



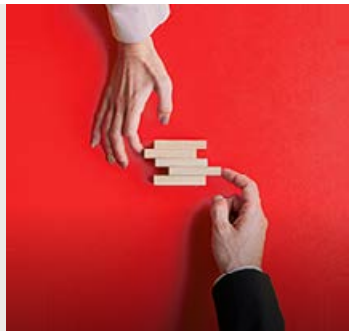
Gender Pay Gap Report 2022

Our Values



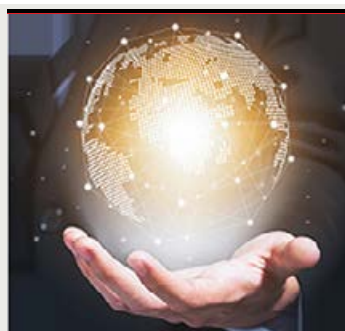
Partnership

We are a partnership - with our clients and each other. We value teamwork and collaboration.



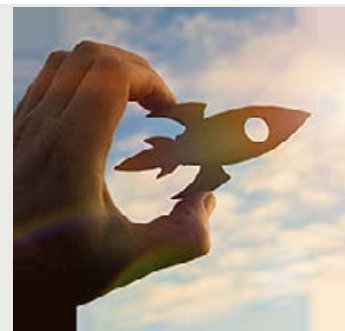
Respect

Respect is at the core of how we engage with each other, our clients and the work we do.



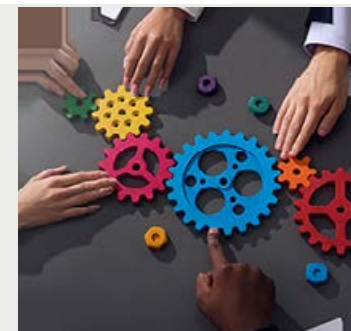
Innovation

We challenge the status quo and seek better ways to work, create value for our clients and empower our people to innovate.



Diversity

We are committed to fostering a diverse and inclusive workplace where all of our colleagues and their contributions and perspectives are valued and respected.



Entrepreneurship

We are a business focused and solution oriented organisation, using strong commercial acumen to serve our clients.

Introduction

“We are committed to being a key part of the change needed to advance gender equality within the legal sector”.



On International Women’s Day 2022, Minister for Children, Equality, Disability, Integration and Youth, Roderic O’Gorman TD, announced the introduction of gender pay gap reporting in the Republic of Ireland. Establishing the legislative basis for gender pay gap reporting and regulations was seen as an important step to achieving gender equality in the workplace.

At Matheson LLP, we are committed to being a key part of the change needed to advance gender equality within the legal sector. Our firm’s values – Partnership, Respect, Innovation, Diversity and Entrepreneurship (PRIDE) – which were developed in consultation with our employees, define who we are, what we stand for and are the foundation to providing a supportive culture where all our people are equally valued and recognised for the work they do.

We are pleased to report that our efforts are having an impact. Our analysis shows that on certain metrics we have effectively no gender differences in the average hourly pay paid to our male and female employees. Excluding bonus payments, there is a negative mean hourly pay gap of **-1.5%**, meaning females earn slightly more per hour than our male employees.

Underlining our commitment to treating all individuals and groups of individuals fairly and equally within our firm, we are:

- Founding members of the **OUTLaw Network**, aimed at promoting the inclusion of LGBT+ employees across the legal sector in Ireland;
- One of the founding allies of the **disAbility Legal Network**, which promotes equal opportunities for people with disabilities within the legal sector; and,
- Signatories to the Law Society of Ireland’s **Gender Equality, Diversity and Inclusion (“GEDI”) Charter**.

We have worked hard to put diversity and inclusion at the heart of our firm and we are proud that our efforts are having an impact and are being independently recognised by our peers. We are the first and only organisation in Ireland to have been recredited by the Irish Centre for Diversity with their ‘*Investors in Diversity*’ Gold Standard.

