

Equity pay report 2024



Contents

- 3 Introduction
- 4 What have we done to promote EDI since our last Equity Pay report?
 - 5 Who are we?
 - A look at our diversity demographics
- 8 Equity Pay report for 2024
 - Gender pay
 - Ethnicity pay
 - Broadening the scope of equity pay reporting
- 16 Our commitments for 2024
- 17 Appendix
 - Combined quartiles

Useful definitions:

The mean statistic shows the average and the median shows the middle value.
For example:

$$\frac{\triangle + \triangle + \triangle}{\triangle}$$

The mean pay gap is the difference between the average hourly earnings of two groups of people within a company e.g. men and women.



The median pay gap is the difference between the midpoints in the ranges of hourly earnings of two groups of people employees. It takes all the salaries in the sample, lines them up from the lowest to highest, and uses the middle value.

Introduction

At Bates Wells we demonstrate that law can be used as force for good, and creating a positive impact is fundamental to our business. This focus shapes our dedication to our people, clients, communities, the legal profession, and wider society. By fostering an inclusive culture, each of us benefits from a wider range of perspectives, experiences and skills.

We believe that a culture of equity, diversity and inclusion not only benefits our firm but supports wellbeing, enabling our people to work better because they can be themselves and feel that they belong. We all have a shared role to play and a collective responsibility for this culture, which isn't just beneficial for business but creates a happier, more productive working environment for us all.

We are pleased to publish our annual 2024 Equity Pay report which fulfils our legal obligations for gender pay reporting. This year, we have placed greater emphasis on examining trends over the past five years, as we believe they provide a more meaningful perspective on our progress (rather than year on year comparisons) and highlight areas where further efforts are needed. We have also included our latest demographic details.

As a B Corp, transparency is a priority for us and this year, for the first time, we have gone far beyond our statutory requirements and expanded our reporting to not only include ethnicity, but

disability, LGBT+, and social mobility pay gaps. By holding ourselves accountable through this reporting, we can really focus on driving positive change.

Equity in pay is not only key to our ethical responsibilities but is also essential to promoting employee engagement and trust. By addressing our equity pay gaps, we support the development of an inclusive culture where all team members feel valued and motivated.

We are extremely proud of the progress we have made over the past five years, and our focus and efforts across the firm to make it a more inclusive and diverse workplace, continue into 2025 and beyond.



Erica Crump
Managing Partner



Scott Sullivan
HR Director



Karli Hiscock
Partner & Gender Board Sponsor

What have we done to promote EDI since our last Equity Pay report?

Over the past five years, our commitment to equity pay has led to significant progress, particularly in reducing our gender pay gap.

Solicitor Apprenticeship

We are very proud to offer an alternative route to qualification as a solicitor, via our Solicitor Apprenticeship programme. The scheme aims to enable people to qualify as a solicitor through work and paid time to study, allowing those who do not hold a degree level qualification, or are school leavers at 18, the opportunity to qualify as a solicitor at the end of the apprenticeship. This programme will help to diversify our sector and bring in talent which historically may have been unable to join, particularly from lower socio-economic backgrounds.

Role modelling intersectionality

2024 saw the launch of our hugely successful 'This is me' role model campaign. This initiative aimed to shine a light on the remarkable people we have working across the firm who courageously shared their personal stories, creating a sense of belonging and a more inclusive culture. 30% of our role models were partners and we are hopeful that this visibility of our senior leaders will encourage more people to share their diversity data.

One of our role models said, *"I am so proud of us all for sharing our stories and backgrounds and hopefully we will inspire and reassure others over the coming weeks with the campaign."*

Work allocation

As a purpose driven and values led firm, supervision conversations are an embodiment of our culture and key to many of our collective and individual goals. We place high importance on effective career and matter supervision, delegation and work allocation, and last year we reviewed how work is allocated across our fee-earning teams. Our mindful work allocation & delegation guidance is designed to open up communication about how decisions are made and the impact they have, providing supervisors with helpful questions to provide challenge on their work allocation decisions.

Lateral hires

Following our success in recruiting diverse talent, arising from our trainee recruitment changes in 2023, we applied the lessons learnt to our lateral hiring process. We now have objective scoring, linked to competencies and a standardised process across the firm. This has both improved the candidate experience and led to more robust interviewing across the firm.

In addition, we have updated our job description templates to reflect gender neutral language following a client campaign led by two of our partners, to remove barriers to people applying for roles.

EDI objectives

Last year we committed to supporting all our employees to set an EDI or ESG objective for the new performance year. This shared commitment across the firm has helped to drive accountability, for example partners and employees have been asking for more inclusion training and open conversations around EDI.

Who are we?

A look at our diversity demographics

We know that equity pay reporting and representation of diverse talent across our firm are inextricably linked. To understand our equity pay data, we first need to understand who we are.

We ask all our people to complete a diversity monitoring survey which captures our demographic data when they join the firm, and everyone is asked to refresh their data annually. This is not mandatory; however, we are pleased that nearly 80% of the firm has shared this information with us. For ease and consistency, all the data in this report relates to 5 April 2024, in line with the gender pay reporting period.

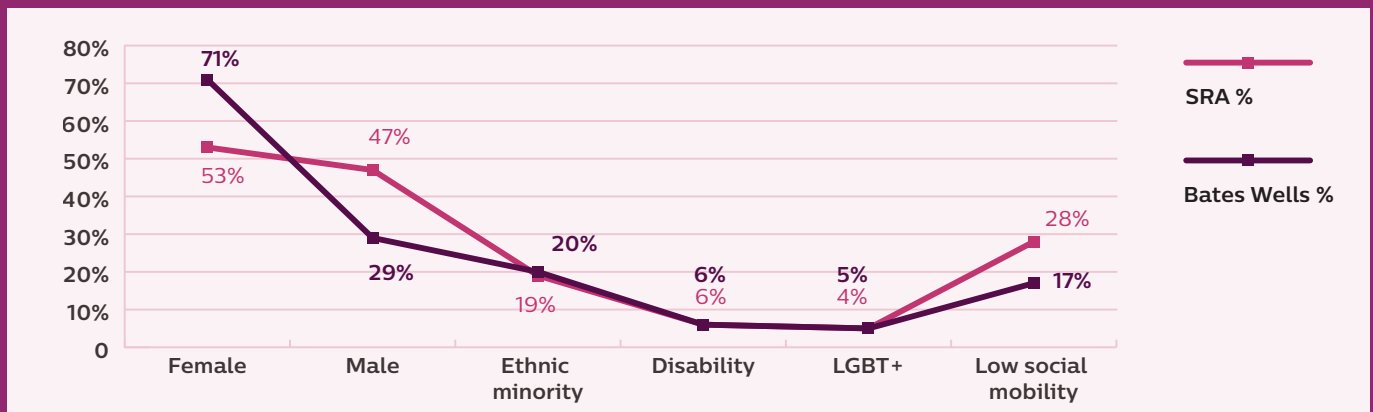
On 5 April 2024 we had 250 people at the firm:

213 employees

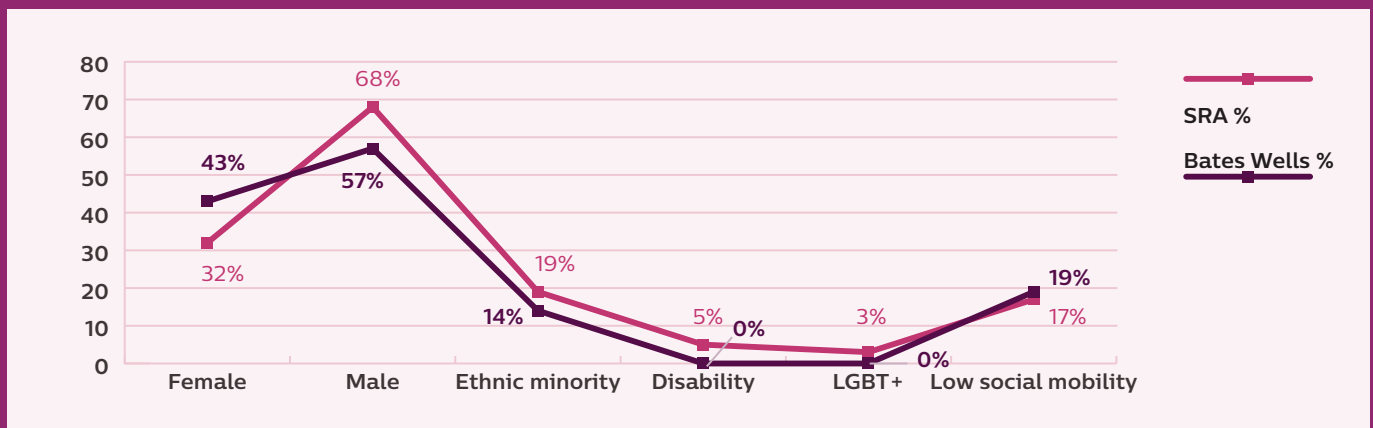
37 partners

The tables below show the percentage breakdown by diversity characteristic, split by employees and partners, compared against the 2023 Solicitor Regulation Authority (SRA) benchmarking. Where we have fewer than five people in any category, we have not reported to maintain dignity and anonymity, which is why for some of our partner data points the percentage is expressed as zero.

Bates Wells employee demographic compared against SRA



Bates Wells partner demographic compared against SRA equity partners



How does Bates Wells compare against the SRA's benchmark?

We are pleased with our representation of women, colleagues with disabilities and LGBT+ people.

Our priority areas for representation are:

- Men
- People of colour
- Socially mobile talent



Gender

The percentage of women across the firm, remains higher than the 53% reported by the SRA, at 71%.

% of women firm-wide

71% Bates Wells

53% SRA benchmark

This is something we take pride in, and our family friendly policies, benefits and supportive culture make the firm attractive to women.

We will be focusing on recruiting more men into the firm to ensure we remain gender balanced.

Ethnicity

Our percentage of black and ethnic minority colleagues is 20% which is on a par with the SRA reporting at 19%.

% of Black and ethnic minorities

20% Bates Wells

19% SRA benchmark

Also, our number of black and ethnic minority partners is the same as the SRA benchmark at 14%.

Activities like our upward mentoring programme and the listening exercises we ran in 2023 with Reach & Rise (our employee representation group focused on this area) have helped improve the engagement of our black and ethnic minority colleagues and promote a stronger culture of belonging.

Disability

6% of our people have a registered disability, which is in line with the SRA reporting although this is significantly lower than the 18% (across England and Wales) reported in the latest UK Census. The number of partners with a disability is currently too low to be reported.

% registered disabled



Our disability network, UnstoppAble, ran a campaign to give greater visibility and awareness to hidden disabilities, which included the launch of sunflower lanyards which serve as a discreet way for individuals to signal that they may require additional support in the workplace. This demonstrates our commitment to creating a greater sense of belonging for our people.

LGBT+

Our LGBT+ employee disclosure is slightly higher than the SRA (4%) at 5%. However, the number of LGBT+ partners is too small to for us to report.

% LGBT+ employee disclosure



Our LGBT+ network, Queen Street Pride, have raised their profile across the firm over the last year and have seen an increase in membership numbers as a result. They hosted a talk for Trans Day of Visibility, a series of activities to celebrate LGBT+ History Month, and a Pride party in June.

Social Mobility

For the last three years we have taken part in the Social Mobility Foundation Employers Index as a way of benchmarking our efforts towards class inclusion. The questions we ask in our diversity survey are based on their recommendations. We are categorising people as being from a socially mobile background if:

- They received free school meals during their education
- They are first generation university attendees
- The parental occupation of those in their household is from a traditionally working-class profession/background

If someone met the above criteria but attended a fee-paying school, we have automatically excluded them as is recommended by the Foundation.

There is not one measure of social mobility, however, if we used the benchmark of those who went to a fee- paying school, the SRA benchmark is 21%, while our results come in lower at 17%.

% of people that attended a fee-paying school



The launch of our Solicitor Apprenticeship programme in 2024, joining the Law Society's Project Rise in 2023 (to be one of only three firms to offer part time training contracts), and our contextual recruitment tool 'REALrating', are just a few of the ways we are actively working to address this.

