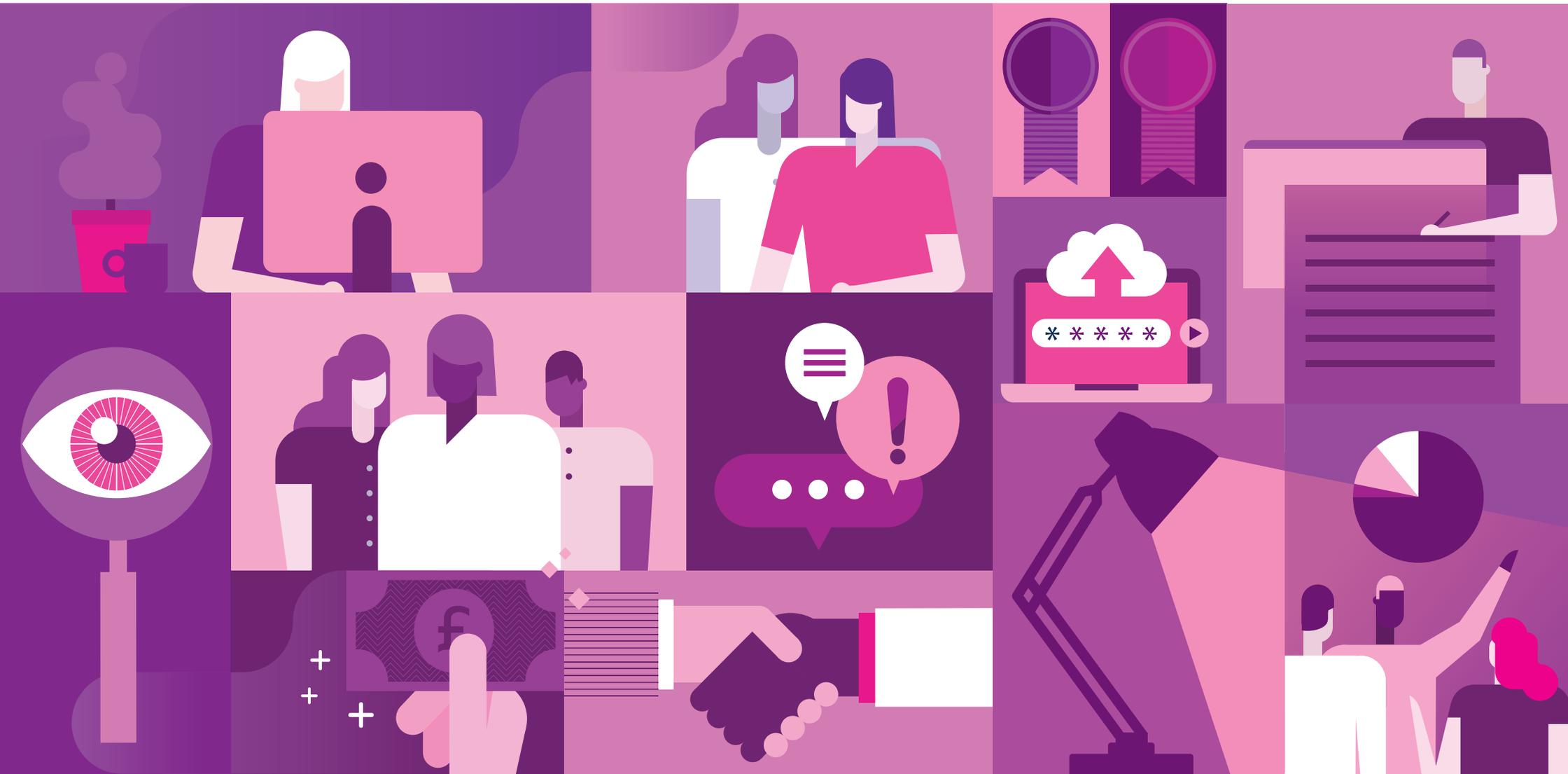


2017 Gender Pay Gap Report



Foreword by our managing partner



As a female managing partner of the only law firm to have been named 15 years running in the *Sunday Times*' 100 Best Companies to Work For, where 43% of our Board are women and 66% of our associate solicitors are female, most casual observers would be forgiven for thinking that the gender pay gap is not something that would be of particular concern to Mills & Reeve.

