KINGSLEY NAPLEY

WHEN IT MATTERS MOST

Gender & Ethnicity Pay Report 2023



At Kingsley Napley LLP, we have always welcomed the annual gender pay gap reporting as a mechanism for increasing awareness and transparency for gender pay issues.

We are committed to being as open as possible, going beyond the legislative reporting requirements by breaking down our data to show the gender pay gap for our lawyers and partners, as well as our business services teams, wherever possible.

It is with this openness and transparency in mind that we have taken the decision to analyse and publish our ethnicity pay gap data for the first time, alongside our annual gender pay gap report.

The information provided in this report is based on a snapshot date of 5 April 2023.

An introduction from our Senior Partner

I am pleased to introduce our annual Pay Gap Report, which now encompasses both gender pay gap data and, for the first time, ethnicity pay gap data – a reflection of our commitment to transparency and fairness at the firm. As we hope the report shows, we are committed to rewarding and nurturing the potential of all our people, regardless of their background.

From the data presented in the report, it's clear we have made positive steps in our journey towards pay equity.

However, it's equally clear there is more work to be done.

Feedback and insights from all those in the firm are pivotal as we navigate the complexities of pay disparity and break down the barriers that might hinder our progress. Our recent DEI review has enabled us to be clear on where we still have work to do and to hold us accountable as we put our plans into action.



James Fulforth

A note from our REACH Network Co-Chair

Whilst we have work to do, we must also celebrate our successes. Not only do we buck the trend in the legal sector by producing our ethnicity pay gap data, we have also devised meaningful actions to make progress.

As we reflect on the findings of this report, it is essential to acknowledge that closing the pay gap is not a quick fix, but a continuous journey. This report underscores our determination to challenge stereotypes, eliminate bias, and champion equal compensation for equal work. It's a testament to our commitment to fostering an inclusive environment where all voices are heard, and all contributions are valued fairly.

By sharing our progress and setbacks transparently, we invite collaboration, feedback, and joint accountability from all stakeholders—employees, leadership, and partners—as we pave the way towards a more equitable future.

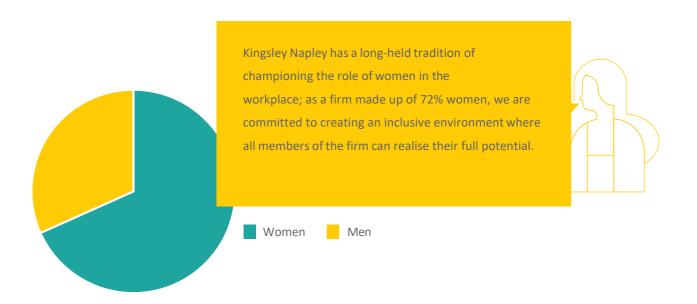
In the pages that follow, you will find not just data, but a narrative of change—a narrative that speaks to our collective dedication to creating a workplace that upholds the principles of fairness, dignity, and respect for all.



Shannett Thompson
PARTNER

CO-CHAIR OF REACH NETWORK GROUP

Gender breakdown at KN



In order to achieve this, we know that there needs to be a combination of positive actions that promote an inclusive culture, address bias in the workplace, and create an agile and flexible working environment.

Understanding Our Data

This report delves into the detail behind our pay gaps across our firm, aiming to foster transparency, accountability, and informed decision-making.

The data presented in this report reflects our commitment to promoting diversity, equity, inclusion, and fairness. Our analysis encompasses a wide range of roles and positions, considering factors such as job function and seniority to offer a nuanced perspective on pay disparities. By identifying areas of concern and areas of progress, we can strategically direct our efforts to create a more level playing field for all our people.

Gender pay gap data

The gender pay gap shows the difference in average pay between all men and women in an organisation. A positive percentage represents a gap which favours men and a negative percentage represents a gap that favours women.

The data below is based on a snapshot date of 5 April 2023.

The difference between gross hourly earnings of all male and female employees at the snapshot date:

MEAN	MEDIAN
21.69%	26.76%

At KN we are committed to being as open as possible and going beyond the legislative reporting requirements, therefore we have provided a breakdown of our data to show the pay gaps for our lawyers, partners and business services teams at the snapshot date.