Equity Pay Report for 2024

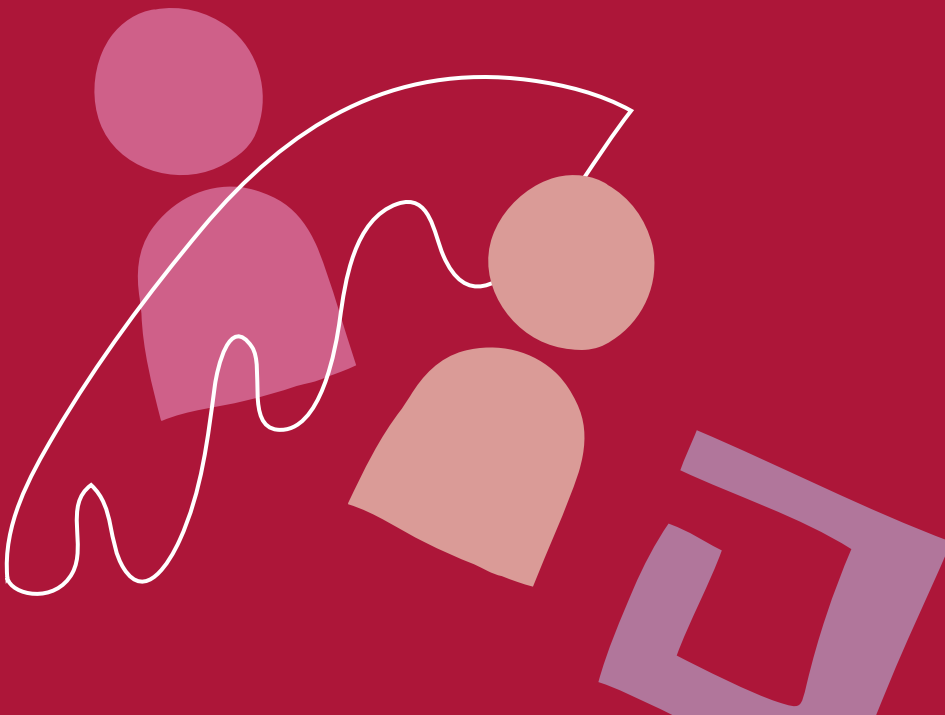
Our equity pay report enables us to see the impact of our actions, but also clearly highlights where we need to do more. We are committed to continuing to build a sustainable pipeline of diverse talent as well as to nurture and progress our own employees within the firm.

This year we are reporting on:

1. **Gender** - male and female inclusive of non-binary people
2. **Ethnicity** - where we have aggregated data for our Ethnic Minority and White colleagues
3. **Disability**
4. **LGBT+**, and
5. **Social Mobility**

Our commitment to pay equity has resulted in notable progress, especially in closing the gender pay gap where both our mean and median employee pay gaps have narrowed, reflecting our efforts to create a more equitable workplace.

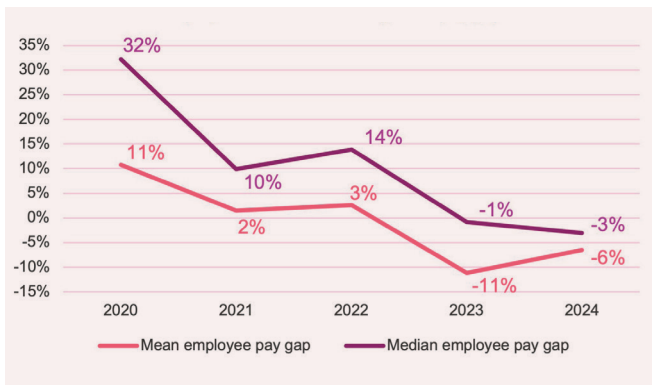
Our pay gap data for the other diversity characteristics, reveals that while there are some positive trends in pay equity for these groups, there are still disparities which we hope to address over time. Representation in higher pay quartiles remains a key area for improvement, particularly for employees from lower socio-economic backgrounds and other traditionally under-represented groups in the legal profession. By focusing on these areas, we aim to foster a more inclusive and equitable workplace for all.



Gender pay

Employee pay and bonus gap

Mean and median gender pay gap

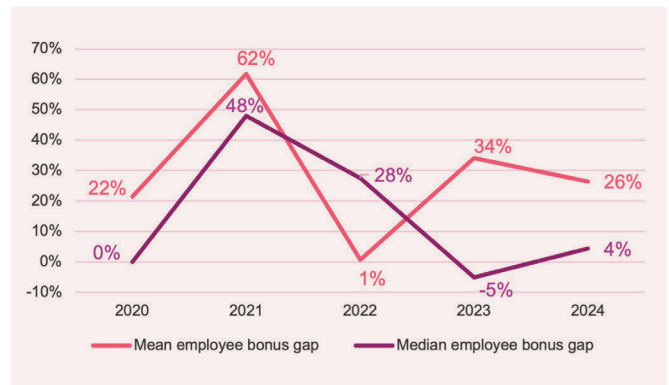


Over the past five years, there has been a significant reduction in the mean and median employee pay gaps, indicating progress towards pay equity.

Initially, the gaps were quite pronounced, but recent years have shown a trend towards narrowing these disparities, with some years even reflecting a negative pay gap, where women earned more than men on average. This reflects our efforts and continued commitment to advancing gender equity.

However, the bonus gaps present a more complex picture. While there have been fluctuations, the mean and median employee bonus gaps have generally remained higher, and more variable compared to the pay gaps. This suggests that while base compensation is becoming more equitable, bonuses still reflect gender disparities. In the main, this is due to the client introducer bonus being

Mean and median gender bonus gap



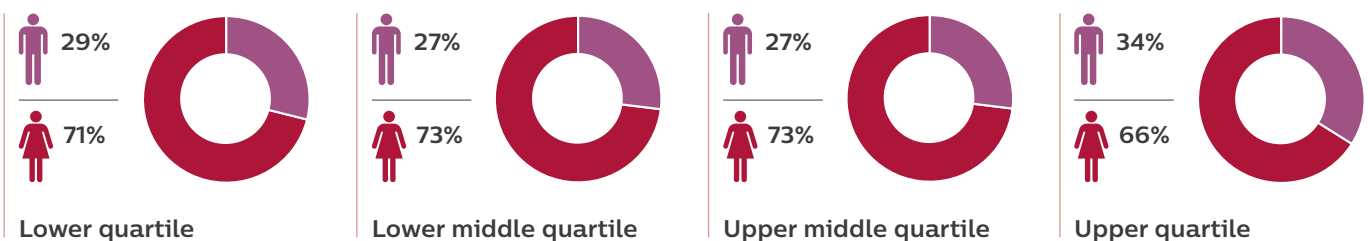
awarded to more men and we have taken the decision to remove this bonus from FY26.