Well let me assure you it is. As a quick look at the data contained in this report will confirm, there is plenty more that we can do as a firm to address this important issue. We are absolutely committed to reducing our gender pay gap and as chair of our Diversity and Inclusion Steering Group I am pleased we have already set targets to tackle this.

One of these targets is to increase the proportion of female partners from 27% to at least 30%. You may ask why I'm mentioning our partners at all as they are officially exempt from the Government's gender pay gap reporting.

Although we are not obliged to report the gender pay gap of our partners, which currently stands at 10.5%, we have decided to do so in the spirit of openness and transparency.

It is the barriers that currently prevent some women from progressing into more senior roles we are keen to break down by looking to better exploit the many tools at our disposal such as new technology and agile working practices.

At Mills & Reeve we welcome gender pay reporting. It takes gender equality further by creating greater transparency and encouraging a more balanced representation of men and women at all levels. Having a strong culture helps but we also need to provide a supportive, flexible and agile working environment for our people to truly thrive in.

Claire Clarke
Managing Partner
Mills & Reeve

“We want everyone at Mills & Reeve to be able to build a successful career without having to compromise their life outside work.”

The gap at a glance

Gender pay gap at Mills & Reeve

	Mean	Median
Gender pay gap	20.1%	34.2%

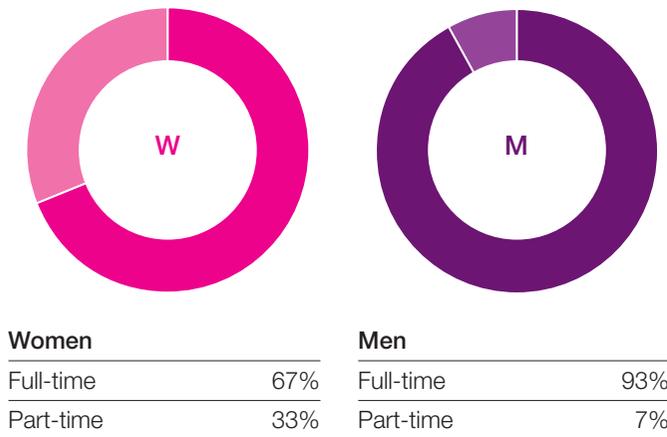
Gender bonus pay gap at Mills & Reeve

	Mean	Median
Gender bonus pay gap	42.6%	4.5%

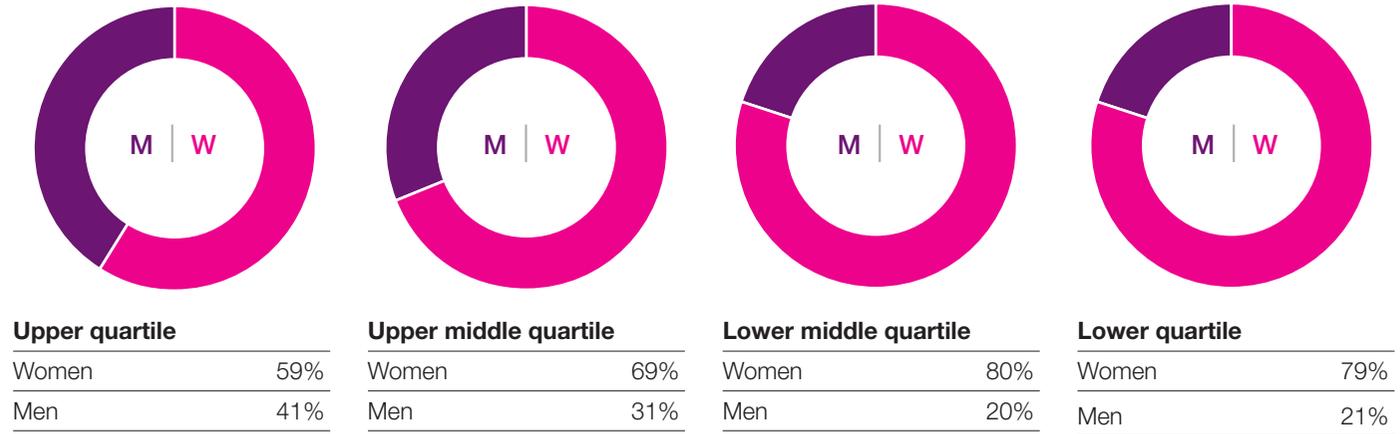
Proportion of women and men receiving a bonus at Mills & Reeve



