

# Gender Pay Gap Report

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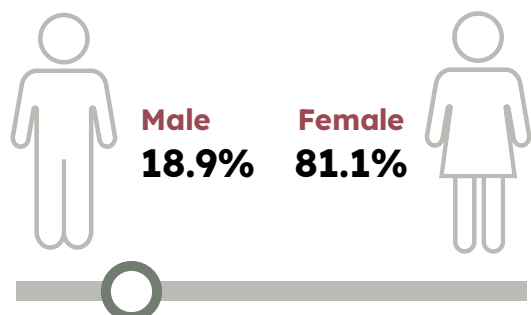
In compliance with the legal requirement for employers with 250 or more employees to report on the gender pay and bonus gaps with their organisation, Napthens has published its gender pay gap information for the first time having seen an increase in our employee numbers. The report relates to the period 1 April 2021 to 31 March 2022 inclusive. The data below excludes all partners.

## What is meant by Gender Pay?

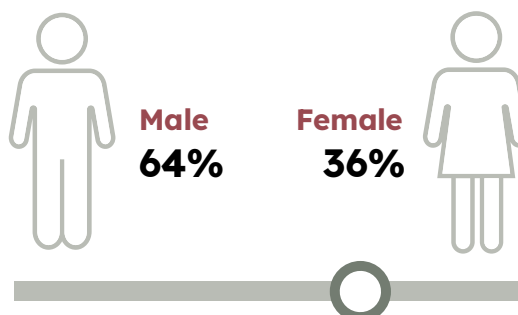
Mean	Median
The MEAN pay gap figure is calculated using the average pay rate of all the men and women – the difference between the two is the mean pay gap	The MEDIAN pay gap figure is calculated using the mid-point pay rate of all men and women, for example, where half earn more and half earn less – the difference is the median pay gap

The report looks at gender pay and gender bonus.

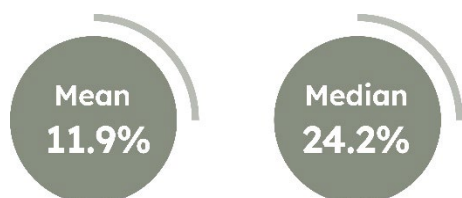
## Our employees make up



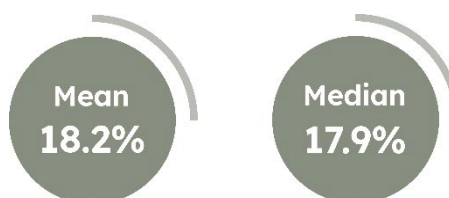
## Our fixed share partner make up



## Overall mean/median



## Fixed share partner mean/median

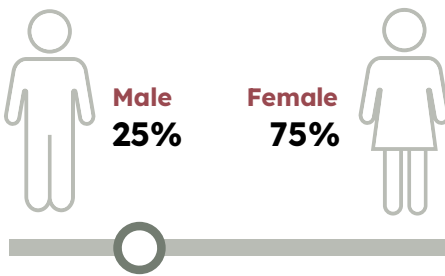


## Pay Quartiles

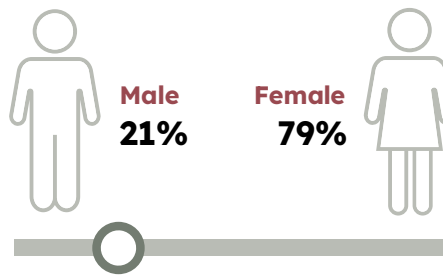
This shows the proportion of male and female colleagues split into four quartiles, ranked from highest hourly rate paid to lowest paid. This is the percentage of men and woman in each quartile.

## Employees

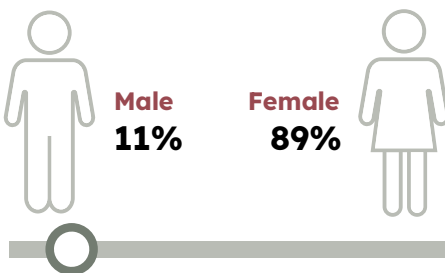
Upper quartile



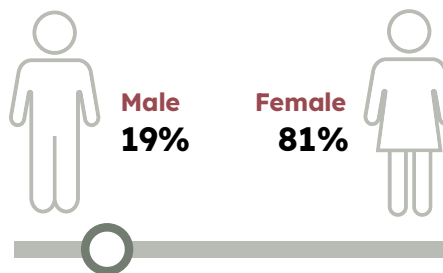
Upper middle quartile



Lower middle quartile

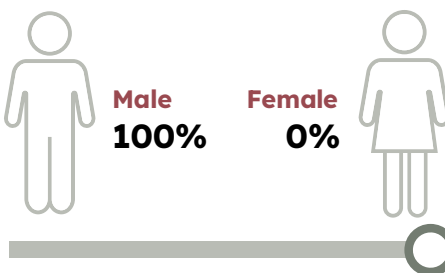


Lower quartile

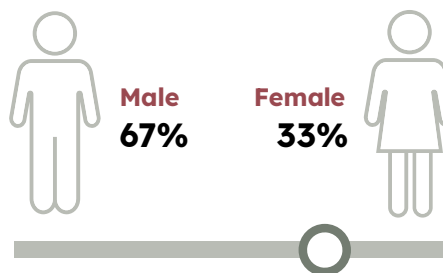


## Fixed Share Partners

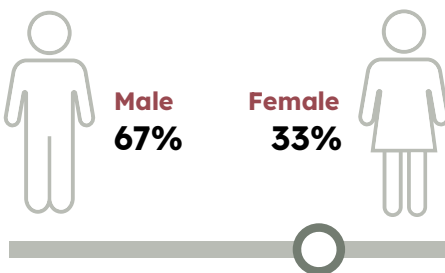
Upper quartile



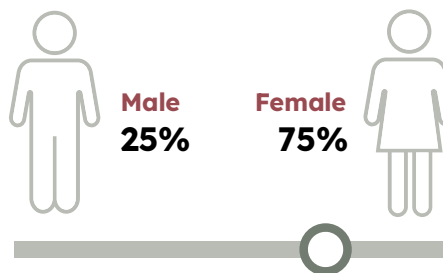
Upper middle quartile



Lower middle quartile



Lower quartile



The higher percentage of female colleagues in the lower quartiles is reflective of the fact that there are significantly more females in administrative type roles across the business compared to men. For example, within our Business Services and Support Services functions, where salaries are lower, these are predominantly made up of females together with a higher ratio of part time employees. A factor within the pay gap is that within our workforce, we have a differential in our part time employees. 22% of part time employees are female as opposed to only 0.47% being male. We are a supportive employer who takes all flexible work requests and part time job applications seriously and support where possible in line with the job role.

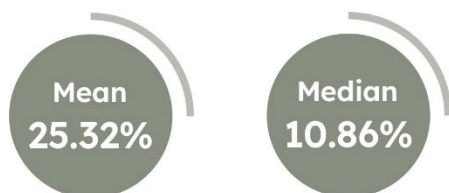
## Bonuses

We do not currently have a formal bonus scheme in place, however, a bonus was in fact produced during this time, as a one off “thank you” across our firm. As explained the vast proportion of our business is made up of females and therefore this shows within the gap detailed on the bonus as the average is spread.

Out of 154 bonuses paid, 17% were paid to men and 83% to female.



For our fixed share partners, 14 bonuses were paid with 36% to female and 64% men. Being the split of the fixed share partner group as at the snapshot date.



## How can we close the gap?

We remain committed to improving the diversity of the firm and are working hard to ensure our recruitment, promotion and retention initiatives are as fair as possible with gender and ethnicity a key focus. Whilst this is the first time, we have prepared a Gender Pay Gap Report, we have seen adjustments over recent years within our business and industry in general and remain focussed on the strategies and long-term developments we can provide to our firm and people to close the gap. We are currently faced with wider macro and sectoral challenges which demonstrate a lack of available senior people from differing ethnic and gender backgrounds, and we remain focussed on finding alternative solutions, assisting the wider sector to bring about change and see the difference in our diversity data over the coming years which will help to grow our business effectively. Detailed below is a flavour of what we are doing collectively for our people, both currently and in terms of our future.

## A focus on career development

We have a holistic performance and talent mapping programme which feeds into our promotions process as we focus heavily on the success of our people and the part we play in helping them to be the best versions of themselves. We have seen many individuals develop their careers with us throughout our history, and this remains a key strategic priority for us.

We are passionate about our people and whilst our Partner group is male dominated, the business is led by Alexandra Hatchman, our CEO and within our group of directors, 57% are female; 50% of whom were promoted from within.

We are due to launch our second Napthens Academy this summer, a programme specifically focused on developing our senior lawyers and next generation partners, investing in their progression and careers. We are seeing more females coming through the Academy which reflects the fact that the females in our business are representative of the overall legal sector which has been heavily male dominated for such a long time. We introduced a Legal Director position into our sector in order to recognise that not all of our people wish to become a Partner, and to allow those who have taken a different path in their career (e.g., Lawyers) to hold a senior position with us, helping us to retain our top talent. Most of our Legal Director pool is female.

## Becoming a talent magnet

Our EDI focus group launched January 2023 with a focus on expanding our diversity and inclusion statistics and efforts. We recognise that we have a need to greater promote the fantastic things that we do, to help us in attracting a more diverse workforce and helping people to see the role that they can have within our business. We have seen more females coming into the sector at a junior, qualified level of late and we are confident that time will see this gender gap reduce as we continue to develop our junior employees to be future leaders of the business, focusing not just on the technical skills that make them excellent at what they do, but widening their perspective and involvement from a commercial and business acumen point of view also.

Our values are heavily focussed on relationships, as collaboration is one of our three values. This has underpinned our work over the years in our region and has demonstrated and deepened the strength of our relationships both internally and externally. We have focussed heavily on building relationships with universities and local colleges to ensure we are receiving the best talent that we can, helping young people to understand the different career paths into law that are available to them. From these conversations we can see a trend of those studying law where once male heavy, has now turned on its head and has been female dominated for several years. Local universities have reported in some instances a 75% lean to females studying the law with them, than males. Looking at our Trainee Solicitors and NQs, this reflects the trend internally as they are predominantly female, and we are delighted to see these individuals progressing their careers with us. We are also mindful that the swing doesn't go too far the other way and remain committed to providing equitable opportunities for all people we have the pleasure of meeting, to demonstrate the delights of a career in law and the opportunities therein. We hope that this will demonstrate itself with more males joining us at a junior level which will be truly representative of our population and help bridge the gap we are seeing in seniority and pay.

## Our culture and beliefs

As a result of the COVID pandemic, we have made significant improvements to our agile working approach which has allowed us to attract a more diverse workforce, aids our current employees to achieve a good work life continuum, and of course has helped retain people within our business allowing us the opportunity to continue helping their careers to flourish. Supporting our people is something we are proud of and will continue to look at ways we can do. We launched a Domestic Abuse Policy during the pandemic to

recognise that lock down saw an increase in the number of domestic violence cases across the UK, we have supported our people with MIND counselling sessions both online and in person and have a large number of trained mental health first aiders on hand for support.

Our mentor and coaching schemes, early careers interview process and remuneration committee is gender neutral as we remain committed to our ethos, strategy and our values that we live by. Our pay review process is based on performance and PDR ratings and analyses benchmarking data, gender pay information and market trends to ensure a thorough and robust process. We are advocates of celebrating International Womens Day to recognise the people in our business and the successes within our people experience throughout the year.

## How can we improve further?

Over the coming years, there will be an increased focus on our EDI strategy, aimed to focus on ensuring our population is reflective of that of the regions within which we operate. We plan to raise awareness of various issues pertaining to diversity challenges across the sector and will be focusing on how we can shine a light on these important topic areas.

In 2022 we hired our first dedicated Learning and Development Business Partner who will be focussing on developing a Skills Curriculum to support our people in the unique challenges they face as a result of their gender, ethnicity, social mobility, experiences and backgrounds. We also aim to share this learning outside of our organisation for the benefit of our sector.

A continued commitment to our existing procedures, our people, the development of careers and the focus on opportunities for future generations, and our relationships with education establishments will help to address equity within our business, but also externally across the sector.

Our 2023 report, due to be published in April 2024 will report on our ethnicity, disability and sexuality pay reality and is as much of a commitment for us to address as we seek to ensure an equitable workplace.

### Statement from Alexandra Hatchman, Chief Executive Officer

*"It is of paramount importance for the performance and health of the firm that we improve gender equality, in particular at the senior partnership level. As a result it is a strategic priority for the business, and one that I will personally and professionally advocate for."*



**Alex Hatchman**

Chief Executive Officer



**Nicola Mason**

Head of People and Operations