



Charles Russell Speechlys Gender and Ethnicity Pay Gap Reporting 2023 / Published 2024 (UK)

Published April 2024



Introduction

At Charles Russell Speechlys we take our approach to Diversity, Equity, and Inclusion seriously.

As a Firm, we understand our collective and individual responsibility in ensuring we cultivate a culture of inclusion and belonging. This is not something we do in isolation, it is at the heart of our ambitious growth strategy, it is led from the top of the Firm with our Senior Partner and Managing Partner chairing a group made up of several senior leaders from across the Firm.

We recognise that diversity of experience and perspective drives creativity and equips us to deliver the best and most innovative solutions for our clients. An inclusive approach allows us to attract and retain the best talent to the Firm and meet the needs of a diverse range of clients.

Our work this year on Diversity Equity & Inclusion (“DEI”), has driven our commitment and impact on culture, our people have risen to the challenge. We have co-created our restated values and behaviours, discussed what living our values means to us, and how we create inclusive working environments.

Whilst we take an intersectional approach to DEI, key areas of focus for us are gender balance and increasing diversity in terms of race and ethnicity.

We are signatories to the ‘Law Society’s Women in Law’ Pledge which was created in collaboration with the Bar Council for England and Wales and the Chartered Institute of Legal Executives to bring gender equality to the forefront. As part of this commitment, we share our target for gender representation. In 2021, we set ourselves an ambitious target on gender representation in our UK Partnership of 35 % by 2024. In November 2023 we reached 34% female representation in our UK Partnership. Once the 35% target is achieved, which we expect to reach during 2024, we will continue to set challenging but achievable targets and hold ourselves to account.

This year, we have signed the Rare Race Fairness Commitment which aims to achieve fairness at work for people of all ethnic backgrounds – so everyone has an equal chance to succeed. This helps to identify



actions which will improve retention and progression, as well as recruitment over time. This builds on the work we are doing in our Early Talent recruitment, using Rare's contextual recruitment tool to allow us to better understand the candidate's achievements and to spot exceptional talent.

It also assists in broadening access to the profession and increasing the diversity of our early talent. We are working towards ensuring a pipeline of diverse talent for the Firm, whilst also focusing our efforts on retaining that diverse talent for our future.

This year, we report on our pay gap data as at 5 April 2023 (reported 2024). However, as explained in previous years, we will experience fluctuations and volatility in our pay gap and ethnicity pay gap for some years to come.

We are confident there is fairness and parity in the application of equal pay. Our pay gaps are attributable to a combination of factors including our regional pay structure, the gender split across our population (women make up 65% of the Firm (including Partners), they hold 72% of business support roles, and the majority of people who work part-time at the Firm are women), which impacts the bonus figures which are calculated based on the amount paid rather than the full-time equivalent. These factors are explained further in our report. We have also included details of the actions we are taking to address our pay gaps and approach to DEI.

Our data (mandatory publication requirements)

All data is as at 5 April 2023

Employees only

The difference between men and women

	Mean - April 23	Mean - April 22
Hourly Rate of Pay	16.9%	20.5%
Bonus	52.4%	51.3%

	Median - April 23	Median - April 22
Hourly Rate of Pay	32.9%	20.5%
Bonus	57.6%	26.3%

	Male	Female
Individuals who received a bonus who are on Part- Time Working Arrangements	4.7%	23.7%

It should be noted that bonus awards are based on salary, therefore, if we have a pay gap, we will also have a bonus gap. The level of the bonus gap is also affected by the way in which the regulations require us to report - bonuses are reported on the amount paid rather than full time equivalent arrangements. The bonus gap on a median basis fluctuates and is impacted by the fact that we have more women than men receiving a bonus so that the median bonus for men is at a higher level than the median bonus for women.

For this reporting period, 19% of individuals awarded a bonus are part-time employed, and of those receiving a bonus, there are more women on part-time arrangements than men. This makes the bonus gap appear wider as the figures reflect the actual amount paid rather than the full time equivalent.



Pay Quartiles (Employees Only)

The quartiles split our employees into four equal groups ranked from the highest to the lowest rate of pay and show the relative percentage of each gender in those groups. As women make up 65% of the Firm, we would expect them to make up most of each quartile.

