

KENNEDYS UK GENDER PAY REPORT 2019

The success of Kennedys is due to the quality of its people, and as a growing global law firm we are committed to promoting equality and diversity.

Legislation in the UK asks organisations with 250+ employees to publish gender pay information. The gender pay gap is not measured by reference to equal pay, which looks at men and women performing equal work, but is the measure of the difference between men and women's average earnings across all UK employees.

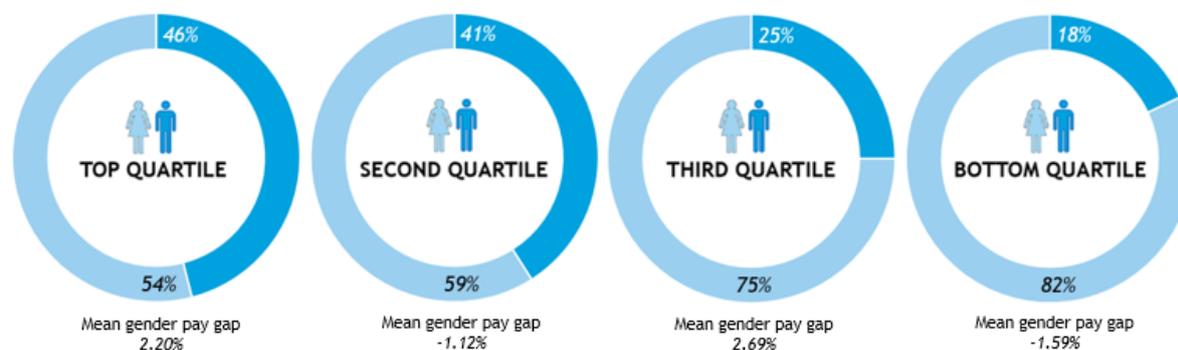
KENNEDYS GENDER PAY GAP

	Pay Gap	Bonus Gap
Mean	21.9%	18.6%
Median	26.1%	20.5%

PROPORTION OF MALES/FEMALES RECEIVING BONUS PAY



QUARTILE BREAKDOWN



Definition of terms

Mean: The difference between the mean (average) hourly rate of pay/bonus for all men and women

Median: The difference between the middle rate of pay/bonus for all men and women when hourly rate is ranked in numerical order

Quartiles: Calculated by ranking all employees' hourly pay in numerical order and splitting them into equal groups of four

REASONS FOR THE GENDER PAY GAP

Our mean gender pay gap has improved from 2018 by 0.94%, with the median gender pay gap improving by 0.46%. We are pleased to see this overall improvement and will continue to work to improve this further. Similar to 2018, the main contributing factors for the gender pay gap continue to be:

High number of female secretarial and administrative employees - We now employ over 170 secretarial and administrative employees across the UK. These roles generally attract lower salaries than legal roles, in line with the legal sector norm. The legal secretarial/administration profession traditionally attracts females almost exclusively, with 96% of our employees in this group being female at the time of the gender pay figures above. We ensure that our recruitment and selection processes are inclusive and open to all, but we continue to see predominantly females applying for these roles.

High number of females joining the profession at entry level - As promised in our 2018 report, we have overhauled the way we attract and recruit trainees and apprentices in the anticipation that this will give a better balance at entry level moving forwards. As at April 2019 we recorded: Trainee Solicitors (65% female), Legal Apprentices (54% female) and Litigation Assistants (84% female).

REASONS FOR THE BONUS PAY GAP

Our mean bonus pay gap has changed from -9.67% to 18.64%, with the median moving from 0% to 20.5%. Main contributing factors include:

Females make up the majority of our lowest paid fee earning population - 84% of our more junior lawyers that are eligible for a bonus are female. This skews the figures as they are understandably earning lower salaries, because they are junior lawyers, so this directly translates into lower bonus payments.

Working patterns and part time workers - There are 32 part timers who received bonuses in 2019 of which 90% are female. That in turn means they receive a lower bonus than male counterparts who work full time. In the same vein, females returning from maternity leave will also receive a lower bonus payment than their male counterpart who will typically have worked for a full year and they will not have done.

KENNEDYS PARTNER PAY GAP

Although firms are not currently under any legal obligation to publish additional data other than the gender and bonus pay gap information for employees, we are continuing to report on our Partner Pay Gap for all our UK Partners.

Pay Gap	
Mean	2.4%
Median	-19.3%

WHAT ARE WE DOING?

We remain committed to addressing the Gender Pay Gap at Kennedys. We continue to drive equality, diversity, inclusion, fairness and transparency throughout the firm and below are the positive actions that we continue to take:

- Continue to use a fair and objective salary review process which is gender neutral
- We will be reviewing our lawyer bonus scheme for FY 20/21 in line with the change of chargeable hours targets to 1550 hours
- Continue with objective and competency based promotion processes
- Promote a culture of flexible working. We now have a successfully implemented 'work from home' policy for Associates, Senior Associates and Partners. The Healthcare Division is currently piloting 'core hours 10-3' and if this proves to be successful we would consider rolling it out elsewhere. Clearly we are all testing this in the current crisis
- We have recently introduced a 'Successful Returners' coaching programme for people returning to the office after parental leave or long-term absence to help transition back into their role and help develop their career at Kennedys.

Nick Thomas, Senior Partner

“We have made enormous strides in improving our diversity in the last 12 months. We are the first law firm to have a female global Managing Partner and we have made some significant changes to our Board membership giving us broader representation across key demographics. This has been replicated within our Business Services Director team as well. To complement our legal apprenticeship programme, launched in 2012, we will be the first law firm to embrace the Solicitors Qualifying Exam (SQE) and will welcome trainees via this route, commencing September 2021. This will further enhance our ability to attract people from all backgrounds”

DECLARATION

We confirm that Kennedys gender pay gap calculations are accurate have been carried out in line with the methodology provided in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Nick Thomas
Senior Partner

A handwritten signature in black ink, appearing to read 'Nick Thomas'.



Suzanne Liversidge
Managing Partner

A handwritten signature in black ink, appearing to read 'S. Liversidge'.



Caroline Wilson
HR Director

A handwritten signature in black ink, appearing to read 'Caroline Wilson'.