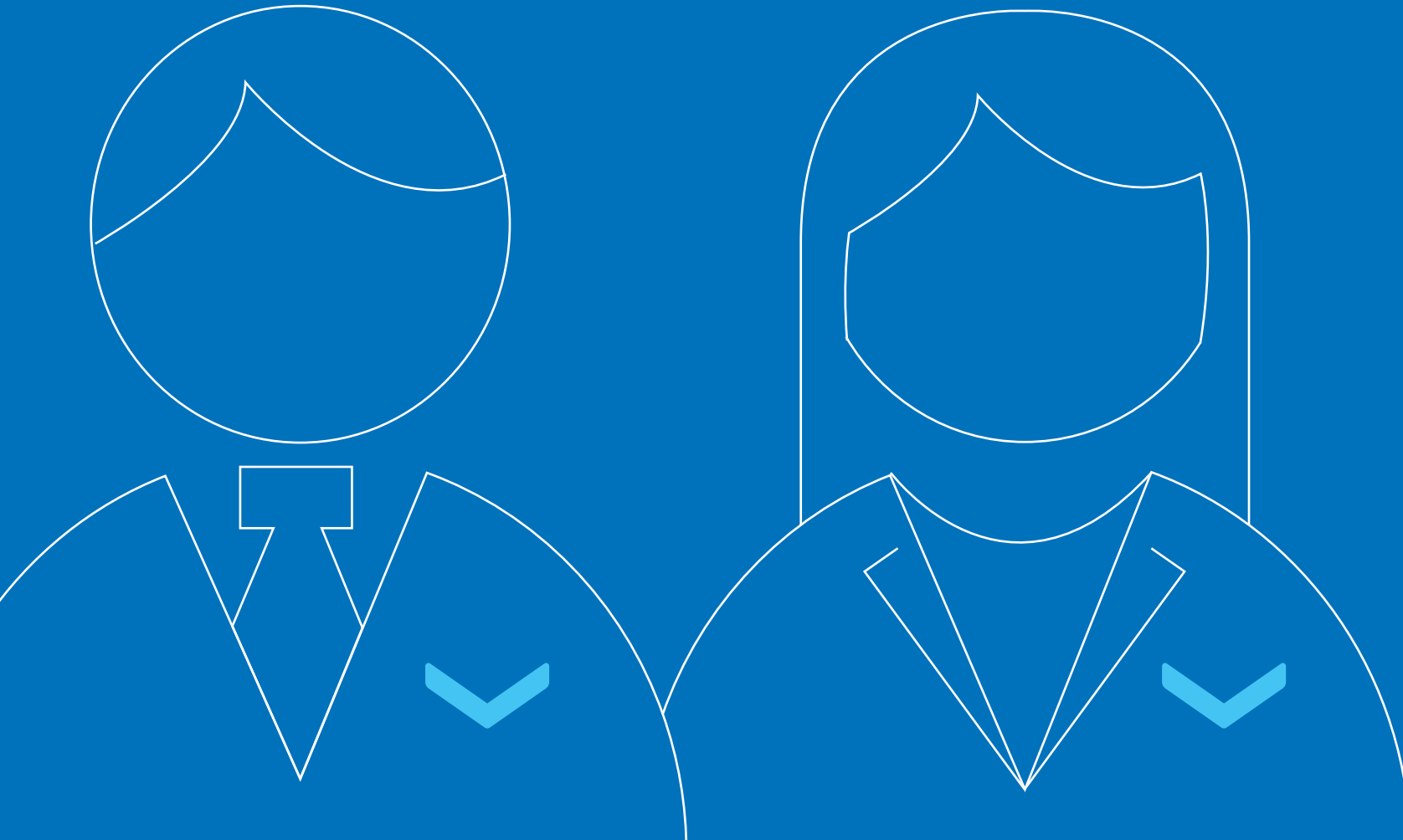


Gender Pay Gap



Keoghs

Gender Pay Gap

Summary Statement

During our 50th anniversary year Keoghs reached a number of notable milestones; we were ranked a Top 50 law firm, expanded our service offerings to include Professional and Financial Risks, Corporate Risks and Abuse claims, won a number of industry awards and towards the end of 2018 launched our new values, an internal project that brought together our people and shared our vision for the future. People matter at Keoghs, so we take responsibility to ensure inclusion, dignity and respect for all. We believe that our people are amongst the best in the market. They are part of Keoghs because they believe in our vision and believe that together we can make a difference to our clients.