Pay Quartiles	Male	Female
Upper Quartile	39.4%	60.6%
Upper Middle Quartile	36.2%	63.8%
Lower Middle Quartile	23.7%	76.3%
Lower Quartile	21.2%	78.8%

Proportion of women and men awarded a bonus in 2022/2023

	Male	Female
Proportion of women and men awarded a bonus in 2022/2023	53.5%	46.6%



Our data includes Partners of the Firm

Although the regulations do not require us to report on our Partner pay, we are including these figures in the interest of transparency.

We have calculated these figures using the principles written by the UK Government to calculate our gender pay figures. The way our Partners are remunerated is different from our employees.

To compare hourly rates, we have calculated the hourly rate for Partners based on their full-time equivalent earnings for the 2022/2023 financial year.

Hourly Rate or Pay	Mean	Median
Partners and employees*	53.2%	39.7%
Partners only	24.4%	35.6%
All employees	17.2%	33.0%
Fee earning employees	11.4%	6.8%
Business services employees	20.3%	22.8%

Role	Mean difference in hourly rate of pay
Trainee Solicitors	-7.3%
Associates	3.7%
Senior Associates	3.2%
Legal Director	5.8%
Prior Share Equity Partner	-11.2%
Full Share Equity Partner	17.0%



Why do we have a gender pay gap?

The effect of demographics

The pay gap primarily reflects the demographics of our Firm. Women make up 65% of the Firm (including Partners) and hold 72% of business support roles.

We remain confident our people are paid equally for doing equivalent roles across the Firm, irrespective of gender. This is supported by further analysis of our data - if we break down the data into specific employee groups, the pay gap reduces significantly and, in some cases, reverses in favour of women, as shown in the table to the right.

The effect of regional variation

Another reason for our gender pay gap is that we have a higher proportion of women in our regional UK offices. Salaries outside of London are generally lower due to market forces which impact our gender pay gap as a Firm.

The table below supports this theory and illustrates that our gender pay is positive in favour of women in some roles/offices, and the gap narrows when looking at each office in silo.

	Mean			Median		
	London	Guildford	Cheltenham	London	Guildford	Cheltenham
Trainee Solicitors*	0.5%	-3.8%	-1.1%	0.0%	-0.3%	-1.8%
Associates	2.9%	-2.0%	-1.6%	6.2%	-3.6%	3.6%
Senior Associates	4.1%	2.6%	6.1%	1.9%	1.9%	10.4%

* The difference in pay gaps across offices reflects the impact of the gender demographic of the trainee cohorts and highlights the impact of demographics on the pay gap. All our Trainee Solicitors are paid the same salary which is only differentiated based on location and whether they are in the first or second year of training.



The effect of changes in employee and Partner populations

Each year we expect these figures to fluctuate due to turnover, promotions, and growth in both our employee and Partner populations.

The impact of this is that our mean and median pay gap figures have fluctuated across both the employees and Partner figures, with the greater impact being on the Partner pay gap.

Our gender pay gap hourly pay rate has decreased due to an increase in the proportion of females in the upper and upper middle pay quartiles, and an increase in the number of males in the lower and lower middle pay quartiles.

The hourly pay for both men and women has gone up in the past year. However, women have seen more of an increase than men, which has subsequently decreased the gap.

Slight changes in the Partner population have a noticeable impact on our figures due to the size of that population.



Ethnicity Pay Gap

Although not within the scope of the regulations, this year we are again reporting our ethnicity pay gap. We have calculated these figures using the same principles for our gender pay gap figures.

Our data

When calculating the ethnicity pay gap, we took guidance from the office of national statistics' definition of Ethnic Minority, which includes Partners and Employees who have reported their ethnicity as Black, Asian or minority ethnic.

The figures below show the pay gap and are based on the 87% of people who have recorded their ethnicity.

Hourly Rate or Pay	Mean	Median
Partners and employees*	38.4%	23.2%
Employees only	4.7%	2.8%
Partners only	32.7%	35.8%

*The way our Partners are remunerated is different from our employees. To compare hourly rates, we have calculated the hourly rate for Partners based on their full-time equivalent earnings for the 2021/2022 financial year.