This is a fantastic achievement which reflects the efforts of everyone across the firm. Our sector leading approach to diversity and inclusion saw us named ‘*Diversity and Inclusion Law Firm of the Year*’ for the second year running at the **Irish Law Awards 2022**.

The gender pay gap is not only about equal pay for equal work or work of equal value, which is required under the Employment Equality Acts, but about gender representation. For the last number of years, our focus on attracting and engaging female talent has resulted in **females making up 65% of our overall workforce**. Here too, our efforts are being independently recognised.

This year, **The Lawyer**, in its **European 100** report ranked Matheson’s female / male partner gender ratio the most diverse in Ireland and the third most gender diverse in Europe (up 4 places since 2020 when we were ranked 7th in Europe).

Since January 2021, 41% of our new partner appointments have been female and today, 40% of our firm-wide partners group is female.

These numbers demonstrate the opportunities that we are committed to making available to female employees and to ensuring they have the same opportunity to progress within our business as their male colleagues. Our approach to supporting our female colleagues with defined career pathways was recognised at the **European Women in Business Law Awards** where we were named ‘*Career Development: National Firm of the Year*’ and ‘*Ireland Firm of the Year*’.

While these accolades are welcome, there are gender pay gaps which indicate that we must continue and accelerate the work we have been doing. Those gaps are higher than we would like and there is a lot more work to be done, but we are committed to actions to address them while continuing to have regard to the health and strength of our business. We must continue to challenge ourselves, to ensure that we are putting equality and fairness at the forefront of our business, for the benefit of our people, our firm and our clients.

Michael Jackson
Managing Partner

Gender Pay Gap Reporting Explained.

The Gender Pay Gap Information Act 2021 requires organisations to report on their hourly gender pay gap across a range of metrics. Organisations with over 250 employees are being asked to report on their gender pay gap for the first time in 2022.

What is the gender pay gap?

The gender pay gap refers to the difference in the average hourly rate of pay between women and men in an organisation, expressed as a percentage of the average male earnings. It is a means of capturing whether women are represented evenly at all levels within an organisation.

Is gender pay gap the same as equal pay?

No. Gender pay does not mean the same thing as equal pay. The Employment Equality Acts set out the legal right to equal pay for all employees – whether as individuals or in groups – performing the same or comparable work.

The gender pay gap is different. It focuses on the difference in the average earnings of men and women in the same organisation, over a selected period of time. This metric is irrespective of an employee's role or seniority. It covers a very broad spectrum. It does not indicate or identify discrimination or bias, or even an absence of equal pay for equal work.

What is the mean pay gap?

The mean gender pay gap is the difference between women's mean hourly wage and men's mean hourly wage. The mean hourly wage is the average hourly wage for employees across the entire organisation.

What is the median pay gap?

The median gender pay gap is the difference between women's median hourly wage (the middle paid female employee) and men's median hourly wage (the middle paid male employee). The median hourly wage is calculated by ranking all employees – from the highest paid to the lowest paid – and taking the hourly wage of the employee in the middle.

What are the quartiles?

Pay quartiles are calculated by splitting all employees in an organisation into four even groups according to their level of pay. Looking at the proportion of men and women in each quartile gives an indication of the gender representation at different levels of the organisation.



Matheson Gender Pay Gap Analysis

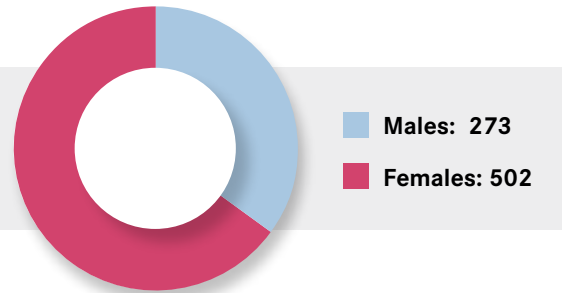
To give the most representative picture, we are publishing the consolidated data of **Matheson LLP** and of **Matheson Support Services Unlimited Company (MSS)**, which are owned by our equity partners.

