



Hogan  
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# 2020 UK Pay Gap Report

Our vision for Hogan Lovells is to make a meaningful, positive impact on our firm and society and to establish ourselves as market leaders in diversity and inclusion. Delivering on our commitments to Diversity & Inclusion and Responsible Business is one of the five key strategic priorities of the firm, on par with putting clients at the centre of everything we do and enhancing profitability. We are actively creating an inclusive workplace where each of our people can thrive as their authentic self, by mitigating unconscious bias and supporting our colleagues. Our commitment to diversity and inclusion makes us a better law firm and helps us to deliver the best experience for our clients, attract the best talent, and drive innovation.

Whilst the statutory focus of Pay Gap Reporting is gender, we have consistently gone beyond the statutory Gender Pay Gap Reporting guidelines. We have included partners in our reports since its inception, we have voluntarily provided a breakdown of our lawyer and Business Services data by gender for the last two years, and also since 2019 have shared our Ethnicity Pay Gap information. Last year we shared our Sexual Orientation Pay Gap information for the first time.

We are proud of our progress in advancing women to partnership. Women now comprise 30% of our UK partnership; in line with our global goal of 30% women partners by 2022. In October 2020, we shared global goals for ethnic minority and LGBT+ representation at partner level. We have been awarded multiple external accolades including The Times Top 50 Employer for nine consecutive years and the Stonewall Workplace Equality Index for 10 years.



**Penny Angell**  
Office Managing Partner, UK

A handwritten signature in white ink that reads "Penny Angell".

# Understanding the gender pay gap

- In 2020 we decided to bring forward the payment of chargeable hours bonuses for our lawyers. These bonuses were paid in April 2020, thereby falling within the snapshot month which meant that the April 2020 lawyer bonuses were included in the calculations for the mean and median hourly pay. While the earlier payment was helpful to our employees in the challenging early stages of COVID-19, it had a substantially adverse impact on our statutory gender pay gap reporting which includes all employees.
- To demonstrate the impact, the table below shows that if the bonus had not been paid in April, the difference between our mean hourly pay gap in 2020 and 2019 would have been less than 1%.
- Our bonus pay is **impacted by several factors**: a higher proportion of women perform senior non-fee earning roles and are therefore not eligible for chargeable hours bonuses, a significant proportion work part-time (one in five), and/or have taken a period of family leave. This results in pro-rated bonuses which influence our bonus gap.
- Women comprise almost two thirds of our population and **continue to be well represented in the upper quartiles** demonstrating our commitment to ensuring women reach senior positions. As highlighted on page seven, we have a number of measures in place to identify and nurture our talented women.
- However, a high proportion of our women also continue to perform secretarial and other Business Services roles, which sees them over-represented in the lower quartile and has exacerbated the impact on the gender pay gap.
- It became clear very quickly after lockdown that **our women were particularly impacted by COVID-19** measures and we reviewed our policies, processes, and procedures to ensure we put in place additional support for our people and line managers in tackling the challenges that arose. We encourage our people to take full advantage of the wide range of support available to them.
- This year we introduced a new policy allowing our people in the UK to take **up to five additional days of paid leave to provide support to dependants during the COVID-19 pandemic**, in addition to our existing 'Time off to care for Dependants and Emergency Leave' policy.

## Statutory Reporting

### Employees only gender pay and bonus gap

Hourly pay			
Mean		Median	
2020	2019	2020	2019
31.7%	18.7%	42.9%	36.6%
18.1%*	18.7%	42.2%*	36.6%

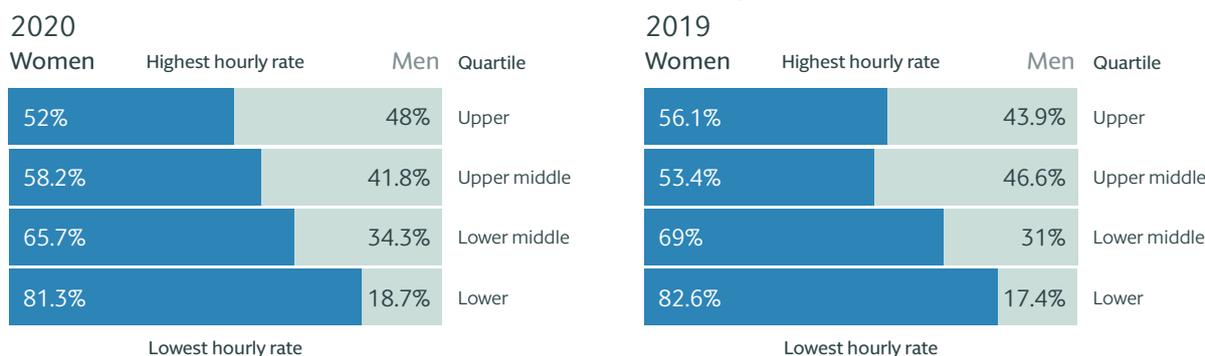
Bonus			
Mean		Median	
2020	2019	2020	2019
52.4%	58.6%	62.1%	66.5%