All Associates		All Pa	All Partners		
MEAN	MEDIAN	MEAN	MEDIAN		
13.08%	8.45%	7.19%	9.64%		

Junior Associates

Fixed Share Equity Partners

(NQ UPTO 4 YRS PQE)

MEAN	MEDIAN	MEAN	MEDIAN
0.35%	0%	3.54%	3.86%

Mid Level Associates

Full Equity Partners

(4 YRS UP TO 7 YRS PQE)

MEAN	MEDIAN	MEAN	MEDIAN
2.61%	8.58%	-3.28%	-4.17%

Senior Associates

Business Services

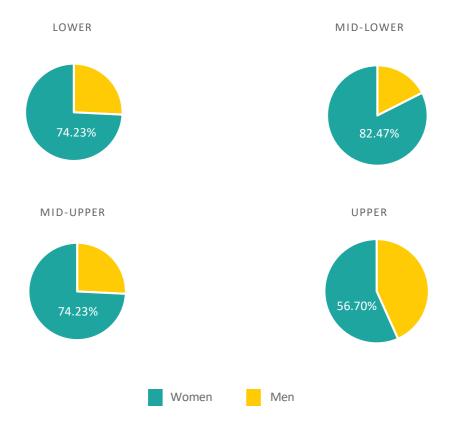
(7+ YRS PQE)

MEAN	MEDIAN	MEAN	MEDIAN
11.38%	0%	30.48%	35.35%

We believe that our firmwide gender pay gap is caused primarily by the structure of our workforce and the gender split across different roles, primarily within our business services and secretarial functions.

As you can see from the quartile gender split below, 78.4% of individuals who fell into the lower and lower-mid quartiles were women and the smallest proportion of women are represented in the upper quartile.

The pie charts below show the distribution of male and female employees in each quartile, based on their hourly earnings at the snapshot date:



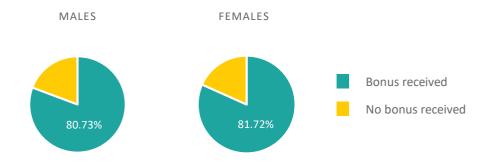
Bonus data

Employee Data

The difference between gross bonus payments made to male and	
female employees at the snapshot date:	

MEAN	MEDIAN
51.58%	16.67%

Proportion of males and female employees who received a bonus payment at the snapshot date:



Partner Data

The difference between gross bonus payments made to male and	MEAN	MEDIAN
female partners at the snapshot date:	-12.83%	0.42%

Understanding our results

Pay Data

Since reporting our data in April 2022, we have seen a decrease in both the mean and median gaps for all employees*. The mean gap has reduced by 1.1% and the median gap by 1.6%.

2022		2023		
MEAN	MEDIAN		MEAN	MEDIAN
22.77%	28.35%		21.69%	26.76%

^{*}These figures do not include partner and refer to employees only.

We reported previously that we believe our gender pay gap to be caused primarily by the structure of our workforce, and the gender split across different roles, mainly within our business services functions, and this remains the same for this year. Our secretarial services team is 98% female, and there are a greater number of females that occupy more of the junior or administrative roles within the firm. The graphs above show that there is a higher proportion of women working within the lower, mid-lower and mid-upper quartiles vs upper quartile where the proportion is significantly lower. 54.5% of women sit within the lower and mid-lower quartiles vs. 45.5% who sit in the mid-upper and upper quartiles.

The gender pay gap appears to be much smaller across our lawyers and partners, and shows that pay is actually in favour of women within our equity partners and there is no or minimal gap in the median pay for junior and senior associates.

Between the snapshot date of 5 April 2022 and 5 April 2023, our overall recruitment was 66.40% females and 33.60% males. Whilst the percentage of female recruitment overall was higher than that of male recruitment, over half of the roles were recruited within our junior to mid business services roles (71.40% female vs 28.60% males) and paralegals (69.20% female vs 30.80% males). There were a higher percentage of female lawyers recruited during this period (67.60% female vs 32.40% males), however, as mentioned above there does appear to be a smaller pay gap amongst some of this group and in some instances no gap at all.