MSS was established to provide Matheson LLP with serviced offices and related facilities management services and a range of support functions, including; Secretarial; HR; Accounting and Finance; IT; Marketing; Learning & Development; Business Development; and other support functions.

This report shows our overall gender pay and bonus gaps based on hourly rates of pay as at the snapshot date of **19 June 2022** and bonuses paid in the year to 19 June 2022.

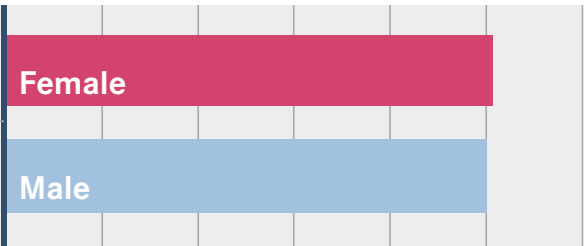
On that date, our firm employed **775 people**, including part time and temporary employees. **65%** of our employees were female.

Employees



Mean Hourly Pay Gap

Mean hourly pay gap excluding bonus

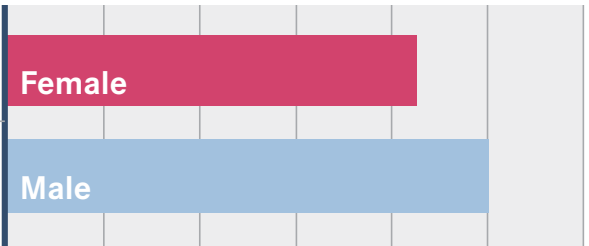


There is a -1.5% mean hourly pay gap excluding bonus

When we exclude bonus payments, across the firm the mean hourly pay gap is **-1.5%**, meaning women are paid on average slightly more per hour than men. Our efforts to ensure gender parity have resulted in effective pay parity, based on performance and hours worked.

The mean hourly gender pay gap is driven by a number of different internal and external factors, including that we have more men than women in senior higher-earning positions. However, one of the main factors driving this number is that bonus payments are included in the calculations. The bonus scheme is open to male and female employees equally, and is applied to both groups on the same basis. A much higher percentage of female employees receive pro-rata bonus payments under the scheme each year, due to the higher number of female employees availing of various forms of family leave at any given time. The disproportionate impact that the bonus scheme has on the numbers is borne out in the comparison between our mean hourly pay gap excluding bonus of -1.5% and our mean hourly pay gap including bonus of 15%.

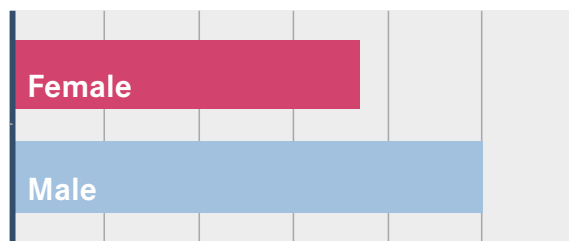
Mean hourly pay gap including bonus



There is a 15% mean hourly pay gap including bonus

Each year for the past five years we have analysed the data from our annual pay and bonus review processes to ensure that people working in the same role, with the same experience, are not being discriminated against. We are therefore confident that men and women performing at the same level are paid equally for doing equivalent jobs across the firm.

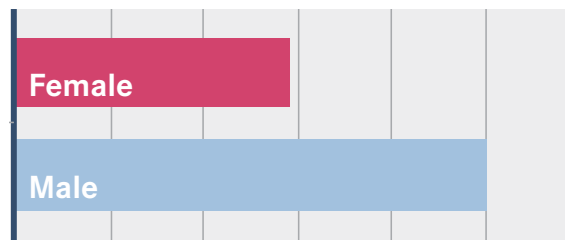
Median hourly gender pay gap



The median hourly pay gap between male and female employees is 26%.