Keoghs are deeply committed to all aspects of equality and diversity and we believe that sharing our 'Gender Pay Gap Report' is an integral step in having more meaningful conversations with our people about equality and inclusion. This year we have gone above the statutory requirement and have also separately reported on our Partners and our full firm gender pay gap. In addition we have taken the step to voluntarily report on ethnicity pay for our employee population.

This report reminds us that we must seek further opportunities to ensure we do all that we can. It is recognised by the government that the gender pay gap is not a quick fix and we must not fall into the trap of focusing too heavily on the numbers as this could lead to regressive action, for example trying to fit people into roles which will influence the statistics. We need to instead explore new opportunities to ensure that our people reach their full potential.

As with any data its value is in the awareness it raises and the questions it prompts combined with the action we take. These statistics provide a valuable insight to challenge ourselves by asking "how can we create an even more inclusive business?"

Understanding our Results

For the purpose of this report our gender pay gap is calculated using the approach required by the regulations. The gender pay gap is a measure of the difference in the average pay of men and women – regardless of their work, across the entire organisation. It can be driven by the different number of men and women across all roles. It should be noted that the gender pay gap is different from an equal pay comparison which would involve direct comparison of two people or groups of people carrying out the same, similar or equivalent work. One of the main reasons for the gender pay gap in our society is that men are more likely to be in senior roles.

Our analysis shows that we have an overall gender pay gap percentage of mean 18.5% and median 18.2%. The figures suggest we are broadly consistent with the national average and well below sector averages according to the recent data published by the Office of National Statistics which report the Legal profession as 24.4% mean and 25% median.

When comparing the mean and the median together they have the same or roughly the same value which means that our dataset is not skewed, and we can be reasonably certain that our employees, male and female, are being paid within the same income range. As a proportion of the workplace, Keoghs employs more women (66%) than men (34%). The most significant impact of our gender pay gap remains unchanged and reflects the makeup of our business which highlights the fact that administrative and support roles attract more female applicants and we therefore have a higher proportion of women in these roles. As these roles are in the lower quartile of pay and women represent 73.4% of the lower quartile this therefore contributes to the reported gender pay gap. As with most business there are significantly fewer senior roles and turnover at this level is much lower than more junior roles.

Further interrogation of our data shows that the acquisition of over 300 employees from another law firm has impacted upon our

gender pay gap and as a direct consequence raised our mean score in this report by 2.2 percentage points and our median score by 4.1 percentage points.

When we analyse our data further we can identify that within the fee earning population the Gender Pay Gap is much lower at 12.7% mean and 10.4% median. This is in direct contrast to the Support population where the mean is 22.7% and 23.7% median where there are variations in market rates of pay between these functions and which contributes to the higher gender pay gap percentages.

Our data shows the opportunity to earn a bonus at Keoghs is equally spread, with 33% of men and 34% of women earning a bonus. Our analysis shows that the rate at which these bonuses are paid are equivalent to the level of role and this has impacted on our mean and median bonus pay in this year's results as senior employees are rewarded in line with their performance.