At KN, our commitment to fair and transparent compensation practices is exemplified through our carefully structured annual Salary Review process. We take a thorough approach, considering extensive market research including participating in industry wide survey submissions; profitability and affordability of the firm; financial performance and contribution and individual contribution and circumstances. New hires in their probationary period usually don't receive increases, and employees in their notice period are excluded. Each role across the firm is benchmarked individually based on their market overall experience, responsibilities and performance, allowing for tailored compensation aligned with their achievements.

To remain competitive, we rely on market data and industry standards, ensuring our compensation matches that of similar organisations, both for New Qualified Solicitors (NQs) and other staff. Non-qualified and business services staff are also a focal point, with factors such as market rates, performance, and experience considered in determining their compensation. Fixed profit share levels for equity partners undergo careful scrutiny, with a focus on market dynamics, management roles, work generation and exceptional performance. While we have recently provided a transparent structure for salary bands to guide compensation within our practice areas, we also recognise and reward exceptional performance beyond mere years of experience. The final salary review figures, arrived at following a comprehensive review process, guarantee fairness and consistency. This process underlines our

unwavering dedication to equitable compensation practices, ensuring that our employees are remunerated in a manner that reflects their experience, performance, and industry benchmarks, thus playing a pivotal role in our commitment to address pay gaps and promote workplace equity. It is also important for us to recognise and promote total reward which includes our extensive benefit offerings and we are continuously looking for ways in which we can enhance our offering.

Bonus Data

At Kingsley Napley we pride ourselves on providing an equal opportunity to both men and women to receive a bonus award, and believe that the main reason for the median gap in bonus awards is due to the fact that the bonus data is assessed on the total sum awarded and pro-rated amounts are not taken into consideration. The individuals who are most impacted by this are those who took a period of parental leave, had a flexible working arrangement in place or joined part way through the relevant bonus year, as their awards were made on a pro-rated basis.

In the period that the firm's discretionary bonus awards are made, 91% of our 17% part time employees were female, and during the year which the bonuses were awarded 11% of our female employees took parental leave (this figure is based on the number of female employees on the snapshot date). 73% of those who joined part way through our financial year, in which the bonus reward relates to, were female.

We continue to encourage our male firm members to take advantage of the firm's shared parental leave policy (which matches our maternity leave policy), our flexible working offering and we have most recently increased our enhanced paternity leave policy which we hope is evidence of our continued support and will help to reduce our bonus pay gap.

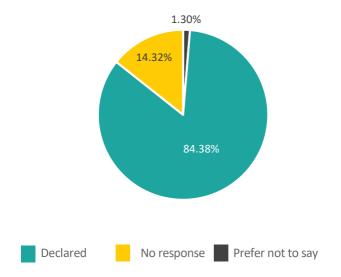
Ethnicity pay gap data

Whilst the ethnicity pay gap is based on the method used for the gender pay gap calculations, it is important to remember that they are not the same and tackle two different issues. Ethnicity pay is the difference in average pay between people from different ethnic backgrounds, irrespective of their role or seniority.

Similar to the gender pay gap, a positive percentage figure represents where there is a gap that favours White British employees and a negative figure favours Ethnic Minority employees.

The data below is based on a snapshot date of 5 April 2023.

The calculations are based on an ethnicity disclosure rate of 84.38% (this does not include partners).



There was 82.5% employee declaration rate in 2022, and 84.38% employee declaration rate in 2023.

Of the 84.38% that disclosed their ethnicity, 66.05% classified themselves as White British and 33.95% as an Ethnic Minority.



Pay Data

The difference between gross hourly earnings of all White British and Ethnic

Minority employees at the snapshot date:

MEAN	MEDIAN
7.67%	31.14%

At KN we are committed to being as open as possible, therefore we have provided a breakdown of our data to show the pay gaps for our lawyers, partners and business services teams at the snapshot date:

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All Partners

MEAN	MEDIAN	MEAN	MEDIAN
-6.93%	3.27%	7.97%	3.92%

Junior Associates

Mid-Level Associates

(NQ UP TO 4 YRS PQE)

(4 YRS UP TO 7 YRS PQE)

MEAN	MEDIAN	MEAN	MEDIAN
4.10%	2.91%	0.04%	5.93%

Senior Associates

Business Services

(7+ YRS PQE)

MEAN	MEDIAN	MEAN	MEDIAN
-21.55%	-2.15 %	4.32%	2.62%

Secretarial Services

MEAN	MEDIAN
-6.01%	-9.44%

We believe that our firmwide ethnicity pay gap is caused primarily by the structure of our workforce, particularly within our upper and mid-upper pay quartiles.