The median hourly gender pay gap is calculated by ranking all employees from the highest paid to the lowest paid and taking the hourly wage of the person in the middle.

Mean bonus pay gap



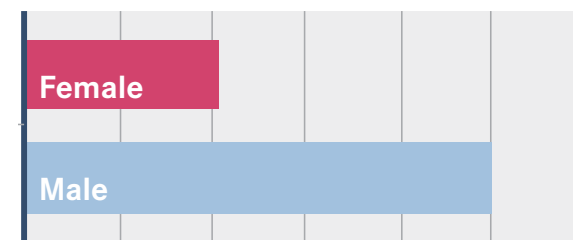
The mean bonus pay gap is 42%.

The firm-wide mean bonus pay gap between male and female employees is **42%**. The mean bonus pay gap calculation ignores the fact that, in line with market practice and Irish law, employees receive a pro-rata reduced bonus if out on family leave. Instead it compares them with employees who have been working for the full 12 months and received a bonus based on the full period. Likewise, the calculation does not take account of joiners starting during the year or part-time arrangements. More female than male employees avail of part-time arrangements and take more family leave. This has a disproportionate impact on the results.

Of the 79 employees availing of family leave in 2021, for example, 62 were female. Even within this group, female employees took more leave than the male employees, accounting for 97% of all family leave taken. Each period of leave impacts on the results, since it means the female employee will not have the same opportunity to earn the same bonus as a male employee who does not take such leave during the same performance period. Many of these colleagues are quite senior and at this level, the pro-rata bonus can have a significant negative impact on the overall numbers.

The firm remains fully committed to supporting employees availing of family leave, in particular to ensure that when they return from leave, they can quickly return to the same level of performance and avail of the same earning opportunities as their colleagues. Our People Strategy has many supports and initiatives in place to enhance flexibility and work / life balance.

Median bonus pay gap



There is a 59% median bonus pay gap.

The median bonus pay gap is calculated by ranking all employees from the highest paid to the lowest paid and taking the bonus remuneration of the person in the middle. The median calculation incorporates reduced pro-rata bonuses in the same manner, leading to the same outcome.



Quartiles

% of employees who fall into	Male	Female
Q1: Lower remuneration quartile band	33%	67%
Q2: Lower middle remuneration quartile band	30%	70%
Q3: Upper middle remuneration quartile band	27%	73%
Q4: Upper remuneration quartile band	57%	43%

Our employee profiles in quartiles 1 and 2 broadly reflect the demographic profile of our firm, with quartile 3 showing more females than the firm average.

Roles in the lower quartiles include many business services and secretarial employees, where market salaries are lower than for lawyers.

Quartile 4 includes those in more senior lawyer and senior business services positions.

Equity Partners

Our Equity Partners are the owners of the business, sharing the risks and benefits associated with ownership. While we are not obliged to disclose the earnings gap for our partners (because they are not employees), it is important to understand this as we continue to address the gender balance at partnership level.

Our mean hourly pay gap at partner level is 15%.

This pay gap reflects the lockstep model of partnership at Matheson, where length of tenure is a key determinant of remuneration. Male and female employees receive the exact same profit share according to their tenure as a partner.

What this tells us is that we currently have more longer-serving male equity partners than female equity partners. While some of our longest-serving equity partners are female, traditionally, more men than women have been promoted to equity partnership within the firm.

In recent years this has changed, reflecting the continued proactive measures we have been taking to ensure more gender balance at senior levels.

	2012	2022
Male Partners	79.2%	72.1%
Female Partners	20.8%	27.9%

If we include Equity Partners in our overall figures, our mean hourly pay gap is 61%.

Our Action Plan

“Matheson is committed to promoting a culture where communication, transparency and a policy of fairness and equality transcends not just pay but every aspect of our culture”.