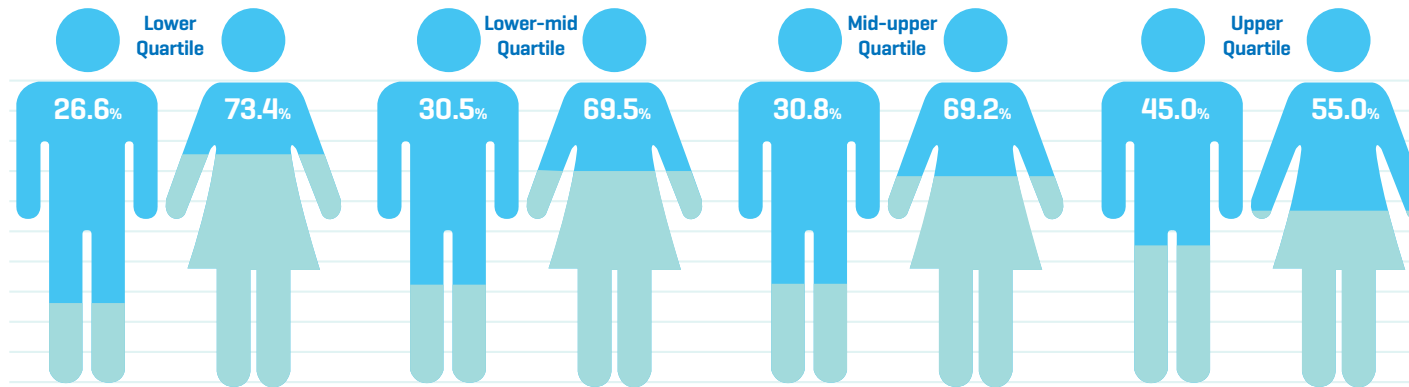
Whilst our results suggest that we are in a good place compared with our competitors, it also identifies that there is still work to do to reduce and ultimately remove our gender pay gap. We are confident that our action plan and continued focus in this area will ensure that we understand any barriers that prevent anyone fulfilling their potential within our business.



Gender Pay Gap

Gender Pay Gap in Hourly Pay

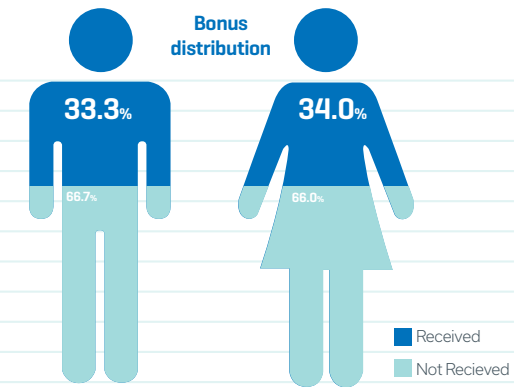
	Mean	Median
Difference between gross hourly earnings	18.5%	18.2%



Gender Pay Gap in Bonus Payments

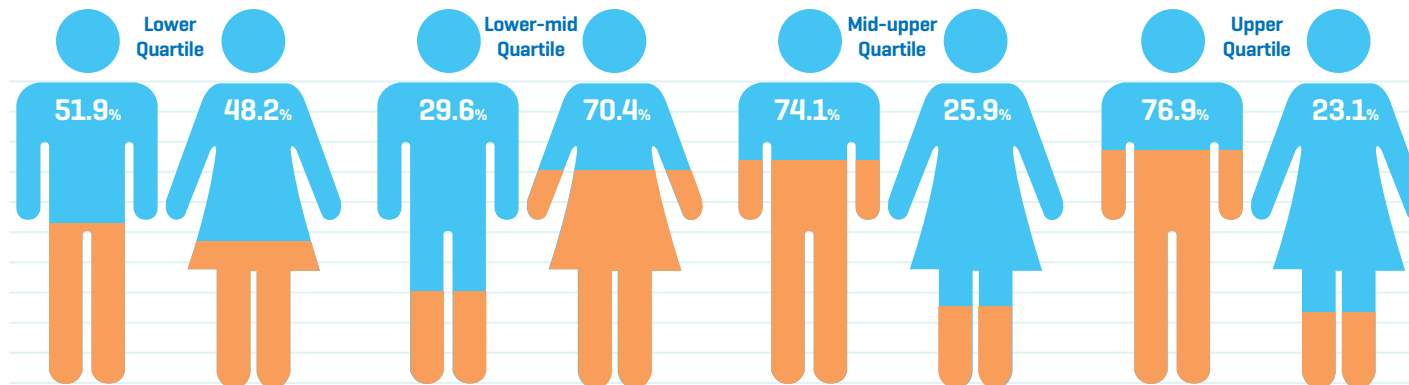
Difference between bonuses paid

	Mean	Median
Difference between bonuses paid	58.9%	42.1%



Partners Gender Pay Gap in Hourly Pay

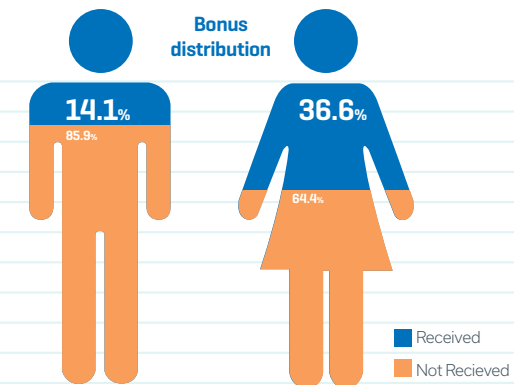
	Mean	Median
Difference between gross hourly earnings	22.7%	23.8%