As you can see from the White British and Ethnic Minority pay quartile split below, our mid-upper and upper pay quartiles are majoritively occupied by those who are White British.

The pie charts below show the distribution of White British and Ethnic Minority employees in each quartile, based on their hourly earnings at the snapshot date:



This is the first year we are publishing our ethnicity pay gap data. In the future, we would like to report on a more granular level so that we can break down the Ethnic Minority group into individual groups (Black, Asian, Mixed, Other). This will only be possible when we have a fair representation of employees in each group (minimum 50 employees) to avoid possible identification of individual employees.

Closing the gaps

In 2023 we have made a number of significant steps in progressing in our DEI journey:

- The appointment of the firm's first DEI lead
- A comprehensive review of all of our processes and policy has been completed
- We have conducted listening sessions with over 90 of our KN colleagues and partners to inform us in how we wish to develop our strategy
- Refreshed our governance structure to ensure our KN Networks are set up for success
- Began key training interventions including accredited Inclusive Hiring, Accent Bias and Neurodiversity sessions

We have big plans for 2024/2025. Amongst the largest of our priorities will be addressing any barriers we have identified in our assessment processes to ensure we continue to build and grow our talent pipeline in an inclusive way. We will be doing this by:

- Reviewing the way we recruit and promote at the firm, ensuring we assess talent inclusively and fairly
- Use data to drive our interventions and positive action
- Build capability across the firm in DEI
- Continually review our approach to reward to ensure bias is removed from our processes

Looking forward

We are committed to creating and maintaining a diverse workforce at Kingsley Napley, across all areas and all levels of the firm. The firm's people strategy as well as the D&I plan focuses on ensuring that our working environment allows us to realise potential around the firm, and to provide a workplace that enables individuals to work in an agile way. We continue to develop our inclusive leadership strategy and focus our efforts on addressing any unconscious bias throughout our recruitment and career development processes. We have recently introduced inclusive recruitment training for our Recruitment and People and Culture teams and will be rolling out conscious inclusion training to the wider firm in the coming months. We provide coaching and guidance to all firm members, in the run up to, and throughout periods of parental leave, as well as on their return to work. In order to educate and guide our leaders and managers, they also have access to the support resources.

The People and Culture team work closely with our KN Families and REACH responsible business networks, and all of our DEI network groups to discuss feedback, challenges and develop plans on how to move forwards.

In the last year we have increased our paternity leave policy and most recently have introduced our new Enhanced Time off for Dependants policy. We understand that balancing work and caring responsibilities can be challenging and our aim is to support and protect the wellbeing of our working parents and carers.

In addition to this we have committed to a firm-wide plan to address anti-racism at our firm, championed by our Managing Partner, Linda Woolley. This plan will support us in building our talent pipeline in the most inclusive way whilst ensuring we create an environment of psychological safety for our colleagues.

We believe that our internal processes and procedures relating to pay and progression are fair and robust, but we will continue to challenge ourselves and the decisions made moving forwards, in light of the findings in this report.



Linda Woolley
MANAGING PARTNER



Jemimah Cook

CHIEF PEOPLE OFFICER

We confirm that the data reported is accurate and meets the requirements of the Equality Act 2010 (Gender Pay Gap) Regulations 2017.





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Kingsley Napley is an internationally recognised law firm based in central London. Our wide range of expertise means that we can provide support for our clients in all areas of their business and private life. Many of our lawyers are leaders in their field and our practice areas are highly ranked by the legal directories. We are known for combining creative solutions with pragmatism and a friendly, sensitive approach. The relationship between lawyer and client is key. We work hard to match clients with lawyers who have the right mix of skills, experience and approach in order to achieve the best possible outcome.

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