Our Cara Commitment sets out our ambitions to drive change internally and externally:

- Attract, engage, develop and empower diverse talent; Further embed our core values;
- Partner with our clients and community to contribute to wider D&I initiatives;
- Be recognised as an inclusive and psychologically safe workplace, where all Matheson employees feel they belong;
- Build diverse and inclusive teams to deliver innovative solutions for our clients and business.

Policies and actions to address the pay gap across our firm include:

Action

Effective monitoring of starting salaries, pay progression, career progression, retention, promotions, and flexible working and family leave arrangements at all levels of seniority in the business.



Policy

- **Benchmarking** of salaries and career progression pathways against peer firms.
- **Annual review** of remuneration and bonus remuneration across the firm to ensure employees are receiving equal pay for equal work.
- Defined **career pathways** and **merit-based promotions**.
- Continued focus on **Diversity Equality and Inclusion (DE&I)** supports and initiatives that feed into the firm's People Strategy and broader Impactful Business Programme (IBP).
- Introduction in 2023 of a **bespoke mentoring programme**.

Action

Ensuring our operational structure enables progression to senior level with flexible working arrangements in place.



Policy

- Continuous monitoring of **progression pathways** to ensure employees on maternity / paternity leave have the same access to career opportunities and are not subject to unconscious bias.
- **Matheson Agile, the firm's Agile Working Programme** feeds into our Hybrid Working programme and gives employees the opportunity to avail of flexibility around how and where they work, while continuing to deliver at the highest levels for the firm's international and domestic client base.
- A **Hybrid Work policy** (as referred to above) is in place with option to work from home up to 3 days per week.

Action

Policies to support colleagues before, during and following maternity leave.



Policy

- **Maternity leave benefit provided** – enhanced pay for the statutory period of maternity leave.
- **Targets adjusted** before maternity leave and on return to ease the transition and reduce the burden for the employee during what can be a challenging time managing dual roles, ie. that of a parent and an employee.
- **Maternity buddy system** in place. This programme provides an informal channel for employees to meet up with other maternity returners and share experiences of returning to work.
- **Matheson Coaching Programme** gives practical and emotional support to parent transition, while also helping to identify short-, medium- and longer-term career goals, recognising that returning from maternity leave can introduce a renewed focus on career development.
- **Flexible working**; Option for new mothers to work from home full-time during the initial twelve months following their return from maternity leave.

Action

Reviewing policies and addressing workplace culture to ensure that men are encouraged to avail of paternity, parental and flexible working arrangements.



Policy

- **Paternity workshops** designed to facilitate discussions with new dads and to offer advice and tips on how to navigate the dual role of parent and employee.
- **Paternity leave** – enhanced pay for the statutory period of paternity leave of the with targets adjusted for that period to reduce the burden on the new parent.
- **Flexible working:** Option for new dads to work from home full-time during initial twelve months following the birth of their child.

Action

Promoting gender diversity and tackling unconscious bias.



Policy

- **D&I Ambassador Committee** established with D&I embedded into our Impactful Business Programme. We are committed to fostering a diverse and inclusive workplace where all of our colleagues and their contributions and perspectives are valued and respected.
- **Matheson Together** LGBTQ+ support programme.
- **Training programmes** in place to address unconscious bias in terms of diversity, and ensuring employees working remotely have the same access to career opportunities and are not discriminated against based on their hybrid working choices.
- All those involved in interviewing new talent remain mindful of any potential bias in their selection process.