Partners Gender Pay Gap in Bonus Payments

Difference between bonuses paid

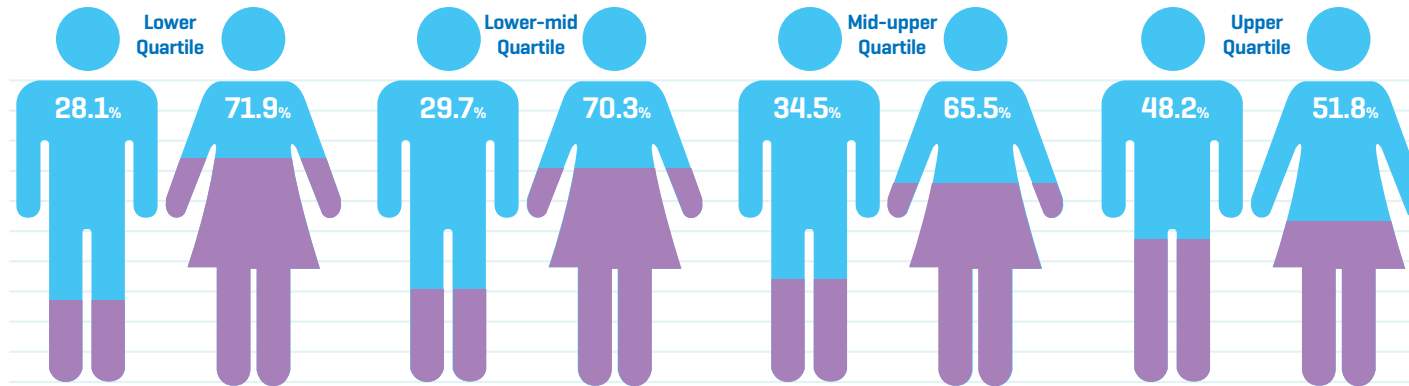
	Mean	Median
Difference between bonuses paid	46.1%	25.0%



Gender Pay Gap

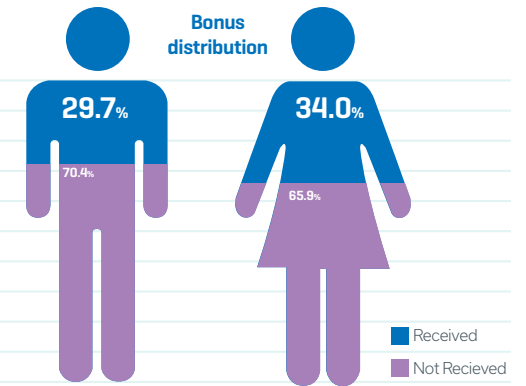
Combined (all firm) Gender Pay Gap in Hourly Pay

	Mean	Median
Difference between gross hourly earnings	33.7%	22.1%



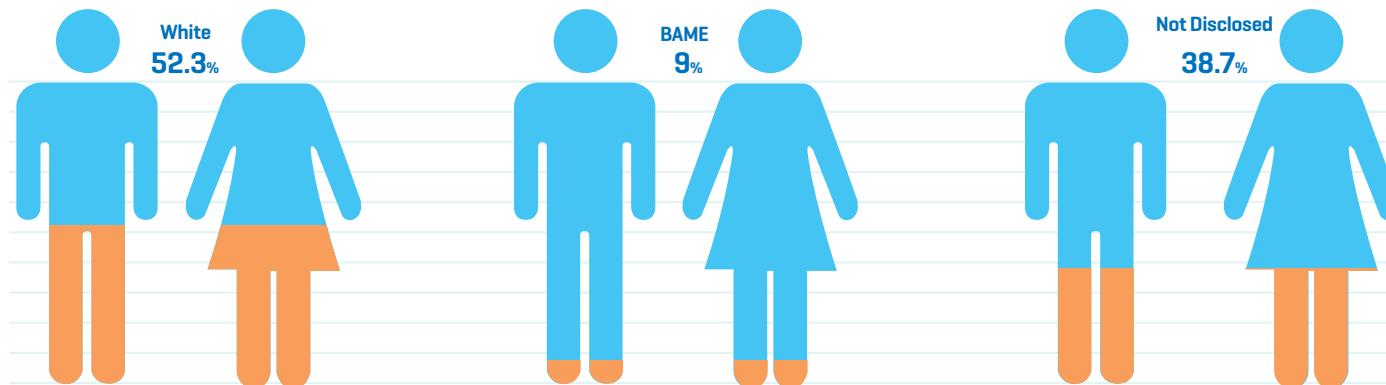
Combined (all firm) Gender Pay Gap in Bonus Payments Difference between bonuses paid