\*Figures excluding bonuses paid in April 2020

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



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



# Voluntary reporting

## Lawyer population gender pay and bonus gap

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

Hourly pay				Bonus			
Mean		Median		Mean		Median	
2020	2019	2020	2019	2020	2019	2020	2019
3.1%	0.6%	8.1%	-2.3%	32.1%	30.8%	41.1%	44.8%

## Business Services gender pay and bonus gap

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

Hourly pay				Bonus			
Mean		Median		Mean		Median	
2020	2019	2020	2019	2020	2019	2020	2019
29.0%	28.9%	23.3%	29.2%	48.1%	54.9%	62.9%	61.9%

## Partner total compensation gap

Total compensation			
Mean		Median	
Current year	Previous year	Current year	Previous year
7.4%	8.7%	-0.8%	3.0%

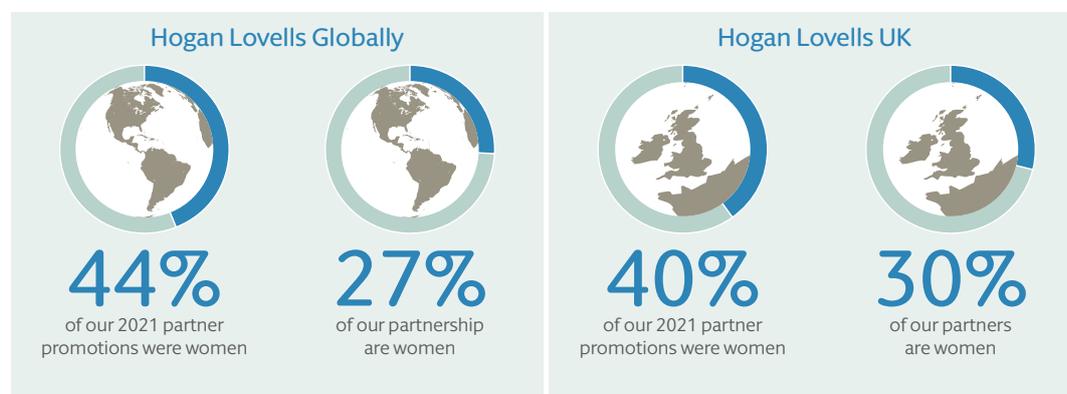
Current year partner reporting data relates to the statutory reporting date of 5 April 2020 for UK partners. As there is no statutory guidance on this calculation for partners, we have used total compensation for the 12 month period as per Hogan Lovells financial year from 1 January to 31 December 2019. Previous year relates to the financial year ending 31 December 2018. 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)

2019/2020 Total compensation			
Mean		Median	
2020	2019	2020	2019
56.0%	57.8%	43.1%	44.7%

All voluntary reporting of Hourly Pay figures are based on calculations excluding additional bonuses paid in April 2020 to provide a more accurate year on year comparison.



As at 1 January 2021

We are committed to maintaining momentum and furthering progress now that we have achieved our goal in the UK of 30% women partners by 2022.

# Ethnicity pay gap

- In line with our commitment to increase representation of Black, Asian and Minority Ethnic (BAME) people at all levels in the firm, we are voluntarily reporting ethnicity pay gap data for the third year.
- We rely on our people to provide their ethnicity data and **90% of our people** have shared their information with us. Of that population, **17% 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.
- We have a **strong record in graduate recruitment**. Since 2015, more than 30% of our trainee cohorts are from ethnic minority backgrounds.
- We recognise that representation of ethnic minority talent declines with seniority. We have an action plan to support our **continued focus on retention, progression and inclusion of ethnic minority talent** as we aim to improve representation at senior levels.
- In 2020 we launched our **Race and Ethnicity at Hogan Lovells network (REAHL)**, which has been instrumental in supporting our people to **improve their race fluency** and taking steps to educate themselves to become more race aware via a range of forums, activities and resources.
- Our **open reciprocal mentoring programme** matches people with someone of a different race/ethnicity to share experiences and become more comfortable with having open conversations around difference. We launched our second round of the programme in January 2021 given continuing demand from our people.
- This runs alongside a formal programme targeted at senior associates and Senior Managers as one of a number of ways we are **proactively working to improve the diversity of our talent pipeline**.
- These actions support our efforts as a **signatory to the Race Fairness Commitment**, a data-driven charter examining the recruitment and progression of black, ethnic minority, and white employees; both lawyers and Business Services as well as commitments to training, monitoring, and mentorship to identify areas for improvement for ethnic minority colleagues.