Why we have an ethnicity pay gap

Our ethnicity pay gap is impacted by the fact that our minority ethnic population is relatively small, meaning that it can disproportionately and significantly impact on our pay gap figures.

In a similar way to our gender pay gap analysis, if we break down our ethnicity pay gap data into specific employee groups, the pay gap reduces in most cases, as shown in the table below:

Role	Mean difference in hourly rate of pay
Trainee Solicitors*	-11.9%
Associates	0.1%
Partners	32.6%

* The pay gap at the Trainee Solicitor level highlights how a small population can have a disproportionate and significant impact on pay gap reporting. All our Trainee Solicitors are paid the same salary, which is only differentiated based on location and whether they are in the first or second year of their training contract.

This indicates that the primary cause of our ethnicity pay gap is a lack of diversity in senior roles. Details of the various ways we are looking to address this are shown in the final section of the report.



Our approach to Diversity, Equity, and Inclusion (DEI)

Building a diverse workforce and fostering an inclusive workplace environment to enable diversity of thought and drive excellent service for our clients is at the heart of the Firm’s strategy. We want everyone to feel valued, respected and supported to build their careers at the Firm.

Our Future Firm Group (FFG), chaired by the Firm’s Managing and Senior Partners, is responsible for devising and delivering our DEI Strategy.

The FFG is focused on five key strands and how they relate to each other:

- Disability and neurodiversity, Mental Health and Wellbeing and Working Families and Carers
- Gender
- Sexual Orientation and Gender Identity
- Race, Religion, Belief and Ethnicity
- Social Mobility

Over the last year, the FFG has created Action Plans in relation to these strands and is launching our DEI Strategy which will be informed by these and focus on embedding inclusion across the Firm.

Actions over the last year towards narrowing our Gender and Ethnicity pay gaps through attraction, promotion, and retention:

As part of our strategic work to improve the gender balance within the Firm’s leadership, we have signed the Women in Law Pledge with the Law Society and have continued to measure our progress towards targets. This year, we are on track to meet our targets of 35% female representation in our UK Partnership by 2024 and 30% female senior leadership by 2025.

Listening to what our people value has led us to some significant changes and improvements to policies and ways of working this year. Working agilely and flexibly helps our people to balance their personal commitments and maintain their wellbeing whilst still meeting the needs of our clients.

Refreshing and enhancing provisions within our family friendly policies and recognising that families and circumstances are different provides flexibility to our people to support parents and carers of all genders. This has included increasing our paternity/



partner leave to 12 weeks, offering greater flexibility under shared parental leave, and supporting parents and carers returning from leave.

We have introduced a whole suite of reproductive health policies, including a menopause policy, showing our commitment to supporting our people when they need it most.

We have refreshed our mentoring and reverse mentoring schemes to foster an inclusive culture in which we learn from each other, creating opportunities for people to share different perspectives and lived experiences.

As part of our work to increase the diversity of our workforce in terms of race and ethnicity, we work with Rare. We use Rare’s contextual recruitment tool in our Early Talent recruitment to enable us better to understand the context of candidates’ achievements and to spot exceptional talent and potential. We have also signed Rare’s Race Fairness Commitment, the

stated aim of which is to achieve fairness at work for people of all ethnic backgrounds. It is enabling us to identify and take meaningful steps to improve retention and progression for people from Black and minority ethnic backgrounds.

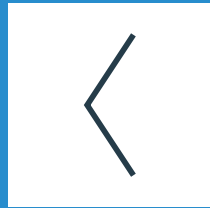
We continue to work to recruit from a diverse talent pool including through partnerships with 10,000 Black Interns, Aspiring Solicitors and through our flagship Social Mobility programme to support students from a lower socio-economic background, Career Start.

We are pleased that our work in this space has been acknowledged by industry leading bodies. We ranked 37th in the Social Mobility Employers Index 2023, in recognition of our efforts in this area. This year, the Firm ranked 32nd in the 2023 Stonewall Equality Index, and our LGBTQ+ Network were awarded a Highly Commended Network award to recognise their hard work and engagement.

We recognise that there is more that we can do and are ambitious for what we can achieve to further embed DEI best practice into the Firm.



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