenticeship programmes. When comparing figures in individual pay quartiles, mean hourly pay is higher for women in the lower and upper middle quartiles, the mean gender pay gap in the lower middle quartile is slightly higher for men at 3.5%, while the upper quartile mean gender pay gap is 6.3% which shows a significant reduction of 9.4% from our 2022 report. We are confident that men and women are paid equally for doing equivalent jobs across our business.

GENDER BALANCE AT STEPHENS SCOWN

At Stephens Scown we value the contribution that all our people make. We were the first large law firm to introduce employee ownership. We ranked for 7 consecutive years in the annual Top 100 Best Companies to Work For – one of the most respected independent measures of employee engagement.

This emphasis on listening and responding to our people has influenced our approach to gender at the firm. Over the last few years, we have introduced a number of changes to our employee package that has improved the experience of our female employees and those who become parents while working at Stephens Scown.

Ways we are tackling our gender pay gap include:

EMPLOYEE OWNERSHIP

Stephens Scown was the first large law firm to introduce employee ownership and the majority of our bonus comes from an equal profit share, on a pro rata basis for part time colleagues, among employee owners. Our profit share is equal, regardless of job role. This means a senior solicitor will receive the same profit share as an apprentice.

Our mean bonus data shows a lower bonus for women, due to a greater percentage of women working part time in the firm. Our people are eligible to join our employee ownership share scheme six months after successfully completing their probation with us.

Our profit share scheme is managed by a group of Trustees who are also employees of the firm. To promote employee voice and continuous improvement, everyone in our firm, regardless of status or background, is empowered to share concerns and ideas. We recently introduced parish sessions for each team with their assigned Trustee representative to collate feedback, which is used to influence strategic decisions regarding improvements to the working conditions and experience of our colleagues.

B CORP CERTIFICATION

We are proud to be a B Corp™ Certified organisation and we recently celebrated our one-year anniversary of becoming Certified.

To achieve the accreditation, during 2022 our Firm went through a rigorous assessment of all areas of our business and the impact we make on our colleagues, our community and the environment.

The Workers section assessed us on the financial security of our colleagues, equality, diversity and inclusion, health and safety, wellness, career development, engagement and satisfaction, and our participation in employee ownership. A year on from becoming B Corp, we have reviewed and switched our pension provider to offer a better return on investment to our colleagues and enable our people to choose more ethical funds to invest in for their future and improve our pension green credentials.

FAMILY FRIENDLY POLICIES

Our flexible working is open to all and ensures that our colleagues who are caring for children or relatives who are elderly or unwell are able to balance their work and home lives. In the last year we have approved 100% of formal flexible working requests from our colleagues without any amendments.

We have enhanced maternity and paternity packages, as well as providing additional support for female colleagues before, during and after their maternity leave.

We have fully embedded our hybrid working model into our culture which forms part of our vision for the future. Our ‘the Best of Both Worlds’ of remote and office working helps us to make the most of the advantages of working remotely and working in the office.

TRAINING AND DEVELOPMENT

We support and develop our people, with training courses and mentoring for our future leaders. Recently we have introduced a new Associates Forum to provide further development for our next generation of partners.

Training and development is offered to all lawyers and business support colleagues, and across all levels of the business equally. Our Mentoring Programme is available to both legal advisors and support staff, enabling our experienced colleagues to share their knowledge and experience with those looking to develop their personal and professional skills.

We continue to make improvements to our appraisal process to ensure fairness and consistency in supporting the development of our legal advisors. Our line managers took part in our appraisal training for appraisers to further support the development of both our leaders and colleagues.



TRAINING CONTRACTS

Our trainee recruitment policy is inclusive, accepting applications from a range of different degrees and not exclusively law degrees. We do not set a minimum grade classification to apply and all applications are manually assessed before candidates are invited to an assessment day. Our assessment day is crafted to ensure that there are tasks tailored to suit a diverse range of personality types, in recognition of both diversity and inclusivity. We also provide a growing apprenticeship offering, ranging from level 2 qualifications, up to level 7 in our legal and support teams.

Our training team consists of Partners from a range of different backgrounds and legal teams who oversee the training journey. They meet on a monthly basis to ensure our programme is current, relevant and progressive. The training team conducts biannual appraisals with our trainee solicitors to ensure they are developing the skills they need for a bright future.

PROMOTION AND RECRUITMENT

Several of our partners and managers work on a part-time basis and we work hard to ensure there are no barriers to promotion for part-time workers. Similarly, we are ensuring there are no barriers to women reaching full equity partner status in the firm. In 2023, we had seven women reaching Associate level in the firm and four women being promoted to Salaried Partner. Previously, all our Partners, Team Leaders and Directors took part in values and behaviours training, which included looking at ways of eliminating unconscious bias. Team Leaders undertook training on facilitating the transition to a flexible new, hybrid model of remote and office-based working. Our promotions criteria for Associate, Salaried Partner and Equity Partner provide transparency and clarity in setting expectations for legal advisors looking to advance their careers ensuring all lawyers in the firm have equal opportunity to develop and progress.

Our Equality, Diversity and Inclusion strategy is currently very high on the agenda. In 2022, we surveyed our colleagues to gauge their perception of this area in the firm and we formed an action plan based on findings. In 2023, 58% of our colleagues engaged in our bi-annual diversity survey. Raising awareness of the diversity issues and making improvements to the ways we collate our data resulted in a much higher engagement rate this year than in previous years.

We are currently looking at ways to improve our diversity data and its use to inform our Equality Diversity and Inclusion agenda going forward.

Our recruitment advertisements are inclusive, inviting candidates from all backgrounds and abilities to apply for our roles.

We provide a raft of physical and mental wellbeing support, including menopause support.

PAY REVIEWS AND FINANCIAL BENEFITS

We ensure there is no bias in pay reviews, and in setting pay for different roles we look at all factors, including external factors and market rates for each role.

We had two pay increases in a 6 month-period, which included a cost-of-living payment to support colleagues with the cost-of-living crisis.

In 2022, we reviewed the pay for our colleagues based in Devon and Cornwall to close the pay gap between the counties. Further, in May 2023 we reviewed pay of our junior lawyers to ensure fairness and consistency in remuneration across all levels of experience in the firm.

Stephens Scown is committed to the Living Wage Foundation principles, as well as providing a cost-of-living payment which helped ease financial worries during the recent financial crisis. In addition to the above, the Firm offers a wide range of other financial benefits, including: enhanced pension contributions, private medical insurance, life assurance, enhanced maternity and paternity pay, enhanced sick pay, cycle to work scheme, long service awards, reduced fees for legal services and a recruitment referral scheme. This year, we introduced significant increases to the amounts paid in respect of recruitment referrals made by our colleagues.

SUPPORT

The firm has a comprehensive range of initiatives to support our employees' mental health and wellbeing. We continually look to improve mental wellbeing in our workplace through a range of activities. We continue to offer mental health training for managers, free counselling sessions and an Employee Assistance Programme for colleagues who need extra support.

In 2023, we reviewed our Compassionate Leave policy to extend our support to a wider group of colleagues, recognising modern family models and structures.



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