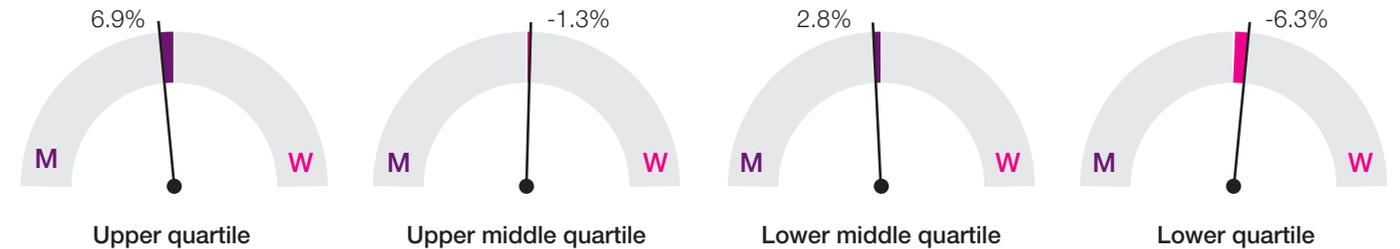
Working patterns at Mills & Reeve



The percentage of women and men in each quartile (of equal size) of the payroll



Gender pay gap broken down by pay quartile (Mean)



Gender pay gap broken down by associate solicitor level (Mean)



Partner gender pay gap (Mean)

All the figures reported above are for employees except for the Partner gender pay gap figure. Calculating the median involves taking all salaries in a sample, lining them up in order from lowest to highest, and picking the middle-most salary. Meanwhile, the mean is the overall average of the whole sample and is more subject to skewing by a small number of outliers.

Understanding our gender pay gap

We are confident that we pay men and women fairly for equivalent roles, and are pleased that the gender pay gap for each of our four pay quartiles is small.

However, our results echo many professional services firms in that we have a large proportion of women employed in the lower pay quartile as legal secretaries, secretarial assistants and document production specialists, and more men in senior higher paid business services roles. Although roles in the lower pay quartile are rewarded competitively when compared against the legal market as a whole, the average pay of women in our firm is reduced simply because so many roles in that quartile are held by women, which in turn affects our overall gender pay gap.

This imbalance is certainly not unique to Mills & Reeve and is one of the reasons gender pay reporting has been introduced. Being aware of it means that, although we will not be promoting or hiring one gender over the other, we will ensure our policies and processes continue to be robust in ensuring both men and women are treated fairly and have equal chance of success.

It is also important to understand that the legal profession is one that equally attracts both men and women, with just over half (54%) of solicitors being female, according to the Office for National Statistics (ONS). The ONS also reports the gender pay gap for solicitors currently stands as 7.8% in favour of men. We are pleased therefore to report that the gender pay gap across our various associate solicitor levels is nearly non-existent and certainly compares well to the rest of our sector.

Finally, with regard to the gender bonus pay gap almost all our employees receive a bonus, 97% of men and 95% of women.

It is important to note, however, that unlike the gender pay gap calculation there is no conversion to an hourly rate or pro-rated figure. As all our bonuses are pro-rated to reflect part-time working and 92% of our part-time workers are women our mean gender bonus pay gap is therefore affected significantly.

“... we will ensure our policies and processes continue to be robust in ensuring both men and women are treated fairly and have equal chance of success.”

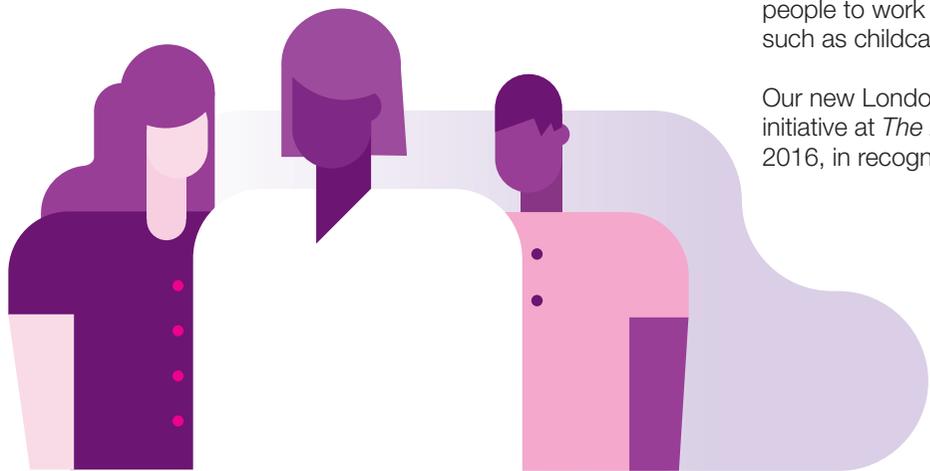
What we're doing to close the gap

Diversity is a key strand of Mills & Reeve's 2020 strategy as well as being integral to our culture and values. As a firm we are committed to being an inclusive and diverse organisation which is a great place to work and allows people to reach their full potential.

Action point #1 Leading from the top

One of the four key pillars of our firm's 2020 strategy is how we support and challenge our people. We are continually looking to improve career conversations and embed more consistent talent management programmes at all levels.

Alongside the 2020 strategy our Diversity and Inclusion Steering Group has set a number of ambitious targets over the coming years including seeking to increase the proportion of female partners from its current level of 27% to at least 30%.



Action point #2 Fully utilise technology

We've introduced new technology to make it possible for our people to login from anywhere, making home working much easier. New agile working practices have encouraged our people to work around other commitments outside of work, such as childcare or caring for elderly relatives.

Our new London office won the most innovative workplace initiative at *The Lawyer's* Business Leadership Awards in 2016, in recognition of its agile working practices.

Action point #3 Support our people

We have also looked at some of the reasons women either don't come back to work following maternity leave, or find it hard when they do.

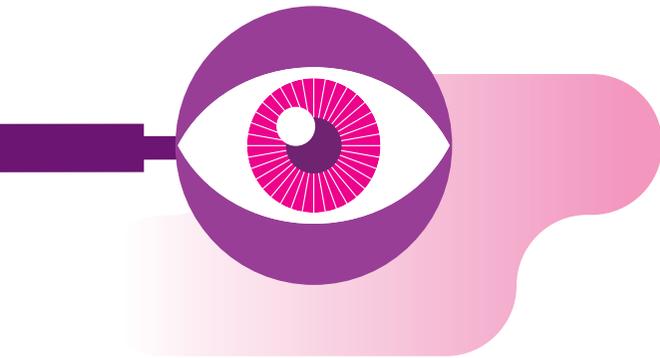
Initiatives such as career coaching and maternity mentors, designed to provide support to returning mothers, and "keep in touch" programmes to help women stay in contact with the business while on maternity leave, have received positive feedback.



What we're doing to close the gap

Action point #4 Greater awareness

In an effort to close the gender pay gap for good we are monitoring the gender balance of talent programmes and promotions, pay and pay reviews by gender and job grade, and recruitment and selection by gender. We are giving unconscious bias training to those involved in recruitment and promotions and will also require search firms to consider the gender make up of shortlists.



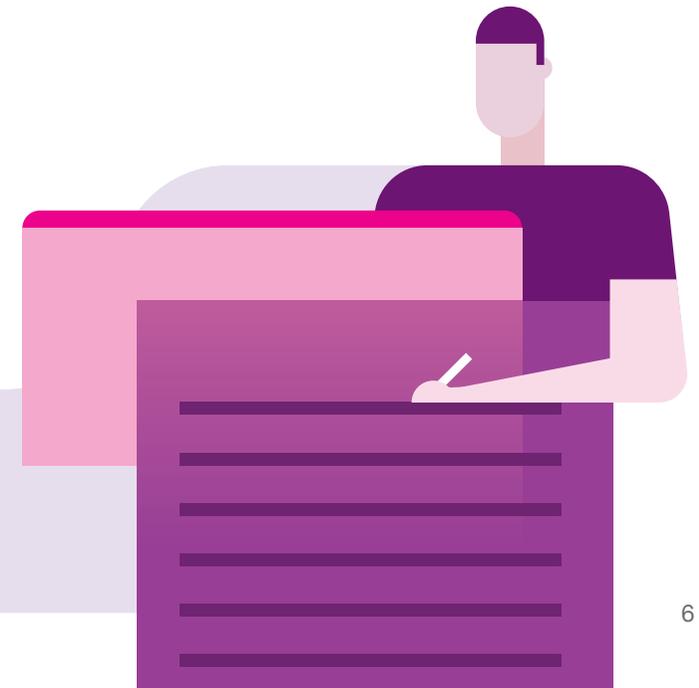
Action point #5 Rewarding all our people

Almost all our employees receive a bonus, 97% of men and 95% of women, because we believe passionately that we should share the success of the business with those that helped achieve it and that everyone contributes to the success of Mills & Reeve.

Last year every non-partner member of staff received £1,638 regardless of position, seniority or salary if they worked full time and were with us for the whole financial year – the highest ever all-staff bonus.

Action point #6 Encourage more gender balance in legal support roles

This year will see the roll out of our new Executive Support Services (ESS) to replace our existing legal support. This will provide us with the opportunity to encourage more applications from men for executive assistant, administrative assistant and document production specialist roles in the future to ensure they are better represented going forward.



Case study #1

Joanna Davies, principal associate



I found a maternity mentor incredibly valuable in navigating the path from preparing to take maternity leave, to keeping in touch while off work, and finally managing my return on a new part-time working pattern.

A maternity mentor offers practical advice and support for dealing with the transition at work. That might include help considering different options for childcare and part-time working arrangements, sharing ideas for maintaining client relationships, and managing a smooth handover with your team.

For me personally, the most valuable element was the career coaching offered by my mentor. Returning from maternity leave can be a good time to assess your career aspirations, and being able to discuss this openly with a mentor, who is another working mum, was invaluable. Having a mentor gives you the benefit of someone else's experience, who has faced

the same challenges of balancing a career and children. There is no easy solution, but Mills & Reeve is open to individuals finding an arrangement that works for them.

The maternity mentoring programme signals how Mills & Reeve is committed to supporting women returning to work and progressing their careers. Coming back can be daunting, and having the right support in place helps to show you're truly valued by the firm.

After the positive experience I had, I have now become a maternity mentor myself. I'd like to encourage others to use the mentoring as a launch pad to establish, or resume, a fulfilling career.

“For me personally, the most valuable element was the career coaching offered by my mentor. Returning from maternity leave can be a good time to assess your career aspirations, and being able to discuss this openly with a mentor, who is another working mum, was invaluable.”

Case study #2

Jo Grandfield, partner



Juggling a family and a demanding career involves inevitable compromises. Mills & Reeve have given me the flexibility to work around the needs of my children and still progress my career in the way I wanted and at the pace I needed.

I joined Mills & Reeve in 2008 and had my first child the following year. After taking a little under a year's maternity leave I returned part-time. It was difficult to juggle part time hours as a litigator at that time as the technology available to assist with flexible working was far less advanced than it is now and I found striking the right balance a real challenge.

I had my second child in 2012 and took a slightly extended maternity leave before coming back to cover a professional support lawyer's own maternity leave, which enabled me to work fewer hours when my children were very small while keeping up to date with developments in the law.

In 2014, I was given the opportunity to be part of the firm's new team of family lawyers in the capital and so my family and I relocated from Leeds to London. Mills & Reeve did everything it could to support me personally in making the move and to enable the demands of what quickly became a leadership role to fit in with my other commitments. I was promoted to the partnership in 2017 and continue to work part time and flexibly.

New technology and different ways of working are the norm at Mills & Reeve. Flexible working is embedded within our culture and supported. We utilise technology to make things work both for us and our clients. There's a culture of "getting the job done, smartly and efficiently".

What I like most about Mills & Reeve is that flexible working is not considered to be a "benefit" or "treat" or something out of the ordinary. It is what we do when we need to do it in a way that ensures it works for everyone, by which I mean both us and the client.

“Mills & Reeve did everything it could to support me personally in making the move and to enable the demands of what quickly became a leadership role to fit in with my other commitments.”

Case study #3

Poppy Short, principal associate



I joined Mills & Reeve in November 2016, with three young children at home and in school. My request to work part time and flexibly, especially during holiday periods, was accommodated and I was reassured that I would be able to have a fulfilling career while still maintaining a realistic work life balance.

I took this on trust as I was aware of Mills & Reeve's strong reputation as a firm that really respects its people. However, I couldn't quite believe that I would be able to have a rewarding career in such a successful law firm while prioritising the needs of my children.

The leap of faith was well worth it. I have found many "smart" ways of working flexibly to ensure that I can meet client demands and fulfil my various roles at work, such as being an Innovation Champion, while still being around for my children. Technology has assisted by enabling me to work from home, or indeed anywhere.

But the most helpful resource has been the support and understanding I have received from my colleagues. We quickly developed a relationship of mutual trust and respect which is based on the understanding that I will do what it takes to meet client expectations and deadlines but that I can flex my working arrangements to support my children's commitments with no questions asked.

Mills & Reeve's collaborative culture and positive attitude to part time working has encouraged me to try and achieve more out of my career. It has also dispelled the myth that it is not possible to build a successful career as a working mum without compromising home life.

“I have found many ‘smart’ ways of working flexibly to ensure that I can meet client demands and fulfil my various roles at work, such as being an Innovation Champion, while still being around for my children.”

About Mills & Reeve

Mills & Reeve is one of the most successful law firms in the UK because of its highly commercial approach, the deep relationships it develops with clients, and the quality of its people and collaborative culture.

Clients appreciate we deliver pragmatic, commercial advice that is always clear and tailored to their needs and our deep sector expertise helps us to really understand our clients' business and markets. Our sector specialisms include charities, education, food and agribusiness, health and care, insurance, the mid-market, private wealth, real estate investment, sport and technology.

Mills & Reeve is the only law firm to have been named 15 years running in the *Sunday Times*' 100 Best Companies to Work For.

Other facts about Mills & Reeve:

- We are a £100 million business, aiming to grow faster than the top 100 UK law firms
- 97% of our staff would recommend us as a good place to work
- We have six offices in major UK cities, including London, with over 500 lawyers and 900 staff

The small print...

Under new legislation which came into force in April 2017, UK employers with more than 250 employees are required to publish their mean and median gender pay gap.

These metrics are complementary, and illustrate different aspects of the distribution of pay across an organisation. Calculating the median involves taking all salaries in a sample, lining them up in order from lowest to highest, and picking the middle-most salary. Meanwhile, the mean is the overall average of the whole sample and is more subject to skewing by a small number of outliers.

We confirm that Mills & Reeve's gender pay gap calculations are accurate and meet the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

The data published in this report is published by Mills & Reeve Services Limited, a wholly owned subsidiary and the service company of Mills & Reeve LLP. Mills & Reeve Services Limited is the main employing entity for Mills & Reeve's employees.

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