As gender pay reporting is compulsory for all large businesses, we are able to look to industry norms to compare our data. Industry-wide, the gender pay gap remains a persistent issue, with women earning approximately 16% less than men on average.¹

Our data shows a more significant reduction in the pay gap over the past five years, suggesting that our efforts towards pay equity have been more effective than the broader industry trends.

The variability and higher levels of bonus gaps in our data reflect a common industry challenge. Many organisations struggle with equitable bonus distribution, and our trends align with this broader issue.²

Gender Pay - employee quartiles



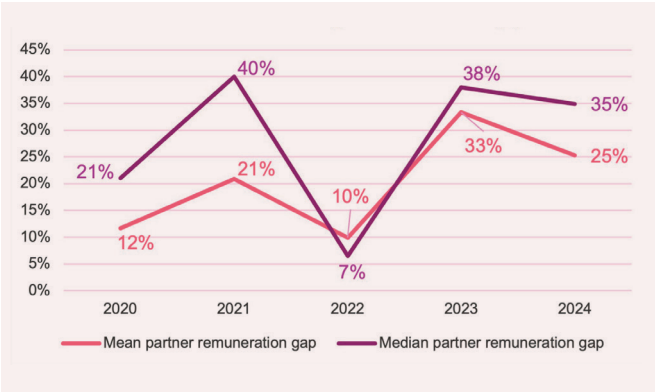
¹ Haan, K. 2024. *Top Gender Pay Gap Statistics*. Forbes Advisor. <https://www.forbes.com/advisor/business/gender-pay-gap-statistics/>.

² Payscale.com 2024. *2024 Gender Pay Gap Report (GPGR)*.

Gender pay

Partner pay and bonus gap

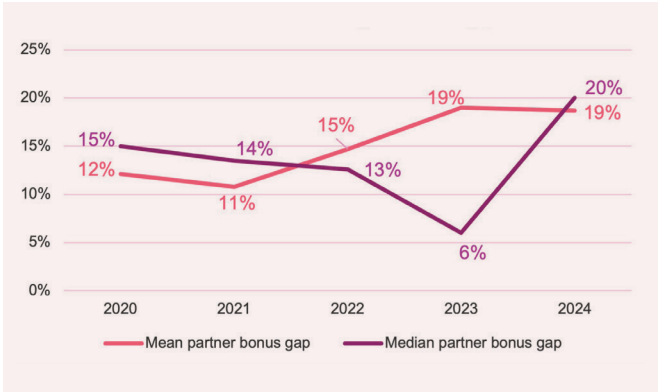
Partner - mean and median gender remuneration gap



For partners, the remuneration gaps have shown some improvement. The mean and median partner remuneration gaps have fluctuated, with some years showing significant increases as the makeup of the partnership has changed. In 2022, we saw the remuneration mean and median gaps close due to more women joining the partnership; 100% of the elections into the partnership were women and the only election into the senior partnership was a woman.

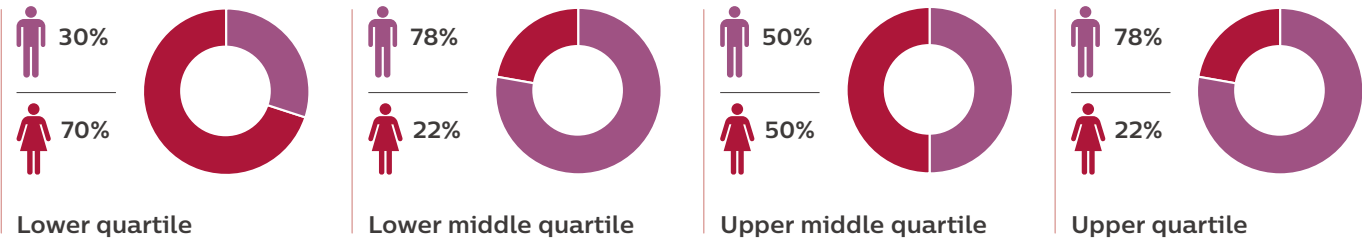
The substantial gaps in partner remuneration in our data are also seen across the industry. High-level positions often exhibit larger pay disparities, and our data mirrors this trend.³

Partner - mean and median gender bonus gap



The gender bonus gap for our partners has fluctuated within a range of seven percentage points within the last 5 years.

Gender remuneration - partner quartiles

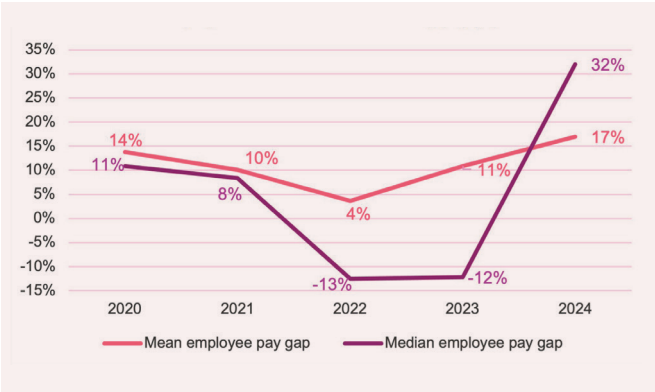


³ Payscale.com 2024. 2024 Gender Pay Gap Report (GPGR). <https://www.payscale.com/research-and-insights/gender-pay-gap/>.

