

UK Diversity Pay Reporting 2018

We know that diversity matters. Our diversity enables us to drive innovation, deliver the best experience to everyone who comes into contact with us, and attract the best talent. That's why being a leader in Diversity and Inclusion is an integral part of our firm's vision and strategy. Read more about Diversity and Inclusion at Linklaters [here](#).

Transparency drives equality and accountability. Last year we went beyond the statutory Gender Pay reporting requirements to publish our data including equity partners. This year we will retain the same level of transparency, going another step further, to voluntarily report on Ethnicity Pay including partners.

We are committed to providing fair and competitive rewards to all our people. We are confident that we pay our people fairly for equivalent roles, regardless of their gender or ethnic diversity.

We confirm that the data reported is accurate.



A handwritten signature in black ink, appearing to read 'G. Moore'.

Gideon Moore
Firmwide Managing Partner
LBS Director
21 January 2019



A handwritten signature in black ink, appearing to read 'Chris Lynch'.

Chris Lynch
Director of HR
LBS Director
21 January 2019

Gender Pay

Ensuring gender equality is a global strategic priority for Linklaters. It is embedded in our strategy and reinforced by our gender targets, where we aim for at least 30% of our new partner appointments to be women each year. This year we exceeded our target, appointing 37% new female partners globally.

Key findings in our 2018 Gender Pay reporting

The most significant cause of our gender pay gap remains unchanged. It reflects the composition of our workforce. We have more men in the most senior roles and a higher proportion of women in secretarial and junior business team roles, which predominantly fall within our lowest pay quartile. Whilst these roles are competitively rewarded by reference to the market, the fact that so many of them are

held by women has the effect of reducing the average pay and bonuses of women in our firm.

- > Our mean and median gender pay gap for the whole firm, including partners, remains relatively unchanged.
- > Our mean and median gender pay gap for employees, excluding equity partners, has reduced since 2017.
- > We have a higher proportion of women in the top pay quartile this year, both

including and excluding partners, while the proportion of women in the lowest pay quartile has reduced.

- > The biggest decrease is in our median bonus gap. This can be attributed to a combination of increased consistency in bonus levels for male and female junior lawyers, and improvements to the gender balance for our more junior business team members, who sit in our lowest pay quartile.

Voluntary Publication

Gender Pay Gap: UK including Equity Partners

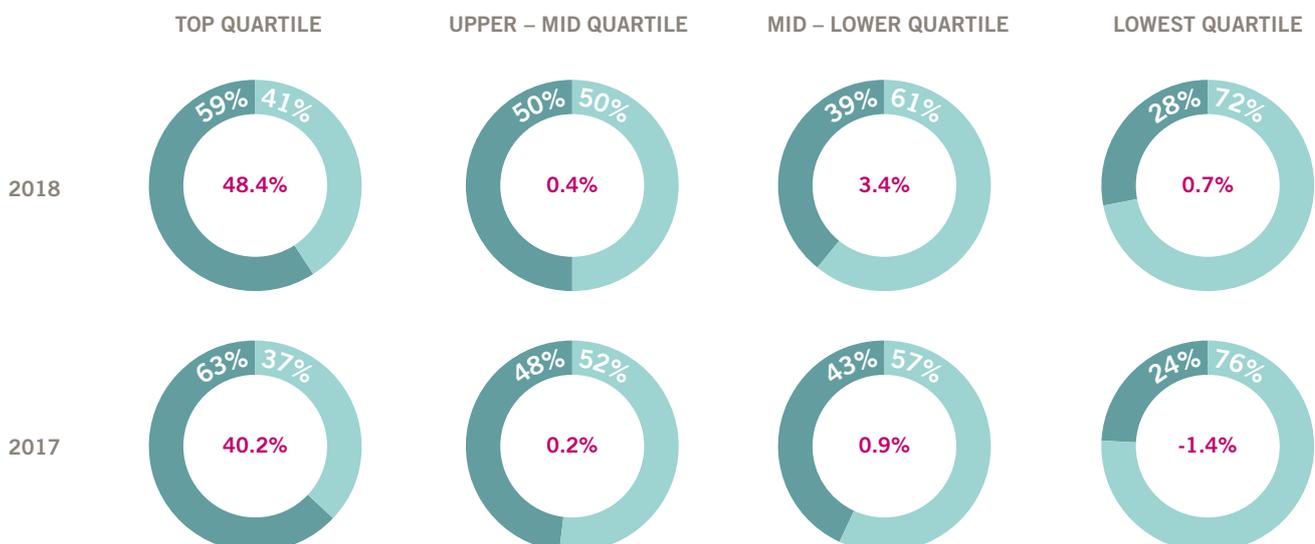
FTE Total Earnings (including Equity Partners)			
Mean		Median	
2018	2017	2018	2017
61.1%	60.3%	37.0%	44.2%

Quartiles Key

- Men
- Women
- Pay gap per quartile

Our partners are remunerated differently from our employees. To draw meaningful comparisons, we have calculated the gap based on full-time equivalent earnings of our UK employees and partners.