## Employees only ethnicity pay and bonus gap

(Hogan Lovells Services)

Hourly pay			
Mean		Median	
2020	2019	2020	2019
9.5%	9.6%	16.0%	10.1%

Bonus			
Mean		Median	
2020	2019	2020	2019
3.3%	0.0%	21.2%	-0.2%

## Partner total compensation gap

Total compensation			
Mean		Median	
Current year	Previous year	Current year	Previous year
27.0%	17.9%	12.5%	6.5%

Current year partner reporting data relates to the statutory reporting date of 5 April 2020 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 2019. Previous year relates to the financial year ending 31 December 2018. 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)

2019/20 Total compensation			
Mean		Median	
2020	2019	2020	2019
49.7%	45.8%	39.4%	34.5%

All voluntary reporting of Hourly Pay figures are based on calculations excluding additional bonuses paid in April 2020 to provide a more accurate year on year comparison.

# Sexual orientation pay gap

- We are deeply committed to LGBT+ 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 rely on our people to provide their personal data and **80% of our people** have shared sexual orientation with us. Of that population, **3.5% identify as LGBT+**.
- As a result, even small changes to the LGBT+ population can cause a significant change to the overall mean and median sexual orientation pay gap figures.
- Our **longstanding Pride network** had the opportunity to connect with our people and clients in different ways during COVID-19. During Pride month in June, we filmed a series of conversations

with our clients and senior leaders which were shared with our people. These conversations provided a forum to understand the experiences of our LGBT+ people and clients and to ensure we are providing the right support to our LGBT+ people within an inclusive culture. This supports our commitment to retaining and advancing our LGBT+ talent as we work towards achieving our global diversity goal of 4% LGBT+ partners by 2025.

- We are a supporting partner and founding member of the **Goldman Sachs Pride Academy** which seeks to broaden access to careers in the City of London for LGBT+ talent and we have participated in **DiversCity in Law** for nine years.

## Employees only sexual orientation pay and bonus gap

(Hogan Lovells Services)

Hourly pay			
Mean		Median	
2020	2019	2020	2019
-14.7%	-13%	-50.4%	-47.1%

Bonus			
Mean		Median	
2020	2019	2020	2019
-13.8%	15.5%	-74.6%	4.0%

## Partner total compensation sexual orientation pay gap

Total compensation			
Mean		Median	
Current year	Previous year	Current year	Previous year
56.5%	59.6%	58.6%	52.1%

Current year partner reporting data relates to the statutory reporting date of 5 April 2020 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 2019. Previous year relates to the financial year ending 31 December 2018. 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)

2019/20 Total compensation			
Mean		Median	
2020	2019	2020	2019
25.1%	30.7%	-15.3%	-11.7%

All voluntary reporting of Hourly Pay figures are based on calculations excluding additional bonuses paid in April 2020 to provide a more accurate year on year comparison.

# One Hogan Lovells. Many perspectives.

Diversity is at the core of who we are and how we do business. We are a high performing global team with people from different backgrounds, perspectives, and life experiences. We are committed to creating a thriving, inclusive environment that fosters success and brings out the best in all our people.

## Our Global Diversity and Inclusion (D&I) plan



Our plan informs UK regional D&I activity and includes a focus on five pillars:

- **accountability** by establishing ambitious metrics,
- reviewing our **processes**, including implementing allocation processes to drive work and pitch opportunities equitably to our women and under-represented colleagues,
- **recruitment**, from briefing our recruiters on our expectations for diverse candidate slates to taking another look at our recruiting and lateral integration requirements,
- driving a **culture** of belonging through training members of our firm, starting from the top on unconscious bias and inclusive leadership alongside empowering allyship,
- partnering with our **clients** through collaborative forums focused on diversity and inclusion and other bespoke programmes

## Our achievements to advancing gender equality



We are pleased to have met our global target to achieve 30% women partners in the UK in 2021, one year ahead of the 2022 target date. We actively seek to identify and nurture our pipeline of talented women, focusing on ensuring our policies, processes, and programmes enable us to develop and advance our people. Our Breaking Barriers employee network supports the firm's focus on retention and advancement of women. We are proud to be a family friendly employer and to promote a range of agile working opportunities. We have a strong family support package including emergency backup care, maternity mentoring, and parental transition coaching. Recognising the disproportionate impact of COVID-19 on women and underrepresented groups, we regularly surveyed our people during 2020 to understand their particular challenges and took steps to offer the relevant support to minimise any adverse impact.

## Inclusion



We work with a network of allies and champions to support the implementation of our D&I strategy across the firm. We rolled out implicit bias training in 2020 with microaggression and anti-racism training to follow in 2021. In the UK, we achieved Bronze status in the National Inclusion Standard, the first law firm to achieve such recognition; an evidence-based, objective, accreditation covering key processes arranged over Inclusive Employers' six pillars of inclusion. Our plans for 2021 and beyond include key actions to move us to Gold status. The firm has introduced chargeable hours credit for D&I hours to ensure that our diverse lawyers are recognised and rewarded for disproportionately undertaking D&I activities for the benefit of the firm; and moreover to incentivise all our lawyers to undertake such activities.

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\*Our associated offices

Legal Services Centre: Berlin

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