

GENDER PAY REPORT 2023



Clarion

At Clarion, we welcome annual gender pay gap reporting as a mechanism for increasing awareness and transparency for gender pay issues. A positive percentage figure represents where there is a gap which favours males and a negative figure one that favours females.

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

	Mean	Median
Hourly Rate of Pay	19%	20%
Bonuses Paid	33%	21%

Executive Summary

This year, we've seen a slight increase of 4% in our pay gap.

Our aim has always been to reduce the gap, so this unexpected finding has resulted in us carrying out greater analysis than in previous years to provide a clearer picture of the change and reasons for it. We firmly believe in transparency, and understanding why the gap has widened is essential.

We're an organisation that's developed a reputation for empowering the people who make us who we are. 70% of those people are women, holding a wide variety of roles at all levels. Last year some women holding senior positions accepted different opportunities elsewhere, whilst simultaneously, we recruited women into more junior roles. As a result, our pay gap data is measuring a higher ratio of senior men against a higher number of junior women compared to 2022.

This doesn't reflect an overall reduction in female representation across the firm which stands at 70.1% – with an increase of 0.2% overall.

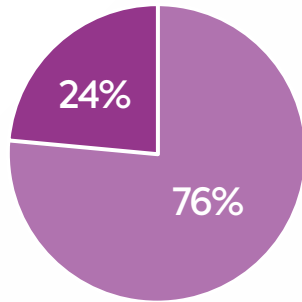
In 2022, we promoted 18 colleagues, 16 of which were women.

We continue to champion women's career development, and our data shows that our promotions process is not a barrier to women's progression at Clarion.

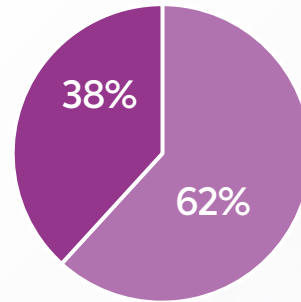
We're a firm that prides ourselves on providing equal pay for equal roles irrespective of the colleagues' gender. We will never change our stance on this, and the pay gap increase doesn't define any changes in this respect.



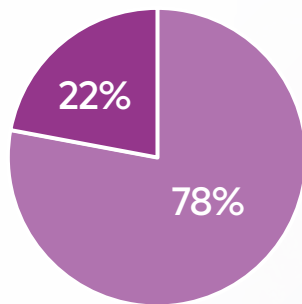
Lower Quartile



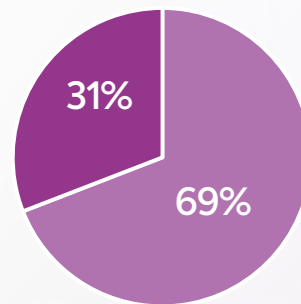
Upper Middle Quartile



Lower Middle Quartile



Upper Quartile



● Percentage of male

● Percentage of female

The mean pay gap is calculated using the average pay rate of all men and women. The difference between the two is the mean pay gap.

The median pay gap is calculated using the mid-point pay rate of all men and women i.e., where half earn more, and half earn less – the difference between the two is the median pay gap.

When interpreting the results of our gender pay gap, it is important to note that the purpose of the gender pay gap report is not to measure whether or not men and women are paid equally when performing the same role. We have always and will continue to adopt great scrutiny throughout our pay review to ensure that the same work or work of a similar value is remunerated in the same way irrespective of gender. Our rigorous approach includes

external salary benchmarking using a variety of sources, and the Management Board reviewing and approving all pay and bonus awards, to ensure consistency and equal pay across the firm. The gender pay gap measures the difference between the average hourly pay received by women across the business, and the average hourly pay men receive, this is the mean gender pay gap figure. It is broken down into quartiles for the purposes of the calculation, which shows the gender split of each quartile in the company.

The purpose of measuring the gap in this way is to note the disparity between the number of women in lower paid (more junior) roles versus men in higher paid (more senior) roles and this, despite our efforts, continues to be reflected in our data.

Our workforce continues to be predominantly female, and as can be seen in the pie charts above, women make up the majority of all quartiles, but are more represented in the lower quartiles with lower paid roles. Since April 2022, more female colleagues have occupied lower paid roles, as seen in the graph below:

Female representation by role

As of April 1st, 2023, All staff, All departments, Leeds

■ +3% difference
■ -3% difference

Role		Female	Total (including unknowns)	12 Months Ago Female Percentage	Change
Senior Management	0.0%	0	3 (3)	0.0%	0.0%
Partner	44.0%	11	25 (25)	50.0%	-6.0%
Legal Director	82.4%	28	34 (34)	74.1%	+8.3%
Senior Associate	66.7%	12	18 (18)	77.3%	-10.6%
Associate	67.3%	33	49 (49)	70.2%	-2.8%
Trainee	50.0%	9	18 (18)	54.5%	-4.5%
Paralegal	75.0%	18	24 (24)	66.7%	+8.3%
Head of Departments of Central Team	83.3%	5	6 (6)	83.3%	0.0%
Senior Central Support/Manager	62.5%	5	8 (8)	57.1%	+5.4%
Central Support	78.7%	37	47 (47)	76.0%	+2.7%
Admin Support	91.7%	11	12 (14)	90.9%	+0.8%
Apprentice	90.0%	9	10 (10)	80.0%	+10.0%
Total	70.1%	178	254 (256)	69.8%	+0.2%

Pirical.

This graph illustrates that our lower paid roles, typically administrative roles or Apprentices, are 91.7% and 90% female respectively. Our female representation at Partner level reduced by 6%, and we also recruited a male Partner between April 2022 and April 2023. While we increased our population of female Legal Directors significantly, the female population of Senior Associates decreased. The population of women in more junior roles such as Trainees, Paralegals and Apprentices also increased, which has affected our median gap, as well as the mean.

That said, the objective of gender pay gap is to highlight the disparity in pay caused by the gap between the number of women and men in senior roles.

Encouragingly, 16 of our 18 promotions in 2022 were women. The number of female Legal Directors far outweighs the male, which we also think means we have a strong talent pipeline of female Partners of the future.

Given the widening of the gap despite the promotion of women in the firm, we wanted to ensure that we did have parity between our roles and therefore calculated our mean fee earner pay gap, excluding the Partner role.

Paralegal

-9.60%

Associates

1.10%

Senior
Associates

2.20%

Legal
Director

8.30%

The results demonstrate the parity we expected to have achieved within roles. The largest gap is in women's favour, within the Paralegal population, and likely due to length of service, displaying greater experience in the role, but also indicating women are more likely to remain in this junior role for longer.

We have noted the gap in our Legal Directors which we believe is due to the majority of our male Legal Directors working within typically higher paying disciplines. Another consideration is the number of female colleagues far outnumber the number of male, so the range of salaries is likely to be more variable reflecting the greater variance in experience and length of service among the women.

We were delighted to find that the gap between bonuses paid did narrow significantly since 2022's report which is a great improvement. The bonus payments in the 12 months up to 5 April 2023 are considered for this calculation and we saw a fall in the mean pay gap of 7%, from 40% to 33% and a fall in the median pay gap of 10%, from 31% to 21%.

While there is still a gap, this is to be expected since profit share is calculated as a percentage of actual salary, meaning part time employees will receive their share based on their part time salary, where the gender pay gap is calculated by hourly pay and not affected by part time working. We recognise therefore that gender does play a part in our profit share calculations as the majority of our part time colleagues are women, who we are proud to support with their work/life balance.

The ability to be paid a referral bonus, as well as profit share, has helped to narrow the bonus pay gap and we hope, with the increase of the referral bonus last year, as well as the introduction of another referral bonus, we will continue to see this narrow. Since the number of women in the business outnumber the number of men, there is more likelihood that women will use this bonus, though the payment of this is completely irrelevant of gender. A small number of people were also paid an onboarding bonus which again, was paid irrespective of gender.

We know there is more work to do to address our gender pay gap, and we will continue to work to make our workplace an inclusive and open place, where everyone is welcome and encouraged to reach their aspirations.

To ensure this action translates to a narrowing pay gap, we know that there needs to be a combination of positive actions that promote an inclusive culture, address bias in the workplace, and attract men to our more junior roles, while promoting or hiring women to more senior.

We continue to be confident that both men and women are paid equally for performing equivalent roles across both central support and our fee earnings practice areas, which is supported by the analysis into the fee earner pay gap carried out and displayed above.

Looking Forward

We will continue to focus on encouraging career development in our female population. Since our last gender pay gap reporting snapshot date, we have appointed 3 female partners and have a market leading male to female partner ratio according to [Pirical](#) (our equality and diversity monitoring partner) and aim to reach a 50/50 split.

Our firm continues to be made up mostly of women, which we believe reflects that Clarion's culture is welcoming of women, who feel they can thrive here. We will continue to reflect this in our people strategy and pay procedures. We believe we have many female role models within the firm who can encourage women to progress in their careers, which would help to improve our pay gap.

The firm's people strategy and diversity and inclusion 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 provide coaching and guidance to our women in the run up to, and throughout their maternity leave, as well as on their return to work, and work to educate our current leaders to give support and encouragement where it is needed. The People team work closely with our BeingOne and Parents & Carers group to develop and introduce new initiatives. We are always looking for new ideas to develop this area of support and to ensure we deliver a consistent firm wide approach.

We hope that in the future more men will take advantage of the firm's shared parental leave policy and flexible working policies, to help reduce our bonus pay gap.

At a time when a lot of women can find the Perimenopause and Menopause challenging and therefore decide to leave the workplace, we have been acknowledged as being at the forefront of recognising this challenge and have developed strategies and initiatives to support our employees and retain them in the workplace, ensuring we do not lose our talented, often senior, women. This year, we will be working on our accreditation with menopause awareness organisation [Henpicked](#) to further this initiative.

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 of this report.

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