Pay quartiles





37%

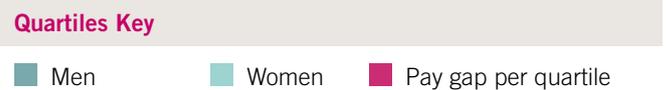
THIS YEAR WE EXCEEDED OUR 30% TARGET FOR NEW WOMEN PARTNER APPOINTMENTS GLOBALLY

Reportable Information

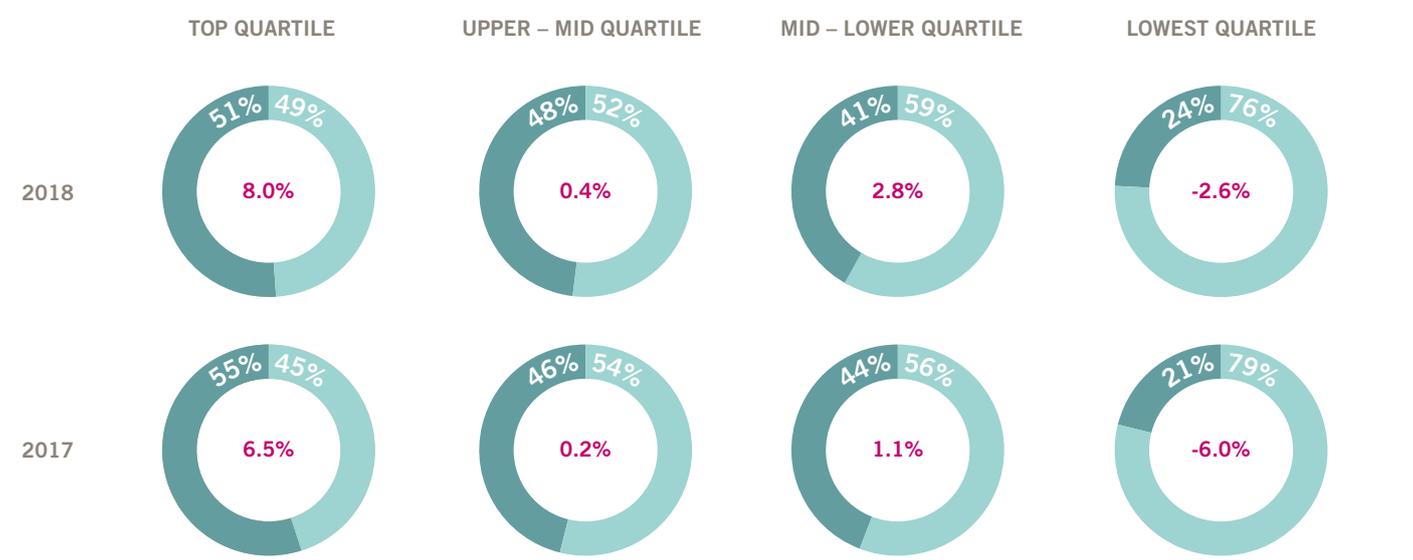
Our Reportable Gender Pay Gap: UK Linklaters Business Services employees

Pay (excluding Equity Partners)			
Mean		Median	
2018	2017	2018	2017
20.8%	23.2%	33.9%	39.1%

Bonus (excluding Equity Partners)			
Mean		Median	
2018	2017	2018	2017
55.3%	57.9%	30.8%	62.1%



Pay quartiles



Linklaters Business Services (LBS) is a wholly-owned subsidiary and the service company of Linklaters LLP. LBS is the main employing entity for Linklaters' UK based employees.

Ethnicity Pay

In line with our strategy to increase the representation of BAME colleagues at all levels in the firm, we are reporting our ethnicity pay gap data this year.

Based on those who have voluntarily disclosed their ethnicity, approximately 21% of our UK population is Black, Asian or Minority Ethnic (BAME). Our BAME colleagues are represented broadly equally across all four pay quartiles, but there are a smaller number in the most senior roles.

Our BAME population is relatively small, so changes within the BAME group can have a disproportionate impact on our pay gap figures. We also rely on our people to voluntarily report on their ethnicity to inform this data. The data below is based on 83% of our total UK population; those who have not disclosed their ethnicity have been excluded from the calculations.