	Mean	Median
Difference between bonuses paid	60.4%	41.3%



Ethnicity Pay Gap in Hourly Pay

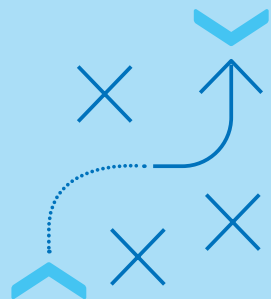
	Mean	Median
Ethnicity of hourly paid relevant employees between white and BAME	14.9%	15.1%



Gender Pay Gap

What we have already begun

- › We pride ourselves in being an inclusive business and this year we have relaunched our Values which embrace our commitment to diversity and inclusion and are linked to the values of our clients as well as to performance review and reward. The values were formed through the work of a representative group of over 100 colleagues across the business who inputted and helped craft the values which we have rolled across the business.
- › As a business we already encourage flexibility and senior leaders role model working flexibility as well as championing and encouraging flexible working with people working, where possible, 2 days from home each week.
- › We operate a clear procedure for pay reviews and as part of our 2018 annual review process, salary benchmarking and calibration was undertaken for all roles to ensure that the people working are paid equitably by undertaking salary benchmarking. During the salary review process we measured the impact that the salary review had on our gender pay gap and we will continue to undertake this exercise again this year.
- › In all areas of recruitment we use a combination of interviews and skill based assessments with standardised scoring to ensure fairness across candidates. We have trained over 120 people in our business this year with our "license to hire" programme reviewing all interviewing processes and up skilling our people in unconscious bias training and interviewing techniques. This will ensure that our selection, promotion, succession and reward policies and decisions are based solely on talent and performance.
- › Work also began on Diversity and Inclusion with our Partner population discussing ways in which the business could stretch our ambitions. We are also proud of the work we undertook in creating an inclusive culture and were finalists in the National Business in the Community Awards for the Outstanding Employment Award. This celebrated the work we had undertaken within our community by encouraging long term unemployed to forge ahead with a career at Keoghs with our "See Me Not CV" campaign.



Action Plan

Whilst we believe that much of the current variance is reflective of historic gender split within the market generally, it does continue to be a priority for us and we are taking proactive steps to challenge our system, processes and people involved. Our commitments to enabling people to reach their full potential include;

1. Recruitment support - reviewing shortlists of applicants to ensure we are focusing attention on area of low levels of female participation. We will ensure that our selection and recruitment processes have a balanced representation of candidates for all roles in terms of gender and diversity, where candidates meet the appropriate skill sets and qualifications.

2. Building internal networks with Senior sponsorship - We have also launched a Diversity and Inclusion steering group this year with our Partner

population and will build on this during this year to widen participation and inspire our people on the topic of inclusion. We will focus our attention on creating networks in relation to ethnicity, working families, LGBT+, disability and mental health.

3. Raising awareness and helping people learn - Has already begun with mandatory unconscious bias training for Partners and this will progress to include all colleagues within the business

4. Strengthening access to coaches and mentoring for our people - To support positive action encouraging a wider gender representation at application and interview

5. Encourage alternative ways of working and reviewing the ways we work - To encourage applicants which will address historic gender pay imbalances.

We confirm that the data in this report is accurate



Allison Carr
Chief Operating Officer



Jo Wright
Head of People