Matheson Gender Pay Gap Report

2022 Disclosure

Employee Profile

Employer	Female	Male	Total	Female %	Male %	Total
Matheson	339	174	513	66%	34%	100%
Matheson Support Services	163	99	262	62%	38%	100%
Grand Total	502	273	775	65%	35%	100%

Quartiles	Q1		Q2		Q3		Q4	
	Lower remuneration		Lower middle remuneration		Upper middle remuneration		Upper remuneration	
	M	F	M	F	M	F	M	F
Matheson	35%	65%	27%	73%	28%	72%	44%	56%
Matheson Support Services	48%	52%	12%	88%	25%	75%	41%	59%

Gender Pay Gap Data, excluding Equity Partners

Legal entity	Mean hourly gender pay gap	Mean bonus gender pay gap	Median hourly gender pay gap	Median bonus gender pay gap	% males paid bonus	% females paid bonus	% males paid bik	% Females paid bik
Matheson	15%	42%	6%	50%	88%	91%	8%	6%
Matheson Support Services	16%	40%	9%	0%	81%	90%	19%	4%

Temporary Employees

Legal entity	Mean gender pay gap	Median gender pay gap
Matheson	-5%	0%
Matheson Support Services	-5%	-72%

Part Time Employees

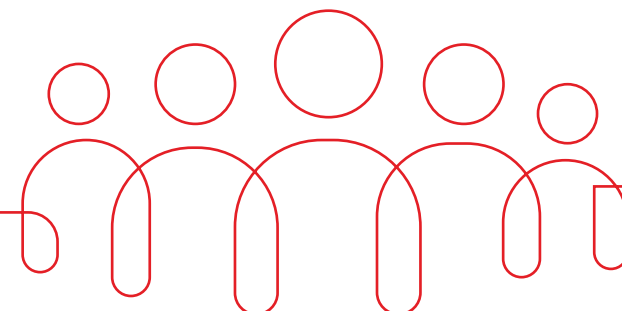
Legal entity	Mean gender pay gap	Median gender pay gap
Matheson	35%	41%
Matheson Support Services	N/A	N/A

Data, including Equity Partners

Legal entity	Mean hourly gender pay gap	Mean bonus gender pay gap	Median hourly gender pay gap	Median bonus gender pay gap	% males paid bonus	% Females paid bonus	% males paid bik	% females paid bik
Matheson	61%	81%	24%	73%	90%	91%	7%	6%
Matheson Support Services	37%	87%	26%	42%	86%	90%	14%	4%

Employee Profile – Quartiles, including Equity Partners

Quartiles	Q1		Q2		Q3		Q4	
	Lower remuneration		Lower middle remuneration		Upper middle remuneration		Upper remuneration	
	M	F	M	F	M	F	M	F
Matheson	33%	67%	30%	70%	27%	73%	57%	43%
Matheson Support Services	43%	57%	12%	88%	35%	65%	62%	38%





Our Network:

Offices in Dublin, Cork, London, New York, Palo Alto and San Francisco.



Our People:

- A team of **775** people.
- **105** partners and tax principals.
- **530** legal, tax and digital services professionals.



Signatories to:

- The Law Society of Ireland's Gender Equality, Diversity and Inclusion ("GEDI") Charter.
- The Mindful Business Charter – the first Irish headquartered law firm to do so.
- The Law Society of Ireland's Professional Wellbeing Charter.



Diversity & Inclusion Committee includes representatives from all levels across the firm

Committed to treating all individuals and groups of individuals fairly and equally within our firm, we are:

- Founding members of the OUTLaw Network, aimed at promoting the inclusion of LGBT+ employees across the legal sector in Ireland;
- One of the founding allies of the disAbility Legal Network, which promotes equal opportunities for people with disabilities within the legal sector.



Independent Recognition

- **Investors in Diversity Gold Standard**
Irish Centre for Diversity
- **Most gender diverse female / male partner gender ratio in Ireland, and third most gender-diverse in Europe**
The Lawyer European 100 report 2022
- **Career Development: National Firm of the Year**
European Women in Business Law Awards 2022
- **Ireland Firm of the Year**
European Women in Business Law Awards 2022
- **Diversity and Inclusion Law Firm of the Year**
Irish Law Awards 2021 and 2022



6 areas of focus:

