

## BY EMAIL

Ms Rachel Reeves MP  
Chair of the Business, Energy and Industrial Strategy Committee  
House of Commons  
London  
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Allen & Overy LLP  
One Bishops Square  
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8 June 2018

Dear Ms Reeves

Thank you again for your letter to me of 25 May 2018 regarding gender pay gap reporting requirements and executive pay. We welcome the introduction of gender pay reporting and we are happy to provide responses to the questions posed in your letter.

We are committed to increasing the number of women in senior positions at Allen & Overy and to providing information which shows the progress we are making. We have published detailed data about the diversity of our firm on our website for a number of years and would like to provide the same degree of openness and transparency in our gender pay reporting for our London office.

Like other law firms we have found the lack of guidance about including partners in gender pay reporting unhelpful and we would welcome further clarity. You will note from our responses below that we are committed to publishing total compensation gender pay gap figures that include partners later this year. We will do so in the spirit and interest of transparency, however in the absence of further guidance which ensures that all partnerships report on a consistent basis, we have concerns about whether the figures we provide will enable a fair comparison with other firms.

The following are our responses to your questions:

- 1. What is the average gender pay gap at Allen & Overy when including all UK partners, either at 5 April 2017 (if readily comparable to gender pay gap without partners) or in the year leading to 5 April 2018?**

We did not include partners in our reported gender pay gap figures for the year to 5 April 2017 as they are not employees. We are already working on the figures for the year ending 5 April 2018, and have committed to publishing them, together with a partner and employee total compensation gender pay gap figure, in September 2018.

2. **What is the average gender bonus pay gap at Allen & Overy when including all UK partners, either at 5 April 2017 (if readily comparable to gender pay gap without partners) or in the year leading to 5 April 2018?**

We did not include our London<sup>1</sup> partners in our reported gender bonus gap figures for the year to 5 April 2017 as they are not employees. Partners have a profit share entitlement so, as set out above, we will be producing a partner and employee total compensation gender pay gap figure and will be publishing this figure in September 2018.

3. **What proportion of male and female staff at Allen & Overy received a bonus when including all UK partners either at 5 April 2017 (if readily comparable to gender pay gap without partners) or in the year leading to 5 April 2018?**

Our partner and employee remuneration packages are structured in different ways and our partners are not remunerated on the traditional basis of a salary and a bonus. For the year to 5 April 2017, 53.2% of our London female employees received a bonus and 55.5% of our London male employees received a bonus.

4. **What proportion of junior associates at Allen & Overy identify as female at May 2018?**

In order to answer this question, we have referred to our “associate grade”, typically newly qualified lawyers up to those between 5/5.5 years qualified. As at May 2018, 52% of our London associates identify as female.

5. **What proportion of senior associates at Allen & Overy identify as female at May 2018?**

In order to answer this question, we have referred to our “senior associate grade”, typically lawyers over 5.5 years qualified. As at May 2018, 46% of our London senior associates identify as female.

6. **What proportion of partners at Allen & Overy identify as female at May 2018?**

As at May 2018, 20% of London partners at Allen & Overy identify as female.

7. **What strategies do you have in place to help associates identifying as female progress to partner level?**

Earlier this year we refreshed our gender strategy to achieve progress year on year across the firm. This strategy has five areas of focus:

- **Partner responsibility and accountability:** Monitoring action across our international network to provide long-term visibility of our talent pipeline.
- **Distribution of opportunities:** Ensuring work and client opportunities are distributed to take into account the development of experience and business cases for progression, as well as flexible working needs.
- **A supportive working environment:** Encouraging more people to adopt informal and formal flexible working patterns, including launching a pilot ‘hub’ office in London to reduce commuting times.

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<sup>1</sup> Allen & Overy’s London employees are the only employees covered by the Gender Pay Gap regulations.

- Alternative career paths: Actively demonstrating the range of different ways that our people achieve career success.
- Supporting Allen & Overy's parents: Ensuring we have a consistent set of standards for maternity and parental leave, embedding parental coaching and encouraging more informal and formal flexible working practices.

These five strategic areas build on our existing work in this area which includes:

- Rigorous reporting across all offices to measure progress on our pipeline and how we are supporting women.
- A global Gender Advisory Committee of 21 partners to oversee action and progress against our objectives.
- The formation of a global cohort of senior associates who are supported to take a leadership role in the firm and to be active role models.
- Development programmes for female junior and mid-level associates aimed at inspiring and developing them to continue their careers at Allen & Overy.
- Sponsorship training for partners which emphasises the importance of effective sponsorship for women's career progression.
- Reverse mentoring, in which senior leadership are mentored by more junior lawyers and support staff to give an insight into their experiences of Allen & Overy, including career aspirations, motivations and potential barriers.
- An ongoing dialogue with our people so that we understand and respond to the barriers to female progression.
- Involvement in a number of women's networks internationally which includes organising and hosting our own events as well as collaborating with clients and other law firms to inspire women and debate the issues more widely. Men are actively encouraged to join many of these networks and attend events.

**8. What strategies do you have in place to help partners identifying as female progress to Executive Committee and Board levels?**

In 2016 we set a short-to-medium term target to have 30% of women in leadership positions at Allen & Overy. In 2017 we launched a new programme to support, mentor and coach partners with leadership ambitions. A stated aim of this programme is to increase female representation at the most senior level in the firm.

**9. What success have you had with increasing female progression to partner, Executive Committee and Board levels? Please provide detailed statistics on success rates and the precise timeframe used for each indicator.**

As at May 2018, 30% of our Executive Committee and 33% of the elected independent partner directors on our Board identify as female. In addition, 50% of our Risk Committee, 42% of our People & Performance Board, 32% of our Clients & Markets Group and 33% of the Equity Committee identify as female.

I hope that the above provides you with the information you require.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Wim Dejonghe', written in a cursive style.

**Wim Dejonghe**  
Senior Partner