Voluntary Publication

Ethnicity Pay Gap: UK including Equity Partners

FTE Total Earnings (including Equity Partners) 2018

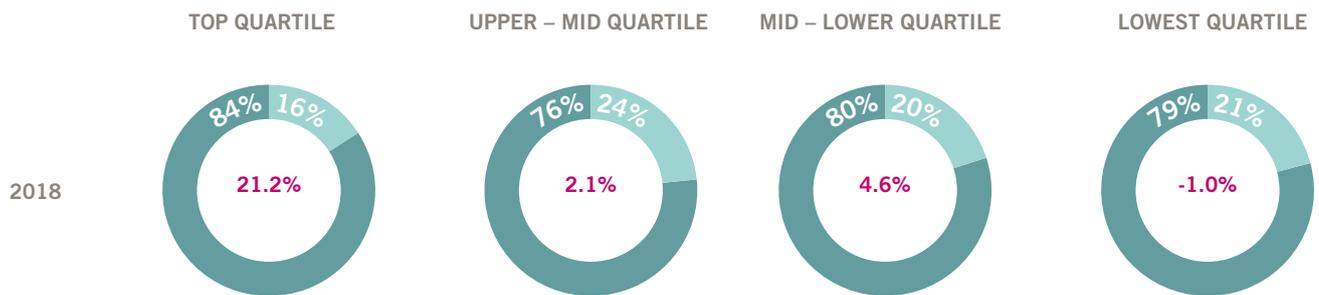
Mean	Median
30.3%	0.0%

Quartiles Key

- White
- BAME
- Pay gap per quartile

Following the same reporting as our gender pay reporting including equity partners, our ethnicity pay reporting has been calculated based on full-time equivalent earnings.

Pay quartiles



Voluntary Publication

Ethnicity Pay Gap: UK Linklaters Business Services employees

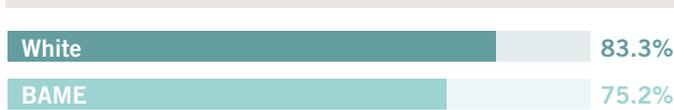
Pay (excluding Equity Partners) 2018

Mean	Median
8.6%	-6.4%

Bonus (excluding Equity Partners) 2018

Mean	Median
42.6%	6.1%

Bonus paid in the 12 months to April 2018

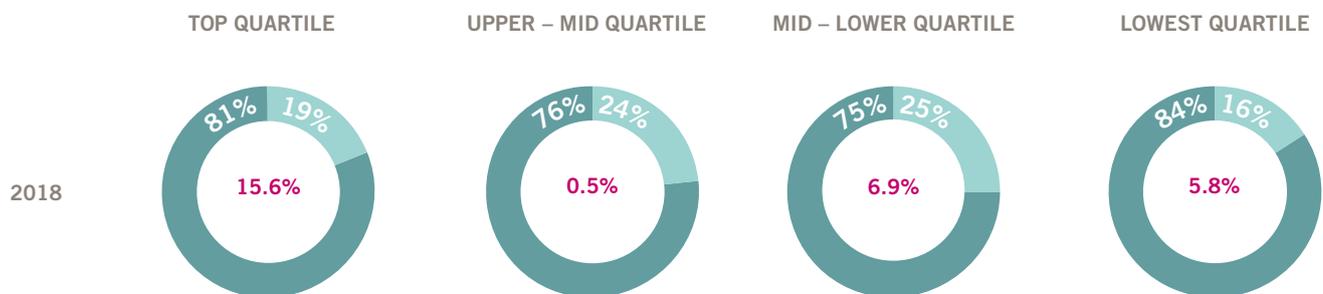


Quartiles Key

■ White
 ■ BAME
 ■ Pay gap per quartile

We have followed principles of the statutory gender pay reporting to calculate this data.

Pay quartiles



Our Commitment

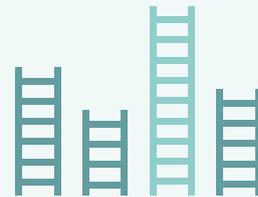
Being a leader in Diversity and Inclusion is key to achieving our firm's strategy. As a responsible business, we are committed to equal opportunities and fairness in our recruitment, development, promotion and reward practices.

Our comprehensive diversity action plan guides our approach and we are proud of what we have achieved over the last year to create an inclusive culture in the firm. In particular, the launch of our Diverse Voices reverse mentoring programme involving members of our Partnership Board being mentored by junior colleagues from under-represented groups including BAME.

We recognise we have more to do to achieve long term and sustainable change and we are committed to the following priorities:



Applying an intense focus to the diversity of candidates in the talent pipeline at all levels during our recruitment processes, partner elections and promotion to leadership positions. This focus is critical to meet our gender targets.



Ensuring ethnic minorities and women have greater development and sponsorship opportunities through our talent programmes. These include Inspire, our new ethnic minority talent programme, our Women's Leadership Programme for managing associates, and Stepping Forward, a new group coaching programme for more junior female associates.



Developing our leaders' understanding of different people's perspectives and experiences, and their responsibilities to create an inclusive culture. This is through initiatives such as inclusive culture training, our celebrations during Diversity Week, sharing diverse stories, the reverse mentoring scheme, and our innovative Career Storyboard workshop – an immersive visual experience highlighting the many subtle and complex factors that affect female recruitment, retention and progression.



Being agile in our approach to working arrangements and career paths, enabling us to attract and retain diverse talent at all career stages, supporting our people to manage their work and personal lives.