



ReedSmith

Driving progress
through partnership

Gender

pay gap report

2022/23

Foreword

At Reed Smith we recognise and appreciate the power of diversity. We know our ongoing success depends on our ability to innovate and to do so we rely upon the diversity of thought within the firm. Creating and maintaining an inclusive environment for all at the firm and all potential new candidates is therefore business critical for Reed Smith.

Thanks to the hard work of everyone at the firm and our inclusive policies that encourage individuals to reach their full potential, we had another hugely successful year in terms of global revenues and profits.

This year's pay gap report reflects our current position on the path to achieving a fully egalitarian environment for everyone at the firm – something in which we are seriously invested.

This year, we are pleased that the mean gender pay gap has decreased, which reflects the firm's longstanding commitment to achieving gender equality.

We are also pleased to see that women are moving through the ranks into more senior and higher-earning positions. There is a lower proportion of women in the lower pay quartiles and a greater proportion of women in the highest pay quartile compared to last year.

Women also now represent more than half (52%) of the upper pay quartile.

We believe these changes are a direct result of the numerous programmes and initiatives we have in place to remove the barriers that stop women from achieving their full potential and encourage them to develop and advance to the most senior and highest paid positions in the firm.

For the fourth year running, we have chosen to report our ethnicity pay gap. We have also once again gone a step further than the legal requirements by reporting our disability pay gap figures, for the third year running. These efforts underline our continued commitment to transparency for all areas of diversity, equity and inclusion.

While we are proud of the progress we have made, we know there is much work to be done and will not stop until we achieve our goal of complete parity for all at the firm.



Tamara Box
Managing Partner, Europe
and Middle East

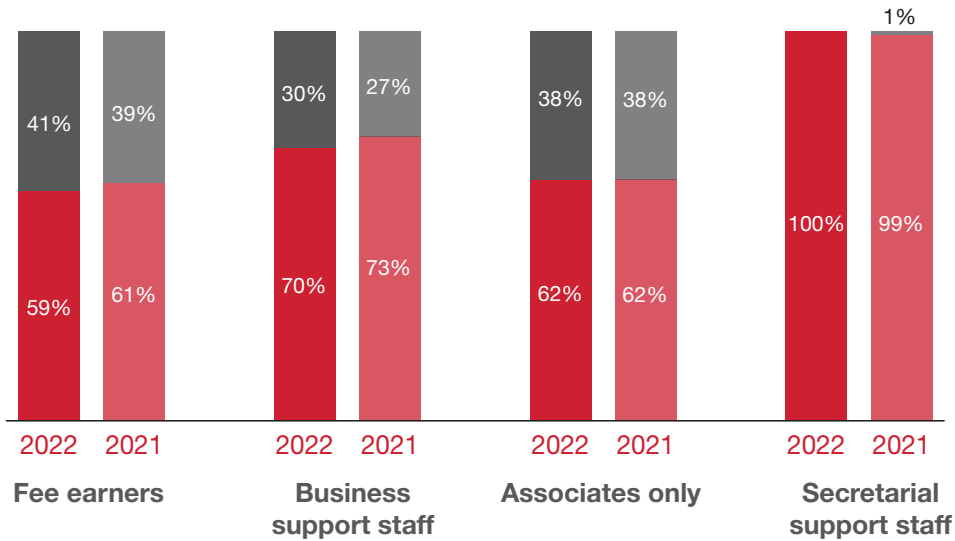
About Reed Smith

Reed Smith is a dynamic international law firm dedicated to helping clients move their businesses forward. We know our people are our biggest asset and we are determined to attract people from the widest pool possible to enhance the diversity within the firm. Greater diversity improves our ability to innovate and to provide the best possible service to our clients. Diversity is business critical for the firm and we take it very seriously.

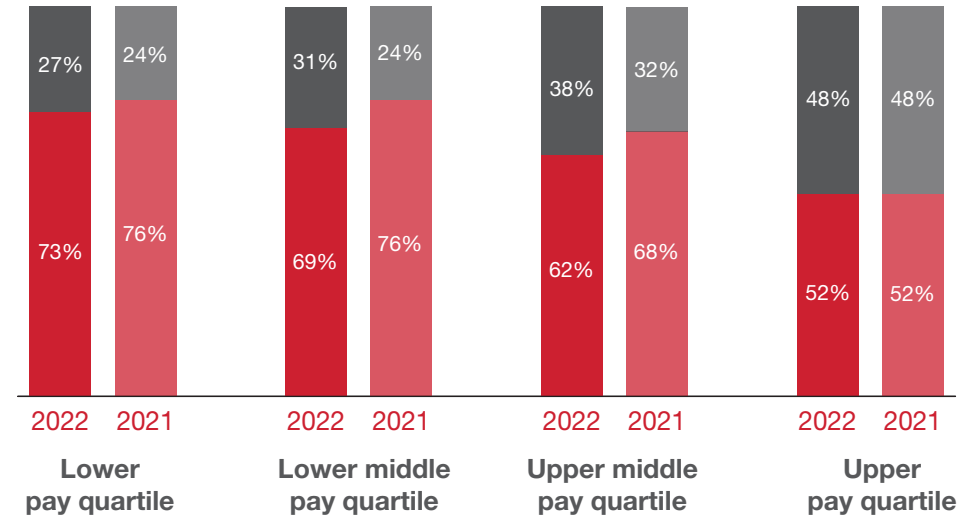
We monitor our diversity statistics across the entire firm to ensure that we are utilising the best talent possible in every one of our 31 offices. Our London and Leeds offices are the only ones that fall under the UK regulations for gender pay gap reporting in this reporting period and so only they feature in this report.

Statutory data

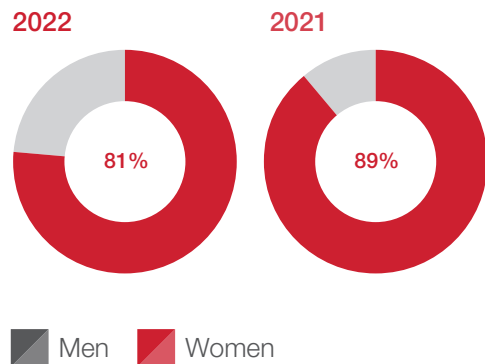
Gender split by job responsibility



Gender split by quartile



Proportion of women receiving a bonus



The proportion of women receiving a bonus has decreased by eight percentage points since last year. This is because there was a smaller pool of women compared to last year and the proportion that were eligible for a bonus decreased this year due to hiring dates.

“We monitor our **diversity statistics** across the entire firm to ensure that we are utilising the **best talent possible** in every one of our 31 offices.”

Men Women

Statutory data

Mean and median pay and bonus gaps

The gender pay gap is the difference between the average hourly pay for all male and women employees. It does not compare pay for men and women in the same or similar roles; rather, it measures the gap between all men and women in staff roles.

The mean gender pay gap has decreased since last year. This reflects the firm's longstanding commitment to achieving gender equality. We have numerous programmes and initiatives in place to remove the barriers that stop women from achieving their full potential and encourage them to develop and advance to the most senior and highest paid positions in the firm.

The mean and median bonus pay gaps have increased this year.

Mean gender pay gap (staff) has decreased from **24.3%** to

20.2%

Median gender pay gap (staff) has increased from **43.1%** to

44.7%

Mean gender bonus gap (staff) has increased from **40.1%** to

50.7%

Median gender bonus gap (staff) has increased from **50.9%** to

61.8%

Understanding our results

Reed Smith is committed to the principle of equal pay for all employees; remuneration and conditions of employment are constantly monitored to ensure that they are non-discriminatory and free from gender bias. We are not satisfied with the current gender pay gap, and we are actively working to achieve greater equity throughout the firm. We have reported on hourly pay, as defined in the UK regulations for gender pay gap reporting, for the mean and median pay gaps and pay quartiles.

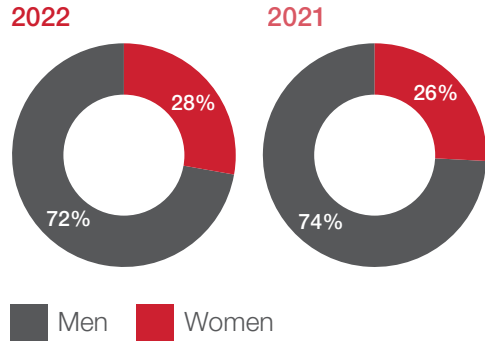
Findings from this report

- The mean gender pay gap has narrowed since last year.
- The firm has numerous talent programmes designed to ensure that an equal proportion of the most senior roles at Reed Smith are populated by women. It is vitally important to the firm that we are encouraging and supporting our women to move up through the ranks. The increase again this year in the percentage of women in the highest pay quartile attests to the continued success of those programmes.
- The proportion of women leads that of men not only in the lower pay quartiles but also in the upper middle and upper pay quartile.
- Although we have 100 per cent women in the team of secretaries, we continue to review the role in order to make it more attractive to candidates of all genders.



Our partnership

Gender split of men and women partners



Men Women

Mean gender pay gap (partners) has increased from 13% to

24%

Median gender pay gap (partners) has decreased from 25% to

14%

“Half of the 2022 partner promotions in London were women.”

As partners are considered owners and are compensated in part on the profitability of the firm in any given year, the uncertainty of their remuneration led the regulators to exempt them from the statutory requirements. But since they are an integral and essential part of our business, we wanted to report any gender pay gaps that may be revealed in an analysis of their pay and bonuses.

There is an increase in the mean gender pay gap this year due to the successful promotion of more women into junior partner positions. Half of the 2022 partner promotions in London were women. Over time we expect that more women partners move into more senior positions, which should narrow the gap. The median pay gap has narrowed.

Reed Smith has long recognised the advantages of having a diverse group of leaders; 50 per cent of our most senior leadership roles, including the role of global managing partner, are held by women. We know that gender equality brings benefits in innovation, teamwork and aspiration, as young women see women in leadership positions as role models and as career options for themselves. We think gender parity is one of the keys to future-proofing our business.

Of course, all of our partners are leaders; for this reason, we have more work to do to reach the balance for which we are striving. We have in place many programmes aimed at bringing more women into the partnership, and particularly into the equity partnership, so that women and men can share equally in decision-making roles. Currently the percentage split of men and women in the partnership is still in favour of men but we are gradually closing the gap.

Combined gender pay gap for our partnership and employees

For the second year running, we are reporting the gender pay gap of the entire London and Leeds offices, including partners, associates and business services staff. This data is not required by the regulations, since partners are specifically exempt for reasons stated previously. However, in the interests of transparency we are reporting this combined gender pay gap figure to help us see a broader picture of our progress toward gender equality.

Mean basic pay gap (all staff and partners) has stayed the same at

48%

Median basic pay gap (all staff and partners) has decreased from 57% to

52%

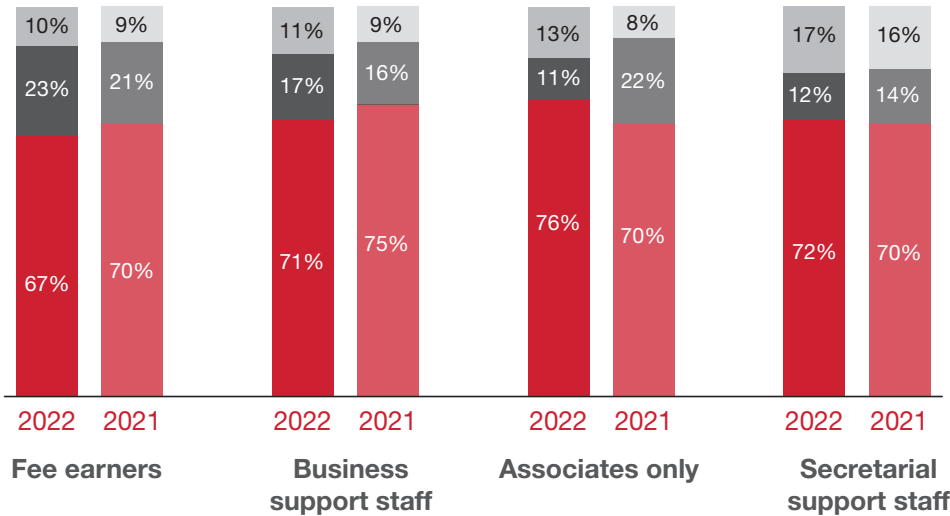
“Reed Smith has long recognised the advantages of having a diverse group of leaders...”

Ethnicity pay gap

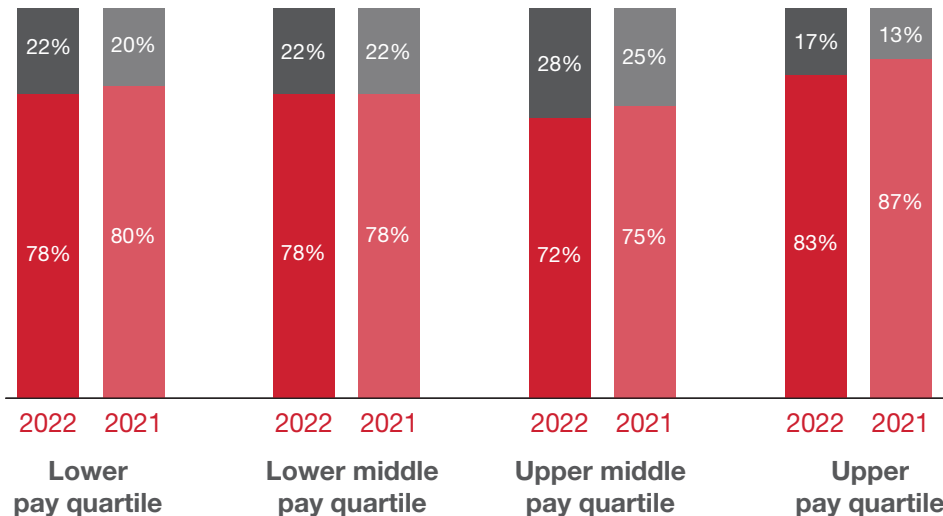
We continue to go beyond the legal requirements by reporting our ethnicity pay gap. We appreciate that issues around diversity must be addressed from all angles and we want to ensure that we are being as transparent as possible with the data that we collect. It permits us to be strategic in how we address the issue and seek to close the gaps that exist.

With 89% per cent of all staff and partners declaring their ethnicity to the firm, we are very pleased to have such a high voluntary declaration rate. This is due to an internal campaign that we launched in 2019 in order to improve the accuracy of the data we collect.

Ethnicity split by job responsibility



Ethnicity split by quartile



Unknown Ethnic minorities White

“With **89%** of all staff and partners declaring their ethnicity to the firm, we are very pleased to have such a high voluntary declaration rate.”

Ethnicity pay gap

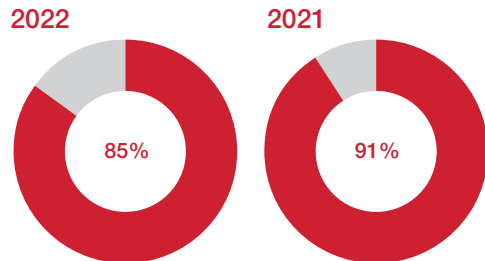
This year both our mean and median ethnicity pay and bonus gaps have decreased due to the ongoing work Reed Smith is doing to improve equity for all at the firm. We have several programmes and initiatives in place to remove the barriers that stop ethnic minorities from achieving their full potential and encourage them to develop and advance to the most senior and highest paid positions in the firm.

The proportion of ethnic minority staff receiving a bonus decreased by 21 percentage points. This is because there was a smaller pool of ethnic minority individuals compared to last year and the proportion that were eligible for a bonus decreased this year due to hiring dates.

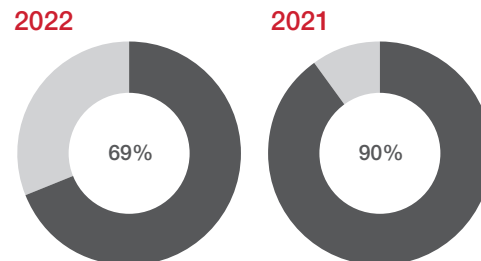
Ethnicity pay gap (staff)



Proportion of white staff receiving a bonus



Proportion of ethnic minority staff receiving a bonus



Ethnicity pay gap

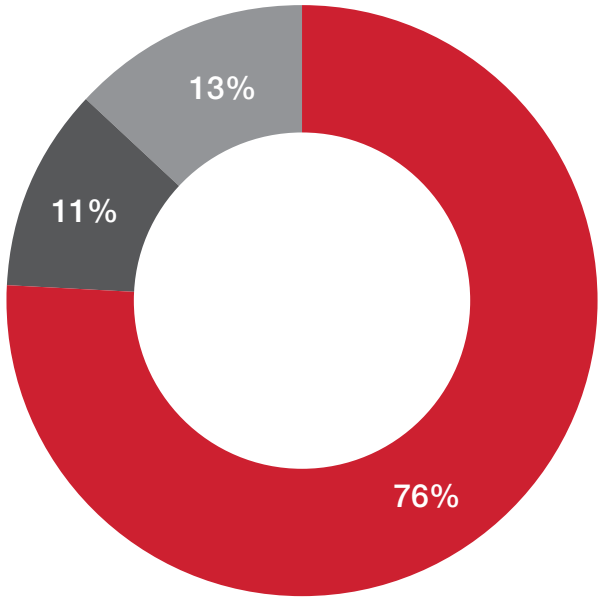
Ethnicity pay gap (partners)

Mean ethnicity basic pay gap (partners) has decreased from 13% to **-8%**

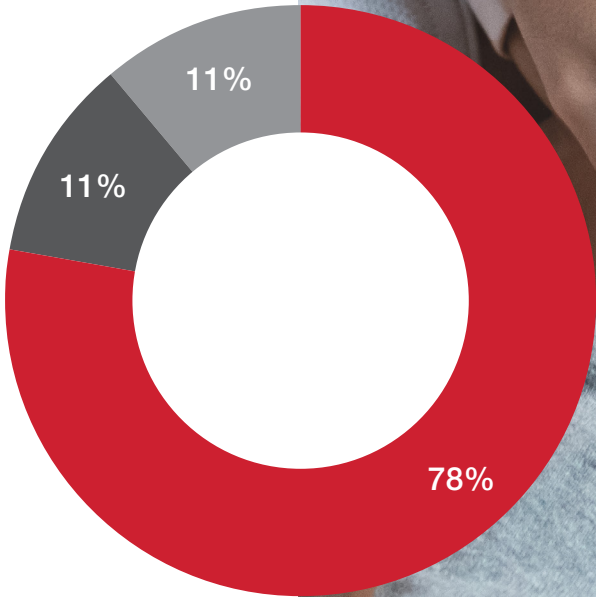
Median ethnicity basic pay gap (partners) has decreased from 10% to **1%**

Ethnicity split of partners

2022



2021



Unknown Ethnic minorities White



Disability pay gap

This year we have again decided go a step further in our reporting by providing our disability pay gap figures as part of our continued commitment to transparency for all areas of diversity and inclusion. The reported figures are impacted by the low representation of employees reporting a disability. On a positive note our declaration rate is 77% of which there are 3% of employees declaring a disability.

Mean disability pay gap (staff and partners) has increased from 10% to

13%

Median disability pay gap (staff and partners) has increased from 6% to

30%

Mean disability bonus pay gap (staff and partners) stayed the same at

25%

Median disability bonus pay gap (staff and partners) has decreased from -26% to

-81%

In 2022 a greater proportion of the firm's employees declared not having any disabilities, increasing the non-disabled population while the disabled population headcount remained nearly the same. This has caused the widening of the firm's mean and median disability pay and median bonus pay gaps.

Without 100% disability declaration rate we do not know the true disability pay gap at the firm.



Our **commitment** to closing the gap

What is Reed Smith doing?

We believe that diversity, equity and inclusion should align with a business's core objectives and be central to every aspect of a business to be successful and sustainable.

We have cultivated an inclusive working environment where we value, reward, respect and celebrate everyone's differences, hiring the very best talent, which makes us a stronger workforce and leads to the best results for our clients.

Our mission is focused on the recruitment, retention, promotion and professional development of our diverse talent. We are transforming our culture through "tone at the top" messaging and innovative programming focused on inclusive behaviour and actions.

Our **commitment** to closing the gap

The practice of law has the power to drive progress. We practice law, but driving progress is why we do it. Progress is our mantra, our purpose; it's at the heart of everything we do.

Our firm has a responsibility to lead the way for positive change, to generate best practices that are an example to our industry, and instill pride in every person who works here. Our mission is simple: To deliver opportunity to everyone. We call it All Rise.

Our DE&I program delivers on our ambition and commitment to take our place as a standard-bearer in the industry by leaving no stone unturned in delivering a just, fair and equitable working environment for all.

It is not enough for one of us, or some of us, or even most of us, to succeed. We will never stop working on this goal until all of us can succeed without exception. We will deliver opportunity to everyone – whoever or wherever they are.

All seen. All heard. All valued. All included. All Rise.

“...we value, reward, respect and celebrate everyone's differences...”

- We are committed to supporting our working parents and carers to effectively balance their work and home life. In 2021, we launched a firmwide remote working policy that enables our people to work both from the office and remotely. The number of days spent in the office is dependent on the individual's role at the firm.
- In 2021 we launched our Family Network initiative, which helps our people through all stages of life, from inclusive family planning and childcare (ages 0-18) through retirement planning and elder care.
- We continue to encourage greater uptake of shared parental leave and we have an active Parental Networking Group.
- In our latest round of partner promotions in London, 38% were women.
- Racial Equity Action Plan – in October 2020 to improve racial and ethnic diversity in the workplace, Reed Smith formalised its Racial Equity Action Plan (REAP) by creating specific benchmarks for hiring, retaining and promoting Black lawyers and for advancing pro bono initiatives impacting the Black community – all designed to deconstruct barriers to equity in the legal industry and in our communities.
- For the fifth consecutive year since the launch of the Mansfield Rule, Reed Smith has achieved Mansfield “Certified Plus” status, which requires that a firm reach at least 30 percent diverse lawyer representation in a notable number of their current leadership roles and committees.
- Reed Smith is a founding member of the Reignite Academy, a collaboration between six City law firms to enable career-break lawyers to return to private practice. Founded in June 2018, the project was driven by a desire to take practical steps to address the lack of women at senior levels in law firms by tapping into the potential of experienced lawyers who are ready to return after a career hiatus.
- Reed Smith's 2022 Diversity Summit – in October 2022, we hosted our sixth annual Diversity Summit. The summit was hosted online and focused on how to motivate, mobilize and support everyone to deliver more equitable and inclusive outcomes across the legal profession. We were delighted that there were over [900] attendees that included our clients and all Reed Smith personnel.
- We continue to support our staff through a number of Business Inclusion Group (BIGs), which are open to all staff, not just lawyers. These groups, which include LEADRS (disability), PRISM (LGBT+) and the Multicultural Network (BAME), are in addition to the Women's Initiative Network of Reed Smith (WINRS) and our strong focus on social mobility. We have deliberately taken a broad interpretation of diversity and tried to apply focus on often-neglected strands. For example, we were one of the first firms to set up a support group for disability.
- We continually review our approach to recruitment to ensure we are receiving as diverse a pool of applicants as possible. We continually widen our university outreach programme which has led to an increase in the number of applications and successful offer of training contracts to women.

Accolades in 2022



The firm was named on **Bloomberg Law's 2022 DEI Framework** list, which assesses law firm performance against a set of DE&I criteria including demographics, leadership and talent pipeline, recruitment and retention, business innovation and strategy, marketing and diversity and inclusion in the community.



Reed Smith was named a **2022 Inclusion Blueprint Champion** by **Diversity Lab**, an incubator for innovative ideas that boost diversity and inclusion in law through data and behavioral science.



In 2022 Reed Smith was for the eleventh time ranked by the **Women in Law Empowerment Forum** as 'Gold Standard Certified' for its long-standing commitment to women's career advancement, and diversity and inclusion.



The firm earned a perfect score for the ninth consecutive year on the **Human Rights Campaign Foundation's 2022 Corporate Equality Index**, a national benchmarking survey and report on corporate policies and practices related to LGBTQ workplace equality.



Reed Smith won two categories at the **2023 Women and diversity in Law Awards**:

- Gender initiative of the year
- Law firm leader of the year – Tamara Box



Tamara Box, Reed Smith's EME managing partner, was for the sixth year running named in the **2022 HEROes Women Role Model** lists and named in the **WeAreTheCity Top 50 Trailblazers in Gender Equality** list.

Views from within the firm

Margaret Campbell, partner and Reed Smith's UK chair of WINRS:

“The firm is committed to gender equality and this is reflected in our promotion of our women at all levels and I am delighted to see that our median basic pay gap continues to reduce, bringing us nearer to our goal of closing the gender pay gap.”



Olivia Grant, Reed Smith associate:

“Reed Smith takes diversity very seriously. In recent years, the firm has introduced a raft of initiatives aimed at levelling the playing field and attempting to remove the barriers that stop women and individuals from underrepresented backgrounds from reaching their full potential in the workplace. While there is clearly work to be done it's pleasing to see the progress being made across the firm.”



Reed Smith LLP is associated with Reed Smith LLP of Delaware, USA and the offices listed below are offices of either Reed Smith LLP or Reed Smith LLP of Delaware, USA, with exception of Hong Kong, which trades as Reed Smith Richards Butler LLP.

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