Ethnicity pay

Employee pay and bonus gap

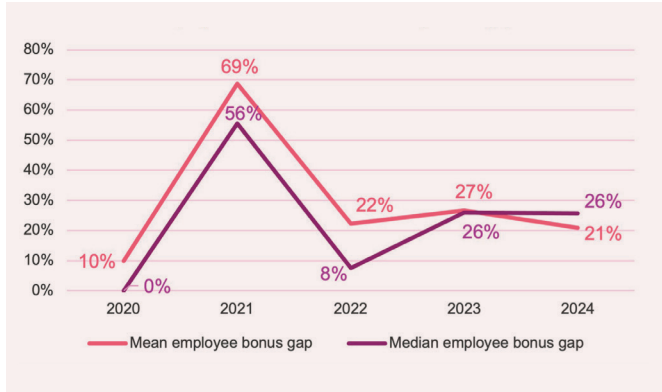
Employee - mean and median ethnicity pay gap



In 2020, we introduced ethnicity pay gap reporting and our data reveals several important trends. The mean and median employee pay gaps have shown significant fluctuations, with some years reflecting a narrowing of the gap and others showing an increase. This indicates that while there have been periods of progress, there is still inconsistency in achieving pay equity across different ethnic groups.

Representation really is the main driver for this and increasing the number of people of colour in our top pay quartile will have the biggest impact overall. The bonus gaps, both mean and median, have also exhibited considerable variability. Although there have been improvements in some years, the gaps remain substantial, suggesting that bonuses are an area where disparities persist more strongly.

Employee - mean and median ethnicity bonus gap

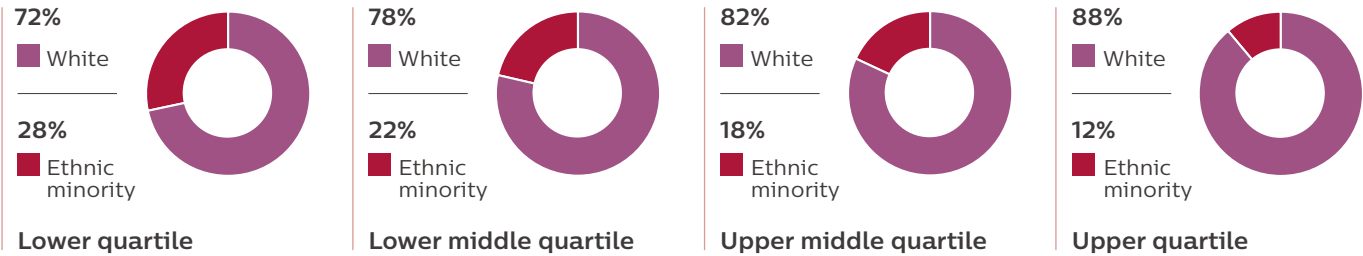


To help address the employee ethnicity pay gap, we have changed how we recruit in early careers, and in lateral hiring. This has led to material changes in whom we are recruiting; in 2020 only 8% of our recruits were people of colour. In 2024 this rose to 27%.

We've run two successful Upward Mentoring programmes to support our Partners to become more inclusive leaders, who truly value the differences our people bring to the firm. We have also held 'Conscious Inclusion' training across the firm.

We have joined numerous partnerships to help leverage internal resources, and drive change across our profession, including the City Belonging Project, Black Solicitors Network, and our ongoing support of the Sutton Trust.

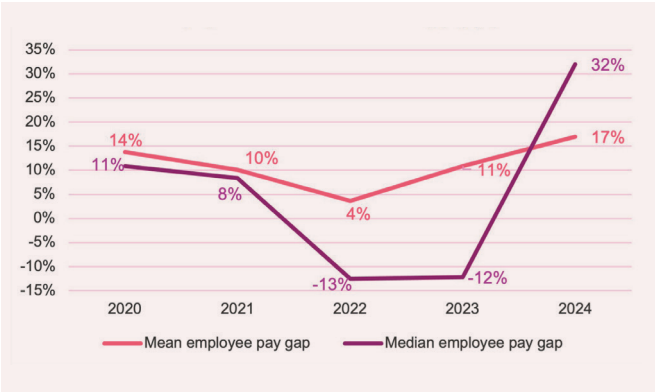
Ethnicity Pay - employee quartiles



Ethnicity pay

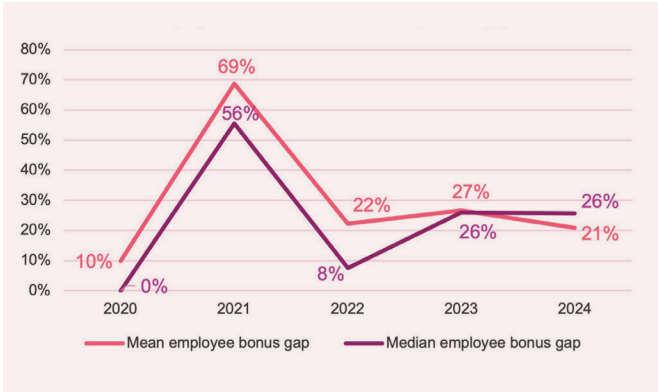
Partner pay and bonus gap

Partner - mean and median ethnicity remuneration gap



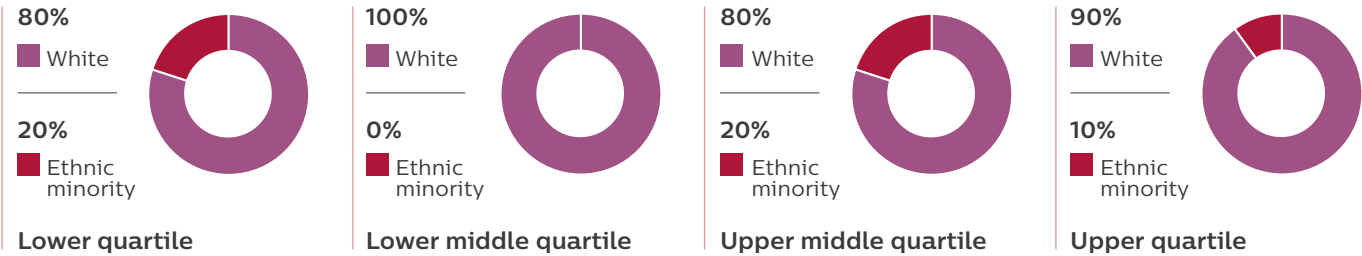
Our partner ethnicity remuneration gap was steady for the first three years of reporting but saw a sizable increase in 2023 to 34%. This was due to the make-up of our partnership, where only 10% of our partners were from an ethnic minority background. This increased to 14% in 2024, leading to a decrease in the remuneration gap of 7%.

Partner - mean and median ethnicity bonus gap



The mean ethnicity partner bonus gap remained steady for the first three years of reporting. However, in 2023 and 2024, it closed significantly and is now favouring our ethnic partners. This is due to the small number of ethnic minority partners and as such the bonus data is influenced by relatively small changes. This has resulted in a big swing in our mean gap (in favour of ethnic minority partners).

Ethnicity remuneration - partner quartiles



Broadening the scope of equity pay reporting

This year, we are sharing our Disability, LGBT+ and Social Mobility (class) pay gaps, split by employees and partners, for the first time. Although gender and ethnicity are essential aspects of our pay equity reporting, they are not the only factors to consider. By addressing the pay gaps for other under-represented groups, we can look at pay equity holistically and ensure everyone is treated fairly and equitably, regardless of their background or identity.

This is the first time we are able to report like this, so we can only look at this year’s data rather than trends over a five-year period.

Disability

	2024
Mean employee pay gap	-30%
Median employee pay gap	0%
Mean employee bonus gap	-17%
Median employee bonus gap	-15%

Our first report on pay equity for employees with disabilities shows the mean pay gap in favour of those with a registered disability. 6% of our employees have disclosed they have a disability, and the pay gap swings in favour of these

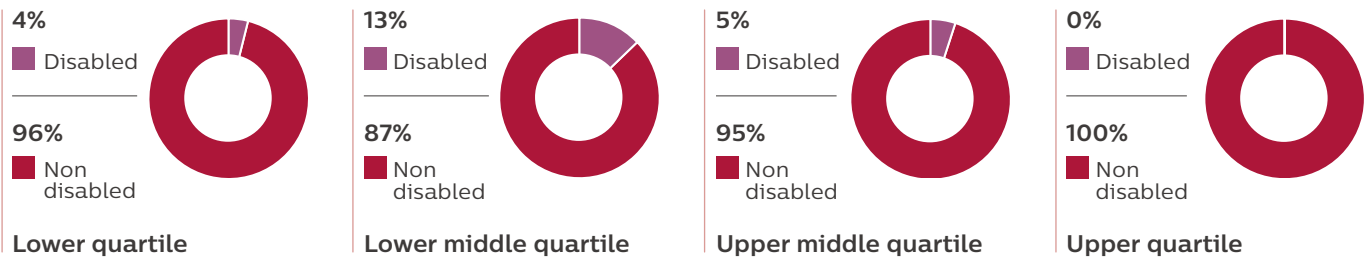
colleagues at -30%. This is because we have a high number of disabled colleagues in senior roles across the firm; a positive indicator of pay equity and representation within our firm.

Employees with disabilities are under-represented in the highest pay quartile (quartile 4) and over-represented in the second quartile which is what is contributing to the scores. However, the median pay gap is almost negligible, suggesting that while the average pay is higher, the distribution of pay is relatively equal.

In terms of bonuses, employees with disabilities also receive higher mean and median bonuses compared to non-disabled employees. This trend is encouraging and indicates that our bonus distribution is equitable.

We have not been able to report on our partner numbers as fewer than five of our partners are registered disabled.

Disability pay – employee quartiles



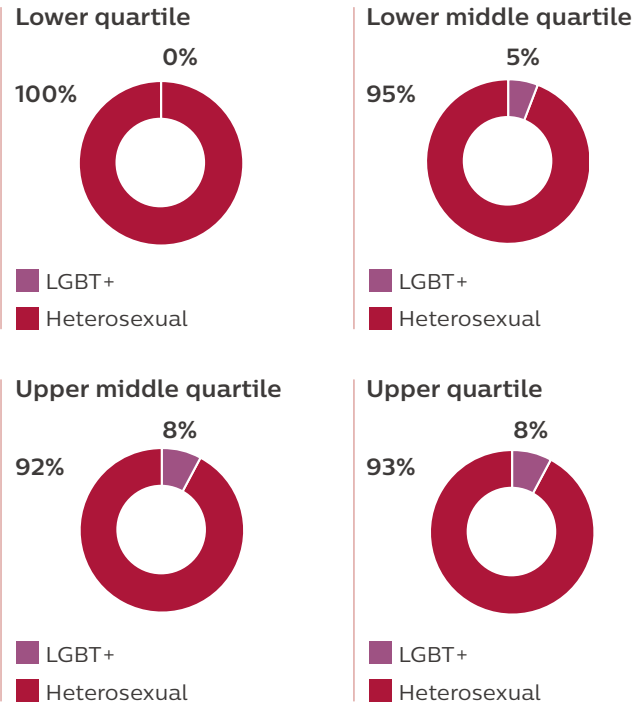
LGBT+

Employees	2024
Mean employee pay gap	-33%
Median employee pay gap	-21%
Mean employee bonus gap	5%
Median employee bonus gap	-3%

5% of employees are LGBT+ and a number of these hold leadership positions. The mean pay gap at -33% is also in favour of LGBT+ colleagues. Bonus data presents a mixed picture. While the mean bonus for LGBT+ employees is slightly lower than that for heterosexual employees, the median bonus is higher. This indicates some variability in bonus distribution, but overall, LGBT+ employees are receiving equitable bonuses.

Similarly, we have not been able to report on our partner numbers as fewer than five are from the LGBT+ community.

LGBT+ pay – employee quartiles



Social mobility – employees

Employees	2024
Mean pay gap	13%
Median pay gap	14%
Mean bonus gap	27%
Median bonus gap	8%

Our social mobility mean employee pay gap is 13%, and we are hopeful that the work we are doing across the firm will help to close this. While there are some differences in average and median pay, with employees from higher social classes earning more, this highlights areas where we can focus our efforts to ensure more balanced compensation.

Representation in pay quartiles indicates that employees from lower socio-economic backgrounds are less represented in the highest pay quartile (quartile 4) and more represented in the lower quartiles.

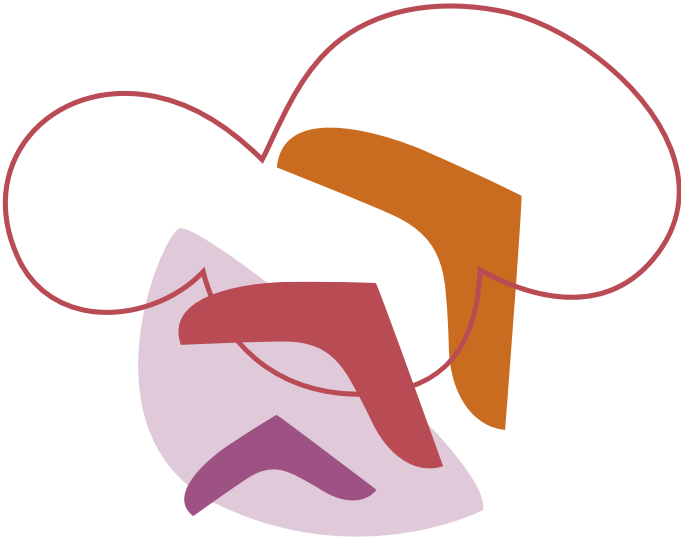
As part of our Solicitor Apprenticeship programme, (launched last year), we partnered with 'Making the Leap' who ran sessions for all our shortlisted candidates ahead of the assessment centres to prepare them for what to expect from the day and how to be successful. We knew the vast majority of people would not secure a place with us, but we also recognised that giving them the skills to be successful during interviews would enable them to find alternative employment, and in turn help diversify the sector. Making the Leap followed up with those who attended the session six months later and found that 100% of them had secured employment, and 53% secured other legal roles including solicitor apprenticeships.

Social mobility - partners

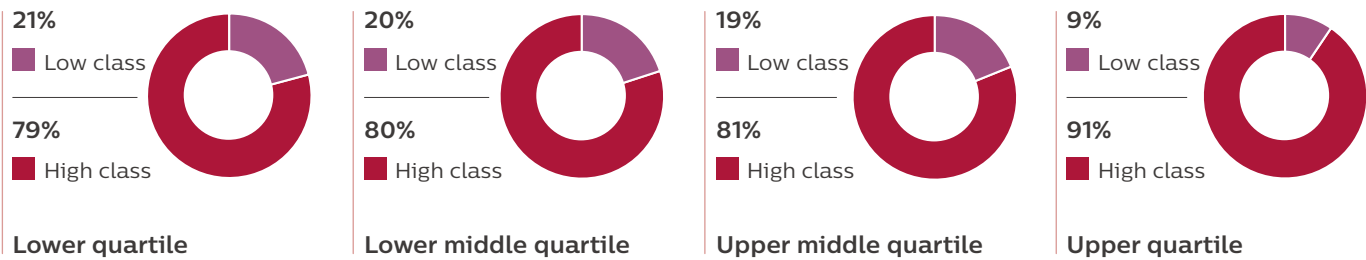
Partners	2024
Mean remuneration gap	8%
Median remuneration gap	1%
Mean remuneration gap	5%
Median remuneration gap	-11%

Our analysis of partner pay equity based on social class, reveals several positive trends. The mean and median pay gaps between partners from lower and higher social classes are relatively small, indicating a fairly balanced compensation structure.

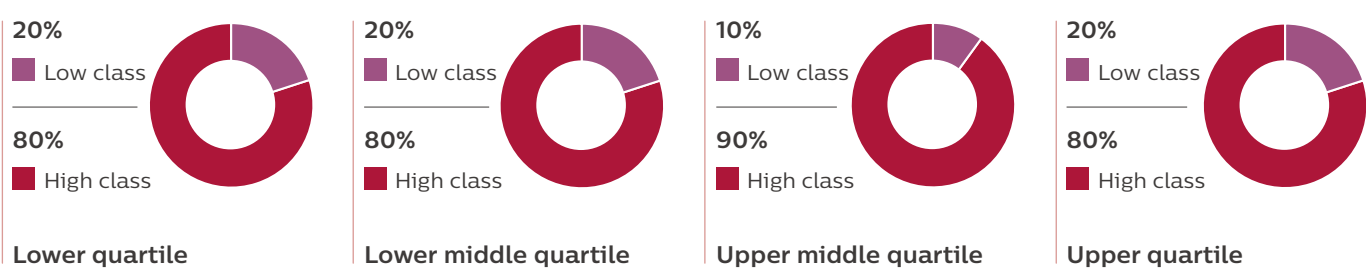
The bonus data shows that while there is a slight difference in mean bonuses, with partners from higher social classes receiving slightly more, the median bonus for partners from lower socio-economic background is actually higher. This indicates that our bonus distribution is equitable and recognises the contributions of partners from all backgrounds.



Social mobility pay – employee quartiles



Social mobility remuneration - partner quartiles



Our commitments

We know that to continue to make a lasting impact we require a long-term perspective. Our new EDI strategy takes a *cathedral thinking approach*; we know that the decisions and actions we make today will benefit the future of the firm and not always have an immediate impact. This will enable us to continue to build on the work we have done to date with a clear direction of travel over the coming years.

We will continue to promote a culture of inclusion which means all our people feel a sense of belonging and we remain committed to holding ourselves accountable. By narrowing the gaps in recruitment, advancement, engagement, compensation and attrition of our diverse talent, we will see the firm flourish.

We remain committed to Equity, Diversity and Inclusion as a firm and creating real change. We have developed a new strategy which will help us increase representation of people of colour in leadership of the firm to at least 25% by 2030. This will enable us to address ethnic representation in our top pay quartile which will have the biggest impact overall when closing our ethnicity pay gap.

We understand that meaningful change may not happen as quickly as we would like but we are committed to making consistent efforts and embracing a long-term vision to achieve our goals.



Erica Crump
Managing Partner



Scott Sullivan
HR Director

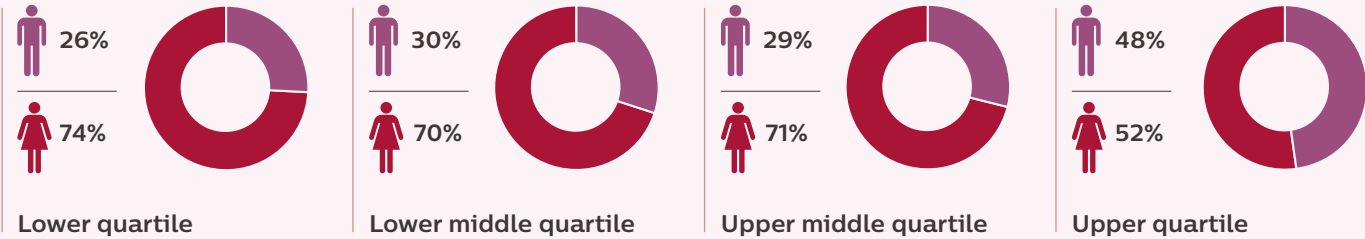


Karli Hiscock
Partner & Gender Board Sponsor

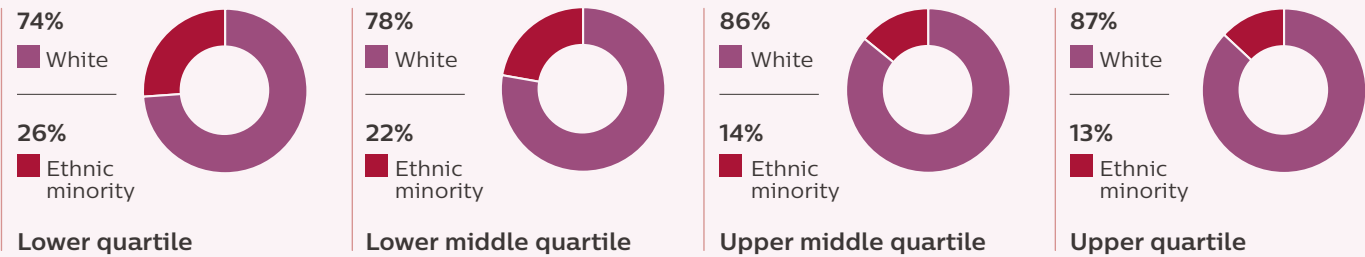
Appendix

Combined quartiles

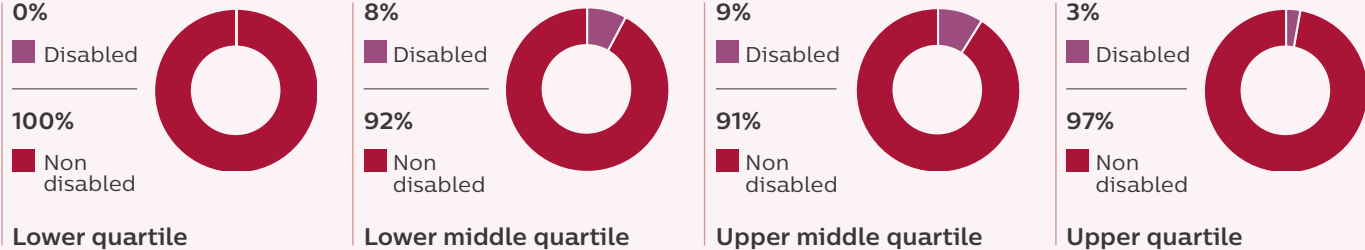
Gender pay - combined quartiles



Ethnicity pay - combined quartiles



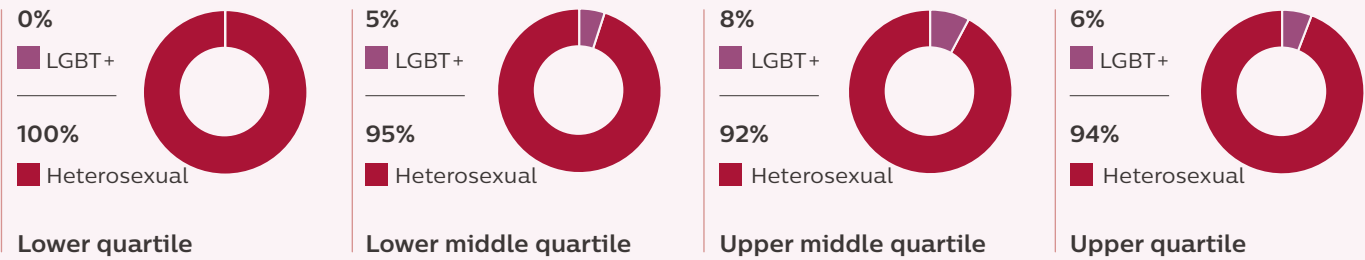
Disability - employee quartiles



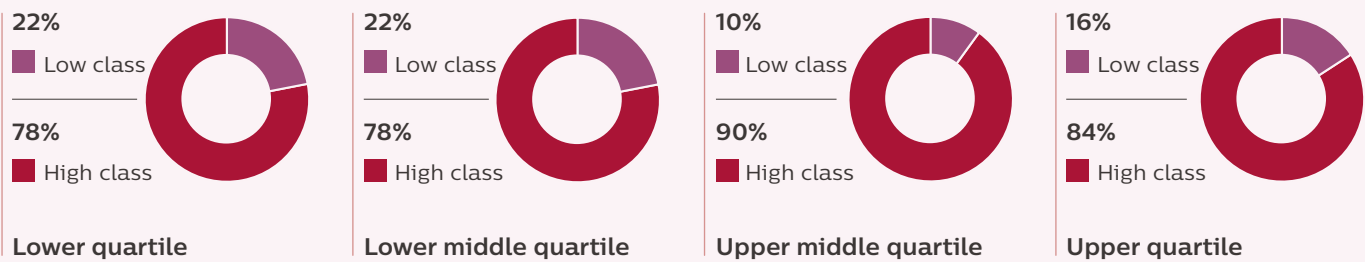
Appendix

Combined quartiles

LGBT+ pay



Social mobility pay



Making a profit is core to all businesses but our goal is to combine this with a real social purpose. Our values are pivotal to us, they shape our decisions and the way we live and work.

We focus on positive social impact as much as we focus on being a successful law firm. Our top tier legal advice is coupled with a real desire to drive change and we were the first UK law firm to achieve B Corp certification, awarded to businesses that balance purpose and profit.

Today, our clients are diverse – from corporate household names, to public bodies, to start-ups. We're also the firm of choice for thousands of charities and social enterprises. We continue to lead the market we helped to shape.

Bates Wells challenges what is possible in legal expertise delivery.

Get in touch:

+44(0)20 7551 7777

hello@bateswells.co.uk