



# Inspiring. Investing. Including. Engaging difference to elevate everyone.

As a pre-eminent global law firm, we know that embedding Diversity, Equity and Inclusion (DEI) throughout our business helps us attract and retain the best talent, drive innovation, and deliver the best results and experience for our clients. We are committed to providing an equitable and inclusive working environment where all our people can be themselves and are empowered to succeed.

In January 2023 we were delighted to promote six new partners in London, all of whom were women. This means that 32% of our partners in the UK are now women. You will see in the following report the work we are doing to drive gender equality and our wider Diversity, Equity and Inclusion agenda which together with Responsible Business, comprises one of the firm's five global strategic priorities.

Whilst acknowledging our progress, we know there remains more to do, both within our firm and in our sector. Transparency and accountability are important in incentivising and delivering on this. With this in mind, we have consistently gone beyond the statutory requirements of Pay Gap reporting by voluntarily including partners in our reports along with a detailed breakdown of our lawyer and Business Services data by gender. We have also shared our Ethnicity and Sexual Orientation Pays Gaps for a number of years.

We are pleased to share more on what we are doing to nurture a diverse, equitable and inclusive environment that delivers best in class experiences for our people, our clients and our communities.



Penny Angell
Office Managing Partner, UK

### Understanding the gender pay gap

- Our pay gap figures are largely unchanged since 2022 largely due to the fact that the composition of our workforce remains the same. A high proportion of our secretarial and more junior Business Services roles are performed by women, which has the effect of increasing female representation in the lower quartile and therefore exacerbates the impact on the gender pay gap.
- Our women continue to be well represented in the upper quartiles demonstrating our commitment to ensuring women reach senior positions.
- In recognition of the extraordinary events of 2020, an appreciation payment was made to our lawyers and Business Services people in addition to our bonus scheme, and amounted to 5% of annual base salaries.
- We provide a broad suite of family friendly policies to support working parents alongside our menopause, fertility treatment and pregnancy loss support.
- We have been recognised as a "Beacon" by the Employers' Initiative on Domestic Abuse (EIDA), building on our long-standing membership of EIDA and furthering our commitment to tackling

- domestic abuse. As part of our continuing support for colleagues who have been impacted by domestic abuse, we have established a Domestic Abuse Policy and Domestic Abuse Champions Network, made up of individuals from across the firm who have received training from Hestia.
- We continually review our policies, processes and procedures to ensure we put in place additional support for our people, for example extending leave brought in during Covid-19 to incorporate wider forms of leave.
- Additionally our Diversity in Pitching policy ensures our women and other underrepresented groups have equitable access to career enhancing opportunities.
   We have implemented additional tracking to improve representation and inclusion in formal pitch meetings, and are applying a similar DEI lens to ensure equitable allocation of work.

# Statutory reporting

#### Employees only gender pay and bonus gap

Hourly pay				
Mean Median				
2022	2021	2022	2021	
18.2%	18.9%	43.6%	42.2%	

Bonus					
Me	ean	Med	dian		
2022	2021	2022	2021		
37.8%	52.3%	36.6%	60%		

#### Proportion of women and men receiving a bonus payment

2022	Women	84.1%	2021	Women	64.6%
2022	Men	79.4%	2021	Men	58.7%

#### Proportion of women and men in each pay quartile



We confirm the data reported is accurate for employees of Hogan Lovells Services. The data excludes partners, who are not employees.

# Voluntary reporting

#### Lawyer population gender pay and bonus gap

(Associates, senior associates, counsel, consultants (Hogan Lovells Services))

Hourly pay					
Me	ean	Median		Me	ean
2022 4.5%	2021 2.8%	2022 8.7%	2021 4.5%	2022 27.4%	

#### Business Services gender pay and bonus gap

(All Hogan Lovells UK employing entities comprising secretarial and Business Services)

Hourly pay				
Me	ean	Med	dian	
2022 26.3%	2021 30.9%	2022 24.8%	2021 24.9%	

Bonus					
Me	dian				
2022 46.2%	2021 46.6%	2022 43.5%	2021 57.4%		

Bonus

2021

33.5%

Median

2021

50.7%

2022

22.5%

#### Partner total compensation gender pay gap

Total compensation				
Mean Median				
Current year	Previous year	Current year	Previous year	
24.1%	13.5%	19.4%	5.5%	

Current year partner reporting data relates to the statutory reporting date of 5 April 2022 for UK partners. As there is no statutory guidance on this calculation for partners, we have used total compensation for the 12 month period as per Hogan Lovells financial year from 1 January to 31 December 2021. Previous year relates to the financial year ending 31 December 2020. Partners are not employees and, in the case of equity partners, receive a share of the profits of the firm.

#### Employees and partners combined gender pay gap

(All Hogan Lovells UK employing entities and total compensation for all partners)

2021/2022 Total compensation				
Mean Median				
2022	2021	2022	2021	
61.9%	56.7%	44.6%	41.6%	



As at 1 January 2023

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# Ethnicity pay gap

- In line with our commitment to increase representation of Black, Asian and Minority Ethnic people at all levels in the firm, we are voluntarily reporting ethnicity pay gap data for the fifth consecutive year.
- We rely on our people to provide their ethnicity data and 95% of our people have elected to share this information with us. Of that population, 20% identify as ethnic minorities.
- Even small changes to this group can cause a significant change to the overall mean and median ethnicity pay gap figures.
- Building on our strong record in graduate
  recruitment, a primary entry route for a legal
  career at our firm, we continue to focus closely on
  the retention, progression and inclusion of ethnic
  minority talent as we aim to improve representation
  at senior levels and close our pay gap.
- We know that inclusive work environments lead to better retention and progression outcomes.
   With this in mind and to we were pleased to be the first law firm to partner with Flair Impact, an organisation taking a data-driven approach to helping organisations measure and build racially equitable cultures.

# Employees only ethnicity pay and bonus gap (Hogan Lovells Services)

Hourly pay				
Mean Median				
2022	2021	2022	2021	
16.9%	12%	24.6%	29.3%	

Bonus				
Mean Median				
2022 24.9%	2021 20.5%	<u>2022</u> 17.8%	2021 26.7%	

#### Partner total compensation ethnicity pay gap

Total compensation				
Mean Median				
Current year 39%	Previous year 33.3%	Current year 46.6%	Previous year 13.2%	

Current year partner reporting data relates to the statutory reporting date of 5 April 2022 for UK partners. As there is no statutory guidance on this calculation for partners, we have used total compensation for the 12 month period as per Hogan Lovells financial year from 1 January to 31 December 2021. Previous year relates to the financial year ending 31 December 2020. Partners are not employees and, in the case of equity partners, receive a share of the profits of the firm.

#### Employees and partners combined ethnicity pay gap

(All Hogan Lovells UK employing entities and total compensation for all partners)

2021/22 Total compensation				
Mean Median			dian	
2022	2021	2022	2021	
54.7%	51.4%	44.1%	35.4%	

# Sexual orientation pay gap

- We are deeply committed to LGBTQ+ inclusion.
   We believe that no one should be held back at work or in their personal lives because of their sexual orientation or gender identity. We are voluntarily reporting our sexual orientation pay gap data for the fourth year.
- We rely on our people to provide their personal data and 87 % of our people have shared sexual orientation with us. Of that population, 4% identify as LGBTQ+.
- As a result, even small changes to the LGBTQ+ population can cause a significant change to the overall mean and median sexual orientation pay gap figures.
- Our Pride+ allies network celebrated its fifth anniversary in 2022. This global network promotes a supportive and inclusive working culture and safe space for all LGBTQ+ colleagues, as well as raising awareness of issues faced by the community. The network has over 1,000 members globally, representing 17% of the firm.
- Our long-standing UK Pride network continues to support our commitment to retaining and advancing our LGBTQ+ talent as we work towards achieving our global diversity goal of 4% LGBTQ+ partners by 2025. Throughout 2022, 'The Culture Club' series brought members and allies together to discuss LGBTQ+ issues that are prevalent in a book, tv show, film or play and host a Q&A panel event around the theme.

# Employees only sexual orientation pay and bonus gap (Hogan Lovells Services)

Hourly pay					
Mean		Median			
2022	2021	2022	2021		
-26.1%	-29.3%	-65.3%	-42.9%		

	Bonus			
Me	ean	Me	dian	
2022 -24.2%	<u>2021</u> -26.2%	<u>2022</u> -43.4%	<u>2021</u> -54.2%	

#### Partner total compensation sexual orientation pay gap

Total compensation				
Mean		Median		
Current year	Previous year	Current year	Previous year	
43.1%	48.9%	51.2%	56.2%	

Current year partner reporting data relates to the statutory reporting date of 5 April 2022 for UK partners. As there is no statutory guidance on this calculation for partners, we have used total compensation for the 12 month period as per Hogan Lovells financial year from 1 January to 31 December 2021. Previous year relates to the financial year ending 31 December 2020. Partners are not employees and, in the case of equity partners, receive a share of the profits of the firm.

#### Employees and partners combined sexual orientation pay gap

(All Hogan Lovells UK employing entities and total compensation for all partners)

2021/22 Total compensation				
Mean		Median		
2022 27.4%	2021 27.8%	<u>2022</u> -34.2%	<u>2021</u> -5.6%	

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# Inspiring. Investing. Including. Engaging difference to elevate everyone.

Our Global Diversity, Equity and Inclusion (DEI) plan is focused around five pillars:



### Accountability

- We hold ourselves
   accountable by setting
   ambitious global, regional,
   and local DEI goals.
- In the UK, we achieved our goal of 30% women partners one year ahead of our 2022 target and in 2023 have achieved 32% women in the UK partnership.
- We are making good progress towards achieving our goals of 15% racial and ethnicity minority and 4% LGBTQ+ representation in our global partnership by 2025. Our partnership currently comprises 12% racially/ ethnically diverse partners, and 3% LGBTQ+ partners globally.
- The active participation and support of our people drives the success of our DEI activities and in recognition of these contributions, in 2022 we introduced a DEI Chargeable Hours Policy which allows lawyers to record up to 50 hours for diversity, equity and inclusion activities towards their chargeable hours bonus. Over 5,000 hours were recorded in the EMEA region in 2022.



#### **Processes**

- A key area of focus for us is to ensure diversity, equity and inclusion are built into our internal processes including the way we allocate work and pitch opportunities.
- Our "Pitch to Win" best practice approach is a key component of our Sales
  Transformation Program that includes a focus on diversity, equity and inclusion.
  We have implemented additional tracking to improve representation and inclusion in formal pitch meetings, as well as active tracking of how we are staffing matters to ensure an equitable allocation of work.
- We want to provide support tailored to career stage and personal goals of our women. To that end, we have introduced an EMEA initiative to offer all of our recently promoted senior women lawyers and Business Services professionals peer coaching and networking.

#### Recruitment

- As a pre-eminent global firm, we must continue to attract and retain high performing talent at all levels across our business. This requires access to a diverse pool of talent and we continue to take active steps to broaden and increase the diversity of our talent base.
- In 2022, we achieved Mansfield 1.0 Certification Plus in the UK, one of only 12 law firms to do so. This certification requires law firms to track and measure that they have considered at least 30% women lawyers from underrepresented racial/ ethnic groups, lawyers with disabilities and LGBTQ+ lawyers for top leadership roles, senior-level lateral hiring, promotions into the equity partnership, and participation in client pitch meetings.
- We also launched our Combining Potential mentoring programme to ensure all junior ethnic minority lawyers have access to a senior manager and the opportunity to create sponsorship, mentoring and reverse mentoring relationships.



#### Culture

- We work hard to provide a
   working environment where
   our people can bring their
   whole selves to the workplace
   and achieve their potential.
- We recognise the importance of educating our people to create inclusive cultures, running bias interruption training and inclusive communication briefings for our leadership teams in 2020-2021.
- In 2023 we are rolling out mandatory interactional bias education sessions to further support our people recognise and mitigate biases in the workplace.
- We run a broad and active range of employee networks, covering gender equality, race/ethnicity, LGBTQ+, working families, generations, faith/culture and disability.



#### Clients

- Providing outstanding client service is what we do.
   Collaborating with our clients on the most impactful DEI forums only enhances that service.
- We are proud to be a Lead Partner in the General Counsel Diversity & Inclusion initiative (GCD&I) on its LGBTQ+ social mobility workstreams. Key activities include: defining and sharing best practice as well as identifying KPIs and metrics to measure success.
- We also partner with a number of our clients through the Interlaw Model Diversity Survey, a supplier diversity questionnaire, that client signatories use to monitor their panel law firms on diversity, inclusion and culture.

Find out more about our approach to DEI across EMEA in our <u>EMEA report</u>

Alicante

Amsterdam

Baltimore

Beijing

Birmingham

Boston

Brussels

Budapest\*

Colorado Springs

Denver

Dubai

Dublin

Dusseldorf

Frankfurt

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Hanoi

Ho Chi Minh City

Hong Kong

Houston

Jakarta\*

Johannesburg

London

Los Angeles

Louisville

Luxembourg

Madrid

Mexico City

Miami

Milan

Minneapolis

Monterrey

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Paris

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San Francisco

São Paulo

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Shanghai FTZ\*

Silicon Valley

Singapore

Sydney

Tokyo

Ulaanbaatar\*

Warsaw

Washington, D.C.

\*Our associated offices Legal Services Centre: